

SOUTH LANARKSHIRE  
Leisure & Culture

**BOARD MEETING – 29 MAY 2024, 3PM**

**AGENDA**

**Location: Hamilton Townhouse**

**Agenda  
Item**

1. Sederunt
2. Apologies
3. Declarations of Interest – Annual Return
4. Presentation – Inclusion Projects
5. Minutes of Previous Meeting
6. Action Log
7. Matters Arising
8. Resolution
9. Performance Report
10. Revenue Budget Update 2023/24
11. Savings Implementation Update 2024/25
12. Revenue Budget 2024/25
13. Committee Membership
14. Audit Committee Update
15. Savings Process (verbal)
16. Transformation Fund
17. Board Recruitment (verbal)
18. AOCB
19. Risk Register Implications

**Date of Next Board Meeting (Standard) – 4 September 2024**



*South Lanarkshire Leisure and Culture SCIO is Scottish Charitable Incorporated Organisation (Scottish charity number SC023549) responsible for the operation, management and delivery of leisure and cultural activities on behalf of South Lanarkshire Council.*

Minutes of Meeting of the Board of Directors of South Lanarkshire Leisure and Culture SCIO held on MS Teams on Monday 15 January 2024.

## 1. Sederunt

### Chair:

Avril Osborne

### Board Members:

Cllr John Anderson, Angela Beggan, Neil Brown, Cllr Andrea Cowan, Robert Craig, Craig Cunningham (agenda items 1-10), Cllr Maureen Devlin, Cllr Ross Lambie, Lisa Maule (agenda items 1-8), Alan Morrison, Cllr Mo Razzaq, Stephen Smellie

### In Attendance:

Kay Morrison (Chief Executive)  
Nick Lansdell (Head of Strategy and Governance)  
David Carter (Head of Operations and Estates)  
Martin Cryans (Head of Business Development)  
Ross McKie (Head of Corporate Services)  
David Booth (Executive Director of Community and Enterprise Resources)  
Tom Little (Head of Corporate Communications)

## 2. Apologies

Chris Goudie

The Chair welcomed Trustees to the meeting and advised Tom Little, South Lanarkshire Council's Head of Corporate Communications was in attendance in anticipation of today's decisions being released immediately subject to agreement.

Trustees were reminded that their decisions should be in the best interest of the SCIO and of the requirement to maintain confidentiality in all sensitive and strategic deliberations.

## 3. Declarations of Interest

Craig Cunningham declared his employment with the Health and Social Care Partnership who provide funding to South Lanarkshire Leisure and Culture (SLLC).

Lisa Maule declared her position as a Non-Executive Director for the trading subsidiary at Fife Cultural Trust (OnFife).

## 4. Minutes of Previous Meeting

The minutes of the Board meeting held on Monday 15 January 2024 were submitted for Board approval as a correct record.

**The Board:** approved the minutes.

## 5. Action Log

The action log of the Board meeting held on Monday 15 January 2024 was submitted for Board approval as a correct record.

- ◆ The Chair requested that the action log contain time scheduled actions going forward.

**The Board:** approved the action log.

## 6. Matters Arising

There were no matters arising.

## 7. Revenue Budget 2023/24

The Board was presented with a report providing an update on the most recent 2023/24 budget monitoring position as at 31 December 2023 and on the outturn position for 2023/24.

**Recommendation:** The Board is asked to note the content of the report.

- ◆ The creation of a financial plan was welcomed however concern was raised regarding the use of reserves and the potential impact on SLLC's longer term strategic financial direction.
- ◆ The Board were assured that, subject to the year end position, it is looking positive that there will be some reserves by the end of the year.
- ◆ Mitigations for the new financial year, including potential redeployment, will be covered in the next agenda item.

**The Board:** noted the report.

## 8. Price Increase and Savings Proposals 2024/25

The Board was presented with a report providing proposals to balance the projected budget gap for 2024/25.

**Recommendations:** The Board is asked to approve the following recommendations:

- (1) That the projected budget gap of £6.335m for 2024/25 is noted.
  - (2) That South Lanarkshire Council's budget decision to reduce the Management fee provided to South Lanarkshire Leisure and Culture to operate services on its behalf is reduced by £0.750m is noted.
  - (3) The package of savings recommendations to balance the budget for 2024/25 consisting of; one-off mitigations as outlined at 4.2 - 4.6; options to increase income as outlined 4.7 - 4.12; and proposals to reduce expenditure as outlined 4.13 – 4.29 are approved.
- ◆ The Board were reminded that the recommendations contained in the report had been influenced by South Lanarkshire Council's own budget decisions on 21 February 2024 and were presented with a letter from the Leader of the Council which had been circulated to the Board just ahead of today's meeting. The Board were afforded time to read through the letter in the meeting.
  - ◆ The Chair made the Board aware of a resolution that had been received on 27 February however explained that the resolution was deemed not competent as it had not been received three days in advance of the meeting, as per the Governance Guide approved by the Board on 15 November 2023. There was also discussion regarding the content of the resolution and the uncertainty that additional funding would be forthcoming from the Scottish Government.
  - ◆ The Chair reminded the Board that individual Trustee voting is not recorded, as per the constitution, but that Trustees should collectively approve or not approve the recommendations or may abstain.
  - ◆ Trustees were assured that should additional funding be forthcoming from the Scottish Government, SLLC officers would consider the best use of that money however were further advised that any additional funding is likely to fall significantly short of the current budget gap.

The Board will be updated regarding any opportunities for additional income throughout the year.

- ◆ The Chair will write to the Leader of South Lanarkshire Council, on behalf of the Board, to ensure that SLLC are considered should any additional funding be forthcoming from the Scottish Government.
- ◆ The Board were guided through each section of the report outlining the proposals to balance SLLC's budget gap for 2024/25.
- ◆ Comment was made on the representations contained in the consultation comments from members of the public and community groups in support of the services provided by SLLC adding to the Board's awareness of the weight and impact of making today's deliberations and decisions.
- ◆ The Chair thanked Trustees for their input throughout the process and appreciated that difficult decisions had to be made but was hopeful that the work of SLLC officers had provided comfort to the Board in making these difficult, but necessary, decisions.
- ◆ The Board were reminded of the planned communication timeline, following Board decision, and were asked to hold confidentiality until notified that the outcome was in the public domain.

**The Board:** approved the recommendations.

## 9. Governance Guide

The Board was presented with the South Lanarkshire Leisure and Culture SCIO (SLLC) Governance Guide for Trustees.

**Recommendations:** The Board is asked to approve the following recommendation:

(1) That the update Governance Guide for Trustees is approved.

- ◆ The Head of Strategy and Governance was commended on his work to provide a real working tool for Trustees.
- ◆ An iterative approach to the Governance Guide will be adopted with a further formal review to take place in 2027.

**The Board:** approved the recommendation.

## 10. Committee Membership

The Board was presented with a report seeking approval of the South Lanarkshire Leisure and Culture SCIO (SLLC) Board committees membership.

**Recommendations:** The Board is asked to approve the following recommendations:

- (1) That the proposed membership of the Performance, Finance and Audit Committee; Policy and Strategy Committee; and Nominations Committee is approved.
- (2) The Chair of each committee is approved.
- (3) That the Vice Chair of each committee is approved.

- ◆ Following discussion, Board decision was deferred to the next Standard Board meeting on 29 May 2024 to allow further consultation with Trustees regarding committee membership.

**The Board:** agreed to defer decision until the next Standard Board meeting on 29 May 2024.

## 11. Performance Report

Due to timing, the Board were advised to contact the Head of Strategy and Governance should they have anything to highlight or seek clarification on in relation to the performance report for the third quarter of 2023/24.

## 12. Audit Committee Update

The Board was provided with an update from the last Audit Committee Meeting held on 5 February 2024.

- ◆ The Chair of the Audit Committee highlighted the opportunity for the Board to submit any particular areas they would like Internal Audit to concentrate on for 2024/25 Audit Plan to the Head of Strategy and Governance.

**The Board:** noted the update.

## 13. Gender Pay Gap

The Board was presented with an update on the legal requirement for South Lanarkshire Leisure and Culture (SLLC) to produce Gender Pay Gap information and provide details of the position as at 5 April 2023.

**Recommendations:** The Board is asked to note the following:

- (1) The SLLC Gender Pay Gap data is available on the Government website (<https://gender-pay-gap.service.gov.uk>), and
- (2) The accompanying statement is available on SLLC's website, with a link to the Government website.

**The Board:** noted the update.

## 14. AOCB

### Equality and Diversity Training

- ◆ Trustees were advised that communication regarding online training in equality and diversity will be issued in the coming days.

### SLLC Reserves

- ◆ Although SLLC is a not-for-profit SCIO, there was a request for consideration to be given to building a reserves policy into the accounts for the next financial year.
- ◆ The Chief Executive and Head of Strategy and Governance will liaise with the Chair of the Audit Committee on this and will bring an update to a future Board meeting.

### South Lanarkshire Council Capital Programme – Larkhall Leisure Centre

- ◆ The Board were advised that the approved SLC Capital Programme includes provision for a new leisure centre in Larkhall. A Council-led project team has been created which will include representation from SLLC. The project is in the initial stages of community consultation with a design team working up options for the new centre.

## 15. Risk Register Implications

Nothing to note in risk register as a result of this meeting.

### Date of Next Meeting

The Board were advised that the Special Board meeting originally scheduled for 27 March would be rearranged for 17 April due to the availability key personnel involved in providing reports due to matters outwith their control.

Therefore, the next Special Board meeting is scheduled for 3pm on Wednesday 17 April 2024 on MS Teams and the next Standard Board meeting is scheduled for 3pm on 29 May in the Cadzow Room, Hamilton Townhouse.

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Chair

## Board Action Log

Blue – Action is complete  
 Red – Action not on track with major issues  
 Amber – Action mainly on track with some minor issues  
 Green – Action is on track

Board Meeting – 28 February 2024				
Agenda Item	Action	Person(s) Responsible	Timescale	B/R/A/G
Agenda Item 8 Price Increase and Savings Proposals 2024/25	The Chair will write to the Leader of South Lanarkshire Council, on behalf of the Board, to ensure that SLLC are considered should any additional funding be forthcoming from the Scottish Government.	Chair	29 February 2024	Complete 29 February 2024
	Communications to be sent to Trade Unions, SLC staff following Board decision.	Chief Executive	28 February 2024	Complete 28 February 2024
	SLLC Budget and Services Update to be published on website following Board decision.	Chief Executive	28 February 2024	Complete 28 February 2024
Agenda Item 9 Governance Guide	Approved with further formal review to take place in 2027.	Head of Strategy and Governance	Scheduled for 2027	Scheduled for 2027
Agenda Item 10 Committee Membership	Decision deferred to next Standard Board meeting on 29 May 2024 to allow further consultation with Trustees regarding committee membership.	Head of Strategy and Governance	29 May 2024	On track 29 May 2024
Agenda Item 14 AOCB – Equality and Diversity Training	Trustees were advised that communication regarding online training in equality and diversity will be issued in the coming days.	Head of Strategy and Governance	March 2024	Complete 15 March 2024
Agenda Item 14 AOCB – SLLC Reserves	Consideration to be given to building a reserves policy into the accounts for the next financial year.	Chief Executive / Head of Strategy and Governance / Head of Corporate Services / Chair of Audit Committee	By December 2024	On track December 2024

## Previous Actions

<b>Board Meeting – 15 January 2024</b>			
<b>Agenda Item</b>	<b>Action</b>	<b>Person(s) Responsible</b>	<b>Comments/Outcome B/R/A/G</b>
Agenda Item 7 Activage Proposals 2024/25	SLC to be advised that the Board have approved the recommendation which should now be submitted to full Council for approval on 21 February.	Head of Strategy and Governance	Complete
Agenda Item 8 Structure (verbal update)	The Board will be presented with a structure report for noting.	Chief Executive	Complete 17 April 2024

<b>Board Meeting – 15 November 2023</b>			
<b>Agenda Item</b>	<b>Action</b>	<b>Person(s) Responsible</b>	<b>Comments/Outcome B/R/A/G</b>
Agenda Item 6 Performance Report	Financial forecasting for 12-month period to be added to report.	Head of Corporate Services / Head of Strategy and Governance	On track 4 September Board
	Forecast on memberships across the year to be added to the report.	Head of Strategy and Governance	On track 4 September Board
	Update for Board regarding new booking app.	Head of Corporate Services / Head of Strategy and Governance	On track Future Board meeting
Agenda Item 7 Revenue Budget 2023/24	Follow up on implications as a result of changes to concessionary charges.	Head of Corporate Services / Head of Strategy and Governance	Complete 15 January Briefing Session
Agenda Item 8 Price Increase and Savings Proposals 2024/25	Modelling information to be overlaid with data from Council asset review, CAT and plans for future investment.	Head of Operations and Estates / Head of Corporate Services	Complete 15 January Briefing Session
	EQIA for Activage to incorporate marketing and affordability.	Head of Business Development	Complete 15 January Board
	Updated report to be brought to the Board regarding Activage proposals.	Head of Strategy and Governance	Complete 15 January Board
Agenda Item 9 Governance Guide	Governance Guide to be reviewed to ensure no material changes. If identified, document must be reviewed again by Shepherd and Wedderburn.	Head of Strategy and Governance	Complete 28 February Board
	Breach of code of conduct process to be expanded upon.	Head of Strategy and Governance	Complete 28 February Board
	Clarity to be provided on the submission of competent motions.	Head of Strategy and Governance	Complete 28 February Board
	Statements of interest in committee membership to be collated and a report brought to the Board.	Head of Strategy and Governance	Deferred 29 May Board
Agenda Item 10 Biggar Public Park Future Update	Progress reports will be presented to the Board as necessary.	Head of Strategy and Governance	Ongoing Future Board meetings

Agenda Item 12 SLC Strategic Commissioning Plan	The Board will have the opportunity to review the Plan ahead of this being submitted for Council for approval.	Head of Strategy and Governance	Ongoing Future Board meeting
Agenda Item 16 Service Update – Larkhall/ Dollan	The Board will be kept updated on progress with repairs at Larkhall (sports halls flooring) and the Dollan (pool floating floor).	Head of Operations and Estates	Ongoing Via email or future Board meeting
Agenda Item 18 Board Meeting Schedule	Updated Board meeting schedule to be issued to Board.	Head of Strategy and Governance	Complete

<b>Board Meeting – 9 August 2023</b>			
<b>Agenda Item</b>	<b>Action</b>	<b>Person(s) Responsible</b>	<b>Comments/Outcome B/R/A/G</b>
Agenda Item 7 Performance Report	Include total budget for the year column in budgetary position table. Consider line graph to demonstrate income against expenditure.	Company Secretary	Complete 15 November Board
Agenda Item 8 Revenue Budget 2023/24	OSCR recommendations regarding reserves will be monitored and an update brought to the Board, as necessary.	Company Secretary	Ongoing Future Board meetings
Agenda Item 9 Board Paper Publication	August Board papers to be published online no later than five working days after the date of the Board meeting.	Company Secretary	Complete 15 August 2023
Agenda Item 10 Code of Conduct	Governance Guide to be presented to the Board.	Company Secretary	Complete 15 November 2023
Agenda Item 11 SLC Strategic Commissioning Plan	SLLC officers to work with SLC to consider options for budgetary challenges and ensure maintenance of a balanced budget.	Company Secretary	Ongoing Future Board meetings
Agenda Item 14 Risk Register Implications	Asset Review and Commissioning Plan to be noted in the risk register.	Company Secretary	Complete and will be presented at next Audit Committee.

<b>Board Meeting – 17 May 2023</b>			
<b>Agenda Item</b>	<b>Action</b>	<b>Person(s) Responsible</b>	<b>Comments/Outcome B/R/A/G</b>
Agenda Item 4 Trustee Briefing Session	Presentations will be distributed to the Board following the meeting.	Company Secretary	Complete Emailed 19 May 2023
Agenda Item 5 Board Paper Publication	Proposal for board paper publication to be brought to Board for approval.	Company Secretary	Complete 9 August 2023 Board
Agenda Item 8 Audit Committee Update	The Board were asked to consider Audit Committee membership and advise Company Secretary on availability to join.	Board	Complete
Agenda Item 9 Financial Position 2022/23	Final 2022/23 financial position will be reported to the Board at the conclusion of the accounts.	Company Secretary	Complete 4 October 2023 (AGM)
Agenda Item 10 Revenue Budget 2023/24	Phased implementation of the under 16's club discount will be monitored and the Board provided with an update.	Company Secretary	Complete 9 August 2023 Board



	Board will be provided with the latest financial position at future meetings.	Company Secretary	Complete 9 August 2023 Board
Agenda Item 11 Recruitment Update	New leadership team bios will be shared with the Board once all employment checks are complete.	Chief Executive	Complete Emailed 3 July 2023

<b>Board Meeting – 1 March 2023</b>			
<b>Agenda Item</b>	<b>Action</b>	<b>Person(s) Responsible</b>	<b>Comments/Outcome B/R/A/G</b>
Agenda Item 6 Health and Safety Update	Health and Safety responsibilities briefing session to be arranged for Board.	Company Secretary	Complete 17 May 2023 Board
Agenda Item 7 Child Protection Policies – Update	Exposure to extreme heat to be added to policy document.	Area Recreation Manager	Complete Policy updated.
Agenda Item 9 Audit Committee Update	Audit Committee Minutes to be included in Board agenda pack.	Company Secretary	Complete 1 March 2023 Board
	Risk Register update added to Board agenda as standing item and will be updated as appropriate.	Company Secretary	Complete 1 March 2023 Board
Agenda Item 10 Revenue Budget 2022/23	Board will be provided with the latest financial position at future meetings.	Company Secretary	Complete 17 May 2023 Board

<b>Board Meeting – 23 November 2022</b>			
<b>Item</b>	<b>Action</b>	<b>Person(s) Responsible</b>	<b>Comments/Outcome B/R/A/G</b>
Agenda Item 9 Revenue Budget 2022/23	Board will be provided with the latest financial position at future meetings.	Company Secretary	Complete 1 March 2023 Board
Agenda Item 10 Budget Projections 2023/24	Savings proposals will be presented to the Board early in the new year.	Company Secretary/Chief Executive	Complete 27 January 2023 Board Drop-in Session 1 February 2023 Special Board
Agenda Item 11 Gift Aid 2021/22 and 2022/23	Profit from SLL Trading Ltd to be donated in full to parent company (SLLC)	Company Secretary/Finance Manager	Complete Actioned
Agenda Item 12 Child Protection Policies – Update	Deferred until next Board meeting.	Company Secretary	Complete 1 March 2023 Board
Agenda Item 13 Health and Safety Annual Update	Deferred until next Board meeting.	Company Secretary	Complete 1 March 2023 Board
Agenda Item 14 Board Meeting Schedule 2023	Dates for August and November to be revisited and new dates proposed.	Company Secretary	Complete 1 March 2023 Board
Agenda Item 15 AOCB SCIO Submission	Resignation documents issued to Board by Shepherd and Wedderburn to allow transition to SCIO Trustees.	Company Secretary/Board	Complete
	Membership applications from SLC and SLC Nominees Ltd were approved.	Board	Complete 23 November 2022 Board
	SLC and SLC Nominees Ltd to be entered into the register of members of the company.	Company Secretary	Complete 23 November 2022 Board

Agenda Item 15 AOCB Health and Safety Policy	Policy updated to reflect new Chair and duly signed.	Chair	Complete 23 November 2022 Board
	Named Board member in policy to be given update on their responsibilities.	Company Secretary	Complete Briefing session 17 May 2023 Board
Agenda Item 15 AOCB Sharing of Board Member Contact Email Addresses	Consent was sought for internal sharing of email addresses.	Company Secretary	Complete Not all Board members happy to share therefore contact will remain via the Company Secretary.



SOUTH LANARKSHIRE  
Leisure & Culture

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**RESOLUTION** received in terms of the South Lanarkshire Leisure and Culture SCIO (SLLC) Constitution clauses 110 to 140, and the SLLC Governance Guide for Trustees, on 10 May 2024, proposed by Councillor Ross Lambie, seconded by Councillor John Anderson, as follows:

**That the Board agrees:**

- (1) That detailed minutes of Board meetings are taken and that:
  - a. Substantive contributions of Board members on agenda items be summarised
  - b. Notes of approval or concern on agenda items can be recorded within the minutes at the request of a Board member
  - c. When voting occurs that the numerical results of the vote will be recorded
  
- (2) Change to the timeframe for circulation, approval and publication of minutes and that:
  - a. The draft minute will be distributed to Board members for comment within 5 working days of a Board meeting.
  - b. Board members will have 5 working days thereafter to provide any comments on the minute to the Board Secretary.
  - c. The final version of the draft minute will be circulated to Board members for agreement within 5 working days thereafter.
  - d. The agreed minute will be published publicly within 5 working days thereafter.
  
- (3) An amendment to Governance Guide and that:
  - a. The Board is presented with an update to the Governance Guide reflecting points 1 and 2 above for approval at the next Board meeting.

South Lanarkshire  
Leisure and Culture

# Quarterly Report



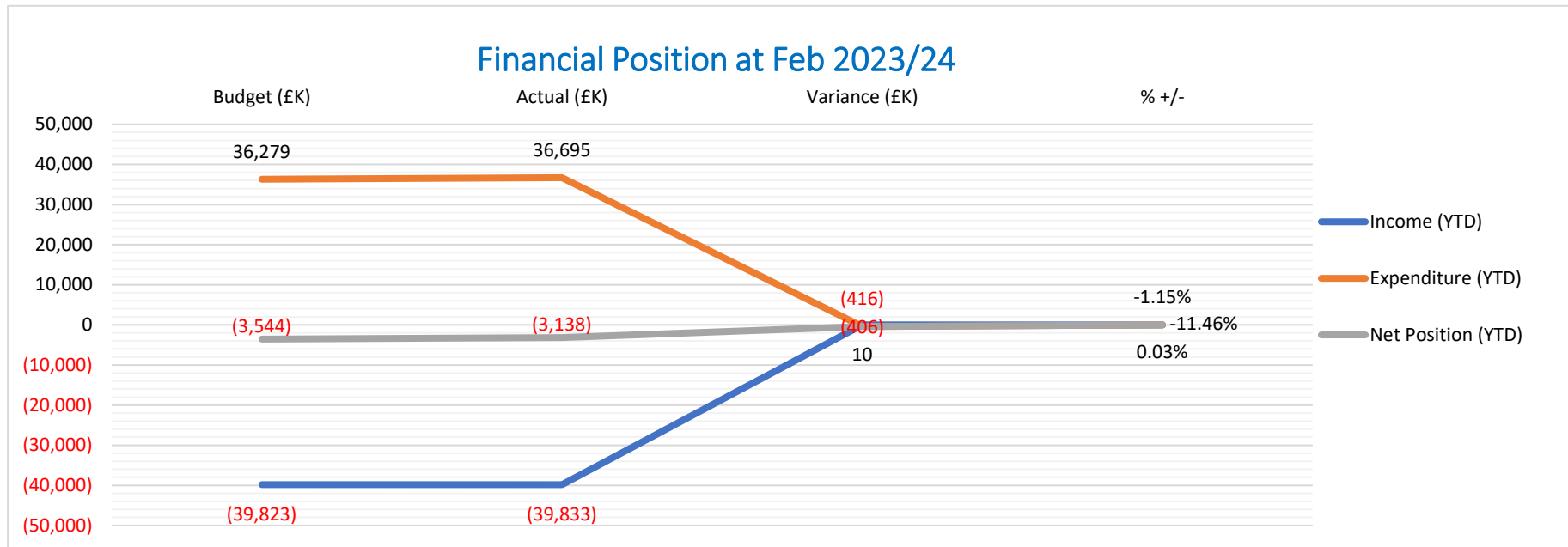
SOUTH LANARKSHIRE  
Leisure & Culture

**Quarter 4**  
**January to March 2024**

# 1. Business Perspective

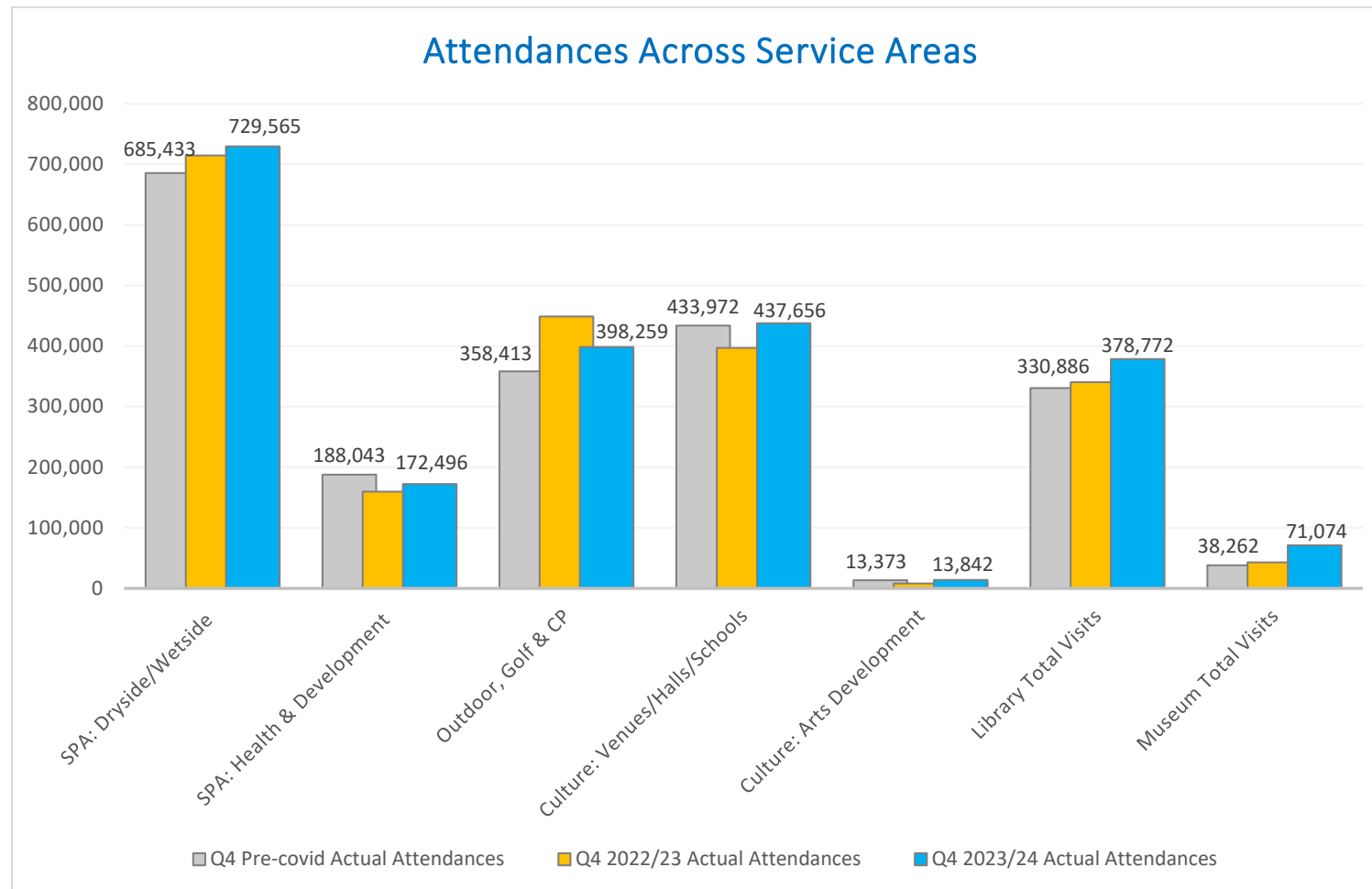
## Budgetary position

Measure: FINANCE	Budget (£K): Feb	Actual (£K): Feb	Variance (£K):	% +/-
Income (YTD)	(39,823)	(39,833)	10	0.03%
Expenditure (YTD)	36,279	36,695	(416)	(1.15%)
Net Position (YTD)	(3,544)	(3,138)	(406)	(11.46%)



## Q4 Attendances – year on year comparison

The table below provides a comparison of Q4 performance against both 2022/23 and 2019/20 (pre-covid) attendances.



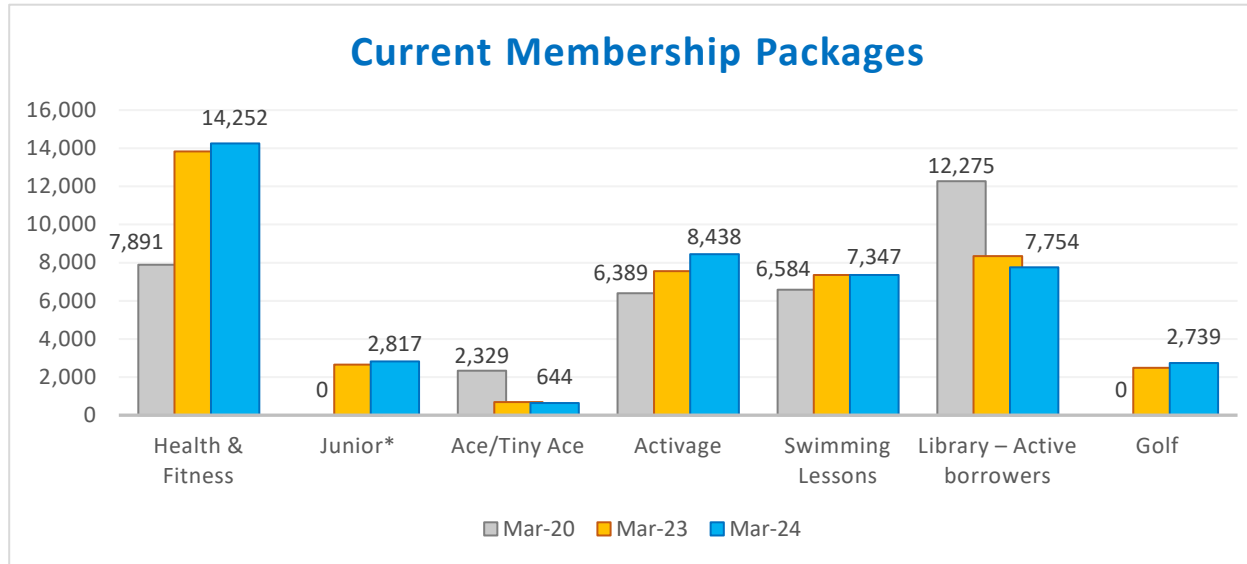
### Notes:

- Q4 Sport and Physical Activities (SPA) – wetside attendances 4%↑ on Q4 22/23, dryside attendances remained the same, and Development Services rose by 8%↑. YTD wetside/dryside combined 10%↑ and Development Services 2%↑.
- Q4 Cultural facilities 10%↑ with Arts Development 65%↑ on Q4 22/23. YTD comparison Cultural facilities 11%↑ with Arts Development 68%↑.
- Q4 Library physical visits rose by 5%↑ and virtual visits 17%↑ on Q4 22/23. YTD position overall 11%↑.
- Q4 Museums physical visits rose by 60%↑, virtual visits 92%↑ on Q4 22/23. YTD position overall up 69%↑.
- Q4 Outdoor Recreation, Golf and CP's down 11%↓, impacted by weather. YTD comparison for Outdoor Recreation, Golf and CP's 5%↑ on previous year.

Measure: ATTENDANCES	Q4 Pre-covid Actual Attendances	Q4 2022/23 Actual Attendances	Q4 2023/24 Actual Attendances	% +/- Q4 Current Year vs Q4 Previous Year
SPA: Dryside/Wetside	685,433	714,849	<b>729,565</b>	<b>2%↑</b>
SPA: Health & Development	188,043	159,865	<b>172,496</b>	<b>8%↑</b>
Outdoor, Golf & CP	358,413	449,045	<b>398,259</b>	<b>11%↓</b>
Culture: Venues/Halls/Schools	433,972	397,036	<b>437,656</b>	<b>10%↑</b>
Culture: Arts Development	13,373	8,387	<b>13,842</b>	<b>65%↑</b>
Libraries: Physical visits	227,703	169,677	<b>178,796</b>	<b>5%↑</b>
Virtual visits	<u>103,183</u>	<u>170,526</u>	<b><u>199,976</u></b>	<b>17%↑</b>
Total	330,886	340,203	<b>378,772</b>	<b>11%↑</b>
Museums: Physical visits	33,289	36,058	<b>57,596</b>	<b>60%↑</b>
Virtual visits	<u>4,973</u>	<u>7,013</u>	<b><u>13,478</u></b>	<b>92%↑</b>
Total	38,262	43,071	<b>71,074</b>	<b>65%↑</b>

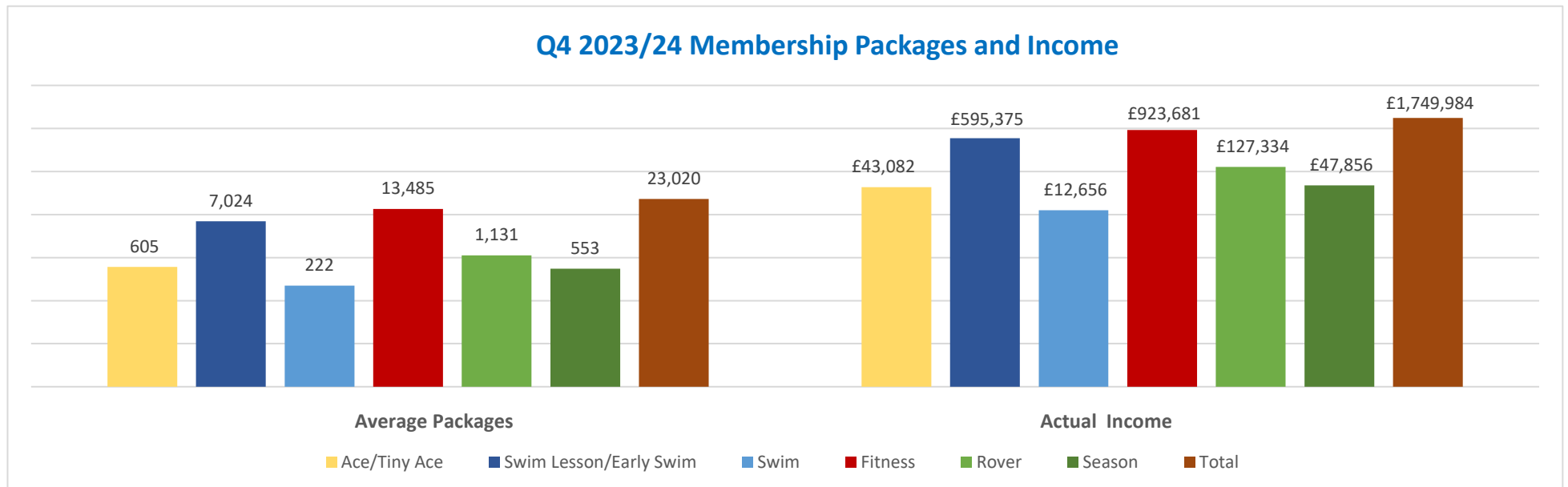
**Note:** Through secured funding from Clyde Gateway our Arts Development Team ran local programmes in the north area of South Lanarkshire to work with local communities throughout 23/24. The Creative Communities programme combines existing partnerships with new community engagement work to support a community-led model of engagement which will leave a legacy of skilled and engaged local cultural residents and artists, helping to deliver local, sustainable, long-term programmes. The team have also been working with schools in Rutherglen and Cambuslang area, providing workshops at lunchtime, afterschool and during school times, targeting excluded and hard to reach children, families and children offering them a selection of cultural activities. These initiatives have had a very positive impact on attendances within our arts development activities, and through additional external funding these initiatives will continue throughout 24/25.

## Q4 Membership Packages – year on year comparison



### Notes:

- Health and fitness memberships (includes Juniors 2,817) has increased by 3% against Q4 last year 2022/23.
- Junior packages are working well and continue to grow, up 6% on the same period last year.
- The average retention period of cancelled H&F members (1,079) is 11 months.
- Library: Active Borrowers is down 7% on the same period last year and represents members who have used the service recently.
- Golf memberships are up 10% on similar period 23/24, however there are no pre-covid golf figure for comparison.



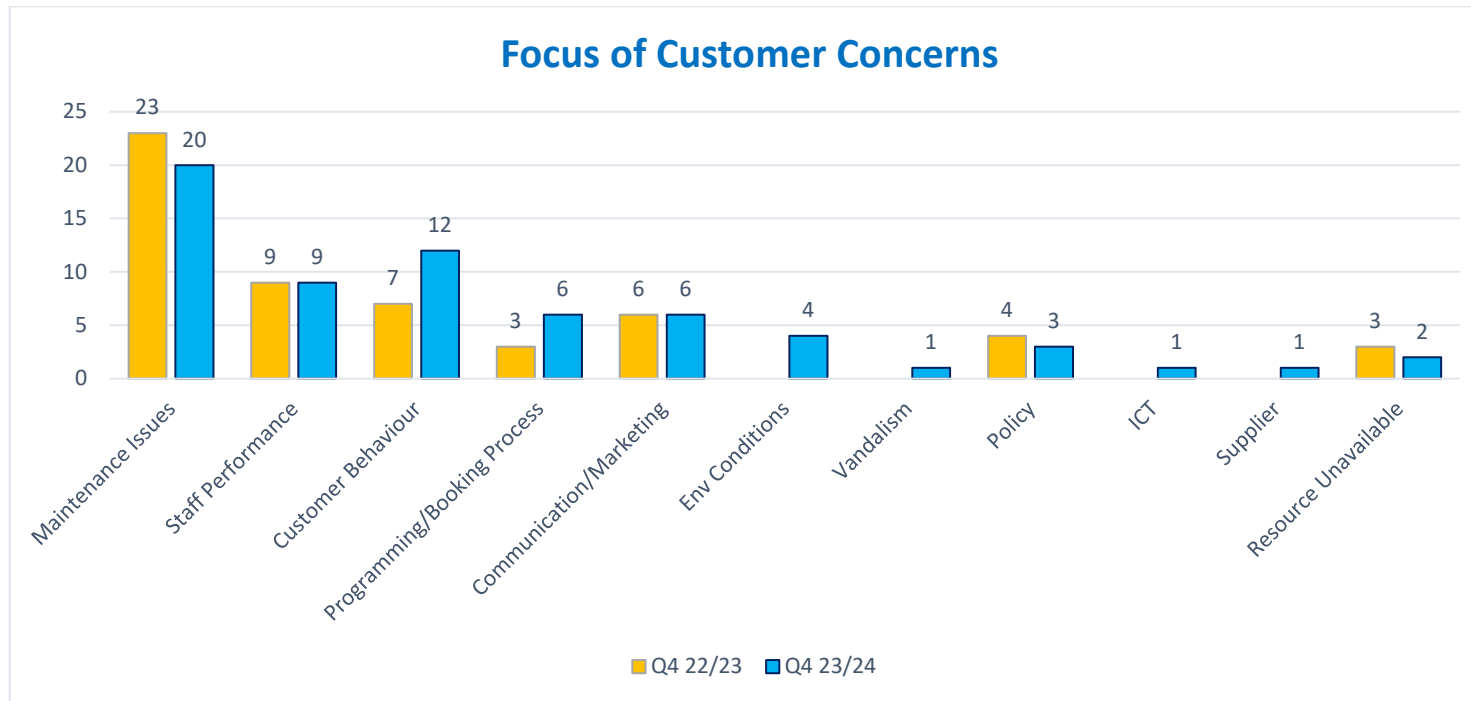


Measure: Memberships	Pre-Covid March 2020	Previous Year March 2023	Current Year March 2024	%+/- Current Year vs Previous Year
Health & Fitness (inc D/D, annual & Junior*) packages	7,891	13,836	<b>14,252</b>	<b>3↑%</b>
Junior*	N/A	2,649	<b>2,817</b>	<b>6↑%</b>
Ace/Tiny Ace	2,329	685	<b>644</b>	<b>6↓%</b>
Activage	6,389	7,562	<b>8,438</b>	<b>12↑%</b>
Swimming Lessons	6,584	7,358	<b>7,347</b>	<b>0%</b>
Library – members Library – Active borrowers	12,275	8,346	<b>142,423</b> <b>7,754</b>	<b>7%↓</b>
Golf	-	2,484	<b>2,739</b>	<b>10%↑</b>

**Note:**

- Figures represent 'live memberships' at 31 March 2024
- Golf comparison figure from previous year is not a direct comparison as the dates differ slightly.

## Customer Focus



Measure: CUSTOMERS	Quarter 4 2022/23	Quarter 4 2023/24	% +/- Q4 Current Year vs Q4 Previous Year
Complaints	40	67	68%↑

### Notes:

- Quarter 4 saw 67 recorded customer concerns across our services.
- 50 were handled by the SPA service (75%), 6 by Culture (9%), 6 by Outdoor (9%), 3 by Libraries (4%) and 2 by HQ (3%).
- 65 complaints (97%) were closed off, 63 of which were fully resolved at the frontline resolution stage with 2 being resolved after further investigation.
- 58 issues were closed off on time, equating to 89% completed within timescales.
- 2 remain open awaiting conclusion from relevant manager.

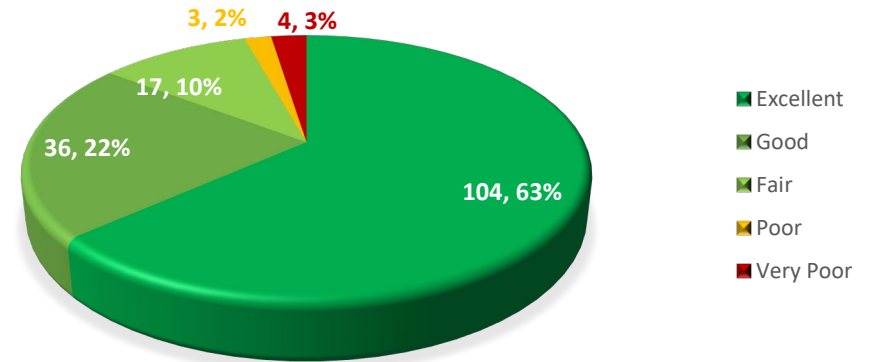
## Customer Satisfaction

### Overall Satisfaction

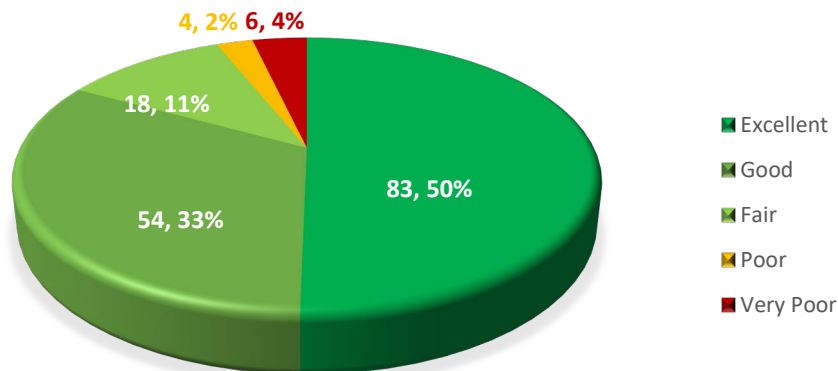
Throughout March we directed our satisfaction survey towards our Sport and Physical Activity users, however links were available for all customers through our webpage or social media. An estimated 170 customers completed the short survey. It should be noted that returns were impacted by several consultation exercises which were ongoing at the time regarding future facility management and service delivery by SLLC.

Although the number of returns had significantly dropped the results have followed a similar trend, returning excellent performance through very challenging times and again an overall satisfaction rate of 94% which was supported by more specific aspects of service delivery: Staff Performance 99%, Cleanliness 94%, Value of Money 95%, and Quality of equipment/services 92% as outlined in the graphs below.

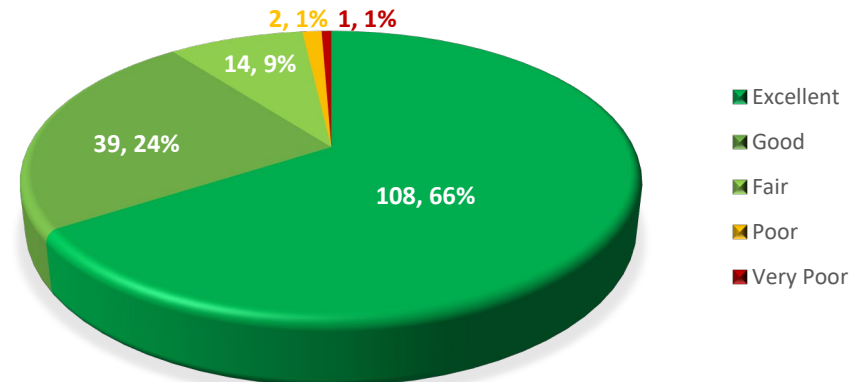
How did we perform -  
Value for money - Top 3 responses : 95%



How did we perform -  
cleanliness - Top 3 responses: 94%



How did we perform -  
Staff performance - Top 3 responses: 99%



## Health & Wellbeing

Why customers visited our sites:

- 36% said it's about improving their health
- 22% said a place to relax
- 20% said a place to socialise

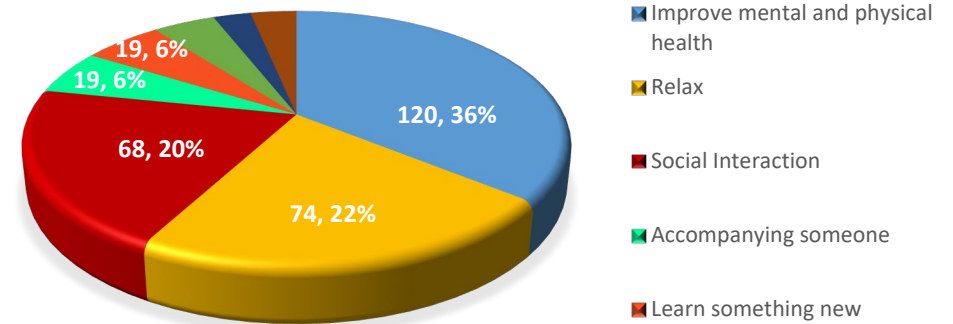
How customers felt after their visit:

69% of respondents felt they achieved their goal, felt happier, healthier, better, satisfied and more energised.

86% said their visit had a positive impact on their health and wellbeing.

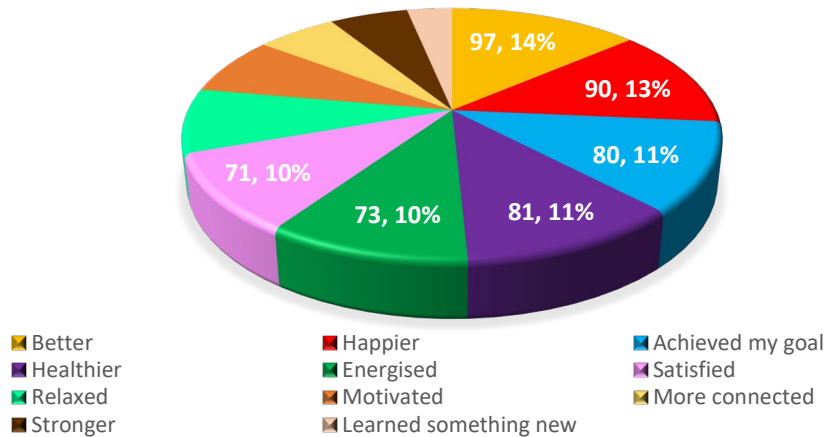
### What was the reason for your visit?

Top 5 responses: 90%



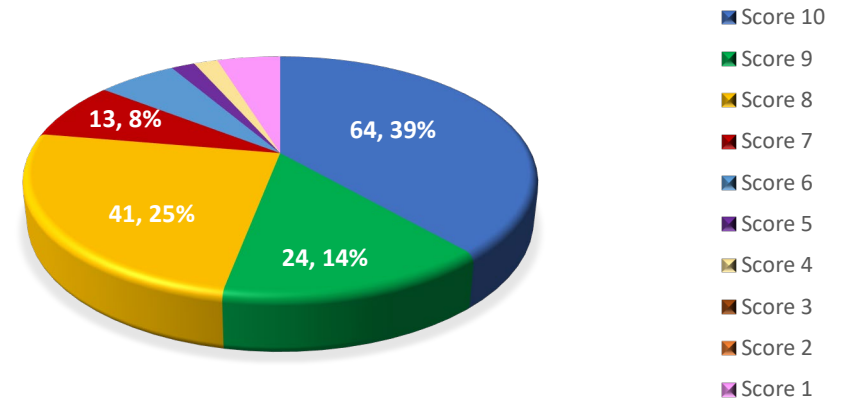
### Following your visit, how did you feel?

Top 6 responses: 69%



### Did your visit have a positive impact on your health and wellbeing (on a scale of 1-10)?

86% scored 7 and above



## Communication

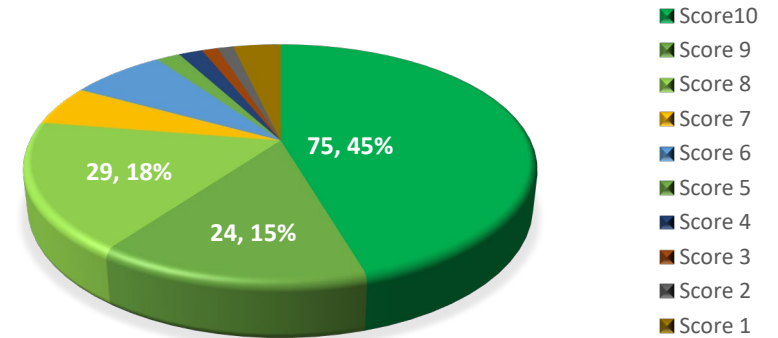
78% of customers would recommend us to a friend.

Asked how customers heard about SLLC, they responded:

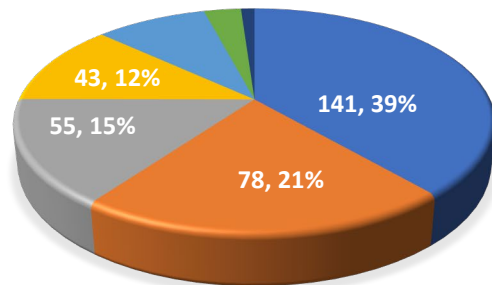
- 45% word of mouth
- 29% other
- 10% website
- 10% social media

Over 83% of respondents said they found our webpage and social media pages easy to navigate.

### 78% of customers said they would recommend SLLC to a friend

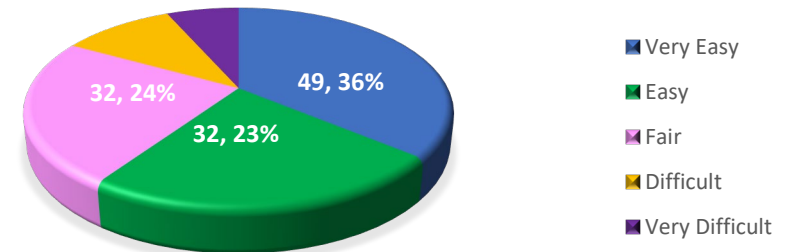


### Why customers chose SLLC



- Local facility
- Expertise and friendly staff
- SLLC good reputation for quality events
- Value for money
- Quality of our equipment/facilities
- Other

### If you used our website or social media pages - rate your overall experience - Top 3 responses: 83%



## Safety

Q4 2023/24 saw a rise in accidents/incidents against last year, with a rise in the number of violent incidents recorded against staff. Over the quarter staff were involved in 6 accidents, 3 incident and 7 violent incidents (4 within our main libraries and 3 within our cultural facilities). Customers were involved in 9 minor accidents and 9 minor incidents.

Measure: HEALTH & SAFETY	Quarter 4: 2022/23	Quarter 4: 2023/24	% +/- Q4 Current Year Vs Q4 Previous Year
Accidents/Incidents to staff	7	16	129%↑
Accidents/Incidents to customers	18	31	72%↑

## 2. Performance against SLLC Strategy 2022 - 2027

### Objectives to meet Strategy Outcomes

**Health and Wellbeing – We will help the people of South Lanarkshire to live healthier, happier lives with a focus on physical and mental wellbeing**

#### 2023 (Year 2) – Priorities, Activities and Achievements

Key Priorities	<b>Priority 1 (HWB1)</b> <b>Participate in a whole system approach</b> to health and wellbeing along with our partners including the NHS, the Health and Social Care Partnership and others, to improve health and wellbeing for individuals and communities within South Lanarkshire	<b>Priority 2 (HWB2)</b> <b>Encourage and support the inactive to be active</b> with focus on positive physical health and wellbeing outcomes	<b>Priority 3 (HWB3)</b> <b>Support positive mental health</b> and deliver on health and wellbeing outcomes	<b>Priority 4 (HWB4)</b> <b>Provide early intervention and prevention initiatives</b> to address health and wellbeing matters at their root cause
<b>Comments from Chair of Health and Wellbeing Group</b>	<p>Engagement within the group has been good and we continue to work towards our objectives. Recent focus has been on instilling the principles of Health and Wellbeing into our employees to ensure a full 360° approach. Cross service working has proved effective in the last quarter, not only with the Fitness Live event, but also Active Schools Dance events across multiple Cultural venues throughout March.</p> <p>The diversity of our services was also showcased with Arts Development hosting their 18<sup>th</sup> Young at Heart Festival. Celebrating the arts as engaging and accessible for all and recognising Art can help improve mental health by reducing stress, encouraging creative thinking, increasing brain plasticity, and providing opportunities for self-expression. During the same period Calderglen Zoo arranged for an animal keeper to visit St Columbkille's Primary School to deliver an assembly talk on animals and the environment to primary 1 &amp; 2 pupils - feedback for which was extremely positive.</p> <p>A number of health and wellbeing activities have taken place between January and March for the parents and guardians engaging with Supporting Families. Sessions were delivered by a third year student from University of the West of Scotland who was completing her placement with SLLC. Some of the parents/guardians who attended these sessions have benefited from a partnership between SLLC and SLC Employability Services where they have received funded gym passes and have recently attended their first Perfect Fit sessions at Eastfield Lifestyle</p>			

## Health and Wellbeing successes

### Willie Sutherland exhibition

In February East Kilbride Arts Centre welcomed Willie Sutherland's exhibition. Sutherland developed his unique style of working during the lockdown of early 2021 in counterpart to his recovery from alcohol addiction. His piece – 'Self portrait as a Doll's House' is an 18 roomed visual diary of his emotional experience during that time. With no formal training and having made the decision to get well and become an artist, this work made its debut during his solo show at Glasgow's CCA during Glasgow International Art Festival by June 2021. He has gone on to exhibit regularly as a solo artist and in regular collaboration with the estate of seminal artist George Wyllie.

### 'Are we nearly there yet?'

A small but enthusiastic audience enjoyed the opportunity to hear author L Bruce Keith speak on a subject often overlooked: milestones and fingerposts. The removal of such signage often went unnoticed but thanks to Bruce's diligent research, their associated tales have been recorded. At this free event the author offered an opportunity to return to present a talk on his next book, saying he would 'be delighted to be invited back to present my third book, "Scotland beneath the surface" at some point.'

### Robin Jenkins Memorial Lecture

In partnership with Unison and the EIS trade unions, Hamilton Town House Library hosted an evening to celebrate the life and work of local author Robin Jenkins who was born in Flemington, near Blantyre. School pupils and library book group members joined an audience of 50 to hear expert Michael Russell talk about the importance of Jenkin's contribution to Scottish literature. The Cone Gatherers is taught in the Higher curriculum, however Jenkins published 30 novels during his lifetime and the aim is to hold an annual event going forward.

### SLLC Fitness LIVE 2024

Our largest indoor fitness event returned on 27<sup>th</sup> January. The event saw customers take part in a variety of fitness classes across three venues: Lanark Memorial Hall, The Town House Hamilton and Rutherglen Town Hall. These events showcase the vast range of classes on offer across SLLC's studios as well as promoting our other offerings including the gym introductory programme, The Perfect Fit and the benefits of My Zone heart rate training. This year also saw the launch of our merchandise range which added an exciting, new element to this well-established event on the Health and Fitness calendar.



**Connected and Engaged – We will enable people to connect with each other and with their community through the services we provide  
2023 (Year 2) – Priorities, Activities and Achievements**

Key Priorities	<b>Priority 1 (CE1)</b> <b>Reach out to people</b> where they are, by providing services to all communities across South Lanarkshire	<b>Priority 2 (CE2)</b> <b>Support communities to develop and build their capacity</b> and, where appropriate, explore options for asset transfer of our resources	<b>Priority 3 (CE3)</b> <b>Develop alternative delivery methods</b> and grow our digital offerings such as online classes and access to e-books	<b>Priority 4 (CE4)</b> <b>Help tackle isolation</b> by providing initiatives that bring people together
<b>Comments from Chair of Connected and Engaged Group</b>	<p>SLLC embarked on a significant consultation process involving residents from our four geographical areas and stakeholders regarding SLLC’s budget for 2024/25. We received approximately 14,500 responses throughout the three stages of the resident consultation. Our communication efforts encompassed social media channels, the website, and email outreach. Alongside this a series of events including Fitness Live, Young at Heart and Tartan Tenor concert saw SLLC widen its audience across SL.</p> <p>SLLC continue to support community groups and clubs to improve their development by delivering club engagement sessions, working closely with the community engagement team on CAT light enquiries. Alongside this, a series of education sessions for community groups, students and the wider community in courses including National Pool Lifeguard Trainer Assessor qualification, football coaching and Weigh to Go.</p> <p>SLLC is continuing to develop the mobile app, commencing with a phased soft launch in April. Phase 1 will include our six golf courses and the East Kilbride Ice Rink, followed by our leisure centres. This mobile application represents a significant change in our approach to engaging both existing and prospective customers.</p> <p>SLLC continues to grow its partnerships to bring its communities of interest together. Notably via in partnerships with Seniors Together via the ‘active days’, theatre groups via the cultural venues and care experienced children via the Active Schools team and the junior membership culminating in over 100 memberships in this quarter.</p>			

## Connected and Engaged successes

### Young at Heart

The 18<sup>th</sup> annual Young at Heart Festival, in partnership with John Wright Sports Centre, held an 'Act Your Age' event, the first of its kind aimed at the 60+ age group. Over 60 participants engaged in a variety of arts and culture, physical activity, and sport workshops and following positive feedback the outcome is that we will hold quarterly 'Act Your Age' events such as Samba Drumming on 'Culture Tuesday' and dance activities on 'Active Friday'.

### Helping refugee children

Pupils living in Forth lack opportunities due to the rural location and SIMD index of the town. This challenge was brought to the fore at the start of the 2023/24 school year when five children from two Syrian refugee families were relocated to Forth. With significant language and illiteracy barriers, communication with the families has been a significant challenge. Active Schools first came across two P7 boys during a Sidekicks session where they sat with an I Pad using Google translate trying to piece together what was being said to them. Following this the two boys attended clubs and activities within the school and P7 transition festivals. Through these it became clear how much the boys got out of sport and physical activity and how much this broke down language barriers for them. From conversations with the school, the Active Schools team were put in touch with South Lanarkshire Council's refugee resettlement team. Through this we have been able to facilitate the boys, and another little brother in P4, to join up and attend Biggar Rugby Club activities. Through this they have received:

- Gratis membership
- Playing kit including tops, tracksuits, gumshields, boots
- Other clothes and equipment they can utilise at home and in PE
- An introduction to the club where the boys and their Dad attend weekly training and sessions

### Harry Lauder

On Saturday 9 March an audience was treated to a spectacular evening of entertainment and hospitality at Low Parks Museum. Jamie MacDougall delighted as Sir Harry Lauder in '*Lauder*' a wonderful show documenting key events in Sir Harry's life captured through song, laughter and shared poignant moments. We were thrilled to be able to stage the show in the Assembly Room, made possible through the generous funding awarded by Museums Galleries Scotland. Comments included '*Fabulous evening was very authentic as if you were back in time of Harry Lauder. Credit to the staff.*'; '*A wonderful performance - a perfect complement to the exhibition*'; '*Thank you to all the staff for all this hard work putting this magnificent display together culminating in the splendid concert on Saturday evening*'; '*Harry Lauder will never be forgotten. Our Scottish heritage lives on.*'; '*Loved it. Perfect venue.*' and '*Excellent! A thoroughly enjoyable evening in a beautiful venue*'.

**Equality and Inclusion – We will provide accessible wellbeing and learning services through targeted interventions  
2023 (Year 2) – Priorities, Activities and Achievements**

Key Priorities	Priority 1 (EI1) Ensure equality of opportunity by making sure that our services are accessible to all	Priority 2 (EI2) Target our programmes and interventions to ensure we reach those most in need of our services	Priority 3 (EI3) Enable access to learning and information across our communities and support community learning	Priority 4 (EI4) Provide welcoming inviting spaces where customers receive a warm reception
<p><b>Comments from Chair of Equality and Inclusion Group</b></p>	<p>SLLC formed a working group to implement the agreed price increase agreed with SLC. A direct debit plan will be introduced for the forthcoming year to the Activage membership to ensure financial inclusivity across SLC residents. Activage membership across all sites achieved 6% above target.</p> <p>Engagement continues through third sector groups through the SLC Access Panel and Seniors Together. Details of the consultation report which ran from 24 November 2023 to 15 February 2024, were published on the SLLC website, detailing views from across our communities.</p> <p>Autism awareness training was carried out at three venues with 89 staff members taking part. Data shared on updated uptake of equality and inclusion mandatory modules to 47% across all staff.</p> <p>Scoping work has taken place to understand the delivery model of Active IT to rural communities, however funding challenges have halted the progress.</p> <p>The data tracker information that captures equality data on participants attending our targeted programmes was completed and has 105 examples of good practice that can be shared to colleagues to use to highlight good practise across our resources.</p>			

## Equality and Inclusion successes

### **Clydesdale Primary Dance Festival**

Clydesdale Active Schools hosted their 12<sup>th</sup> Primary Dance Festival at Lanark Memorial Hall on 26 and 27 March. The festival once again witnessed an excellent response with 27 performances in four shows over two nights.

Lanark Grammar School provided a highlight when they showcased the hip hop talents of a number of ASN children, two of whom are wheel chair users. The pupils were supported on stage by the Active Schools Dance Academy pupils, who had also choreographed the routine.

The festival was a great success with over 400 performers taking part. They were cheered on by over 950 family members who came along across the two nights, this being the highest audience figure recorded for the event in 12 years.

### **BBC Reporting Scotland – ASN swimming lessons**

As a follow up to a piece in last years Annual Strategic Report, the BBC followed up on the story of Nathan McKechnie, autistic swimming teacher who came through our ASN swimming lesson programme at Eastfield Lifestyle and then became a swimming teacher with our support. Nathan currently teaches at Hamilton Water Palace and Eastfield Lifestyle. He was interviewed for a news report that was shown across all the BBC TV programmes, radio and online. The report showed Nathan teaching primary school lessons at Eastfield and highlighted how an autistic young person had to give up competitive swimming due to doctors' advice but succeeded in becoming a swimming teacher with SLLC's help.

### **Period Products**

South Lanarkshire Libraries work in partnership with the SLC Community Engagement Team to distribute period products in library locations. Products can be obtained in boxed format giving access to supplies, and reusable products such as pads and menstrual cups. There has been a 75% increase in uptake in libraries from last year, with Rutherglen library overtaking East Kilbride Library as having the greatest demand and in total there were 9736 products issued during 2023/24.

**Organisational Sustainability – We will develop a business model that allows sustainable provision of quality services in priority areas  
2023 (Year 2) – Priorities, Activities and Achievements**

Key Priorities	<b>Priority 1 (OS1)</b> <b>Develop a financially sustainable business model</b> which optimises income and utilises diverse funding streams	<b>Priority 2 (OS2)</b> <b>Develop our people</b> ensuring staff remain highly skilled and are supported to deliver the best standard of customer service	<b>Priority 3 (OS3)</b> <b>Review our facilities</b> to ensure we have financially sustainable spaces to enable quality service provision	<b>Priority 4 (OS4)</b> <b>Reduce waste and energy usage</b> and seek new ways to be more energy efficient across our services
<b>Comments from Chair of Organisational Sustainability Group</b>	<p>Based on the Quarter 3 position, the finance team completed another full outturn for the 2023/24 financial year which indicated a significant reduction in the expected overspend, highlighting all the good progress that has been done organisation wide to manage costs and expand income generation where possible. Following approval of the SLLC budget the detailed budget workings were prepared for upload into the Fusion ledger system, which goes live in Quarter 1 of 2024/25. Preparatory work has also continued in relation to the changes that the new system will bring, with this being the ideal time to consider how we streamline budget monitoring, forecasting and ledger management, to take advantage of what opportunities the new system has to offer.</p> <p>There has been continuing development of the SLLC Financial Plan, and significant preparatory work has been completed by the team as we move towards the financial year end. A special mention to Gary, our new accountant, who along with SLLC colleagues, have reduced expected bad debt position by approximately £0.250m over the last 6 months.</p> <p>The group continues to look at ways to optimise and utilise diverse funding streams. In January, Low Parks Museum was successful in gaining an award of £27,000 from Museum Galleries Scotland’s Capital Resilience Fund. The fund had been established thanks to a Scottish Government allocation of £500,000 in capital funding to develop resilience in Scotland’s museums. The award will be used to install innovative Hydro-Genie technology to the Museum’s heating systems to improve efficiency, help reduce our carbon footprint, energy and maintenance costs.</p> <p>Sustainability training modules now shared with staff for completion via appointed energy champions. Group also reviewing our Environmental and Sustainability policy, which will be rolled out to all services in May/June. Appointed energy champions also liaising with SLC to update all energy audits for SLLC facilities for year 24/25, in addition to this a revised energy audit checklist will be rolled out to all services in year 2024/25 to improve housekeeping within facilities.</p>			

## Organisational Sustainability successes

### Museum Service

Rachel Murray, a Creative Writing and Literature student from the University of Strathclyde, finished her work placement with us this month. The 60 hour placement was worth 10% of the student's marks for the year. Rachel applied to do her placement at Low Parks Museum to explore the different ways her skills and learning could be applied in a museum setting, and to gain experience of managing a work project. While on placement, Rachel proved an asset to the museum development team, and devised and developed a fascinating children's trail that will be unveiled as part of our forthcoming WW2 exhibition later this year.

*"Khan's Quest is a direct result of my contribution to the placement. It consists of ten stops around one of the galleries and has interactive elements which should engage younger children. The museum aims to pilot the trail with a school group, and it will then be available for visitors. I feel satisfied that my work will be used in the museum, and proud that I have been able to apply my skills effectively when creating this body of work."* Rachel Murray

### Calderglen Zoo

Calderglen Zoo hosted an EMS (Extra-mural Studies) placement in late February and early March. In partnership with Glasgow Veterinary School, a student from Michigan USA completed a planned EMS placement working alongside our animal keepers, assisting with animal husbandry tasks as well as assisting keepers and our resident vet with procedures.

ZAP entertainment carried out a day of filming at Calderglen Zoo in February on behalf of South Lanarkshire Council. The film crew entered enclosures and managed to film Calderglen's resident animals at close quarter with the help of keepers. This footage will be used in a promotional video for SLC. Despite the weather, the filming day was a big success.

### Sustrans Scotland Bike Repair Kit

Hamilton Palace Sports Grounds has signed up to the Sustrans Scotland Community Cycle Repairs Kit Project. The FREE service allows service users / members of the public the ability to access bike repair equipment from the facility reception seven days a week. The kits include basic tools, a track pump, puncture repair patches, and lubricant. Anyone making use of the kit writes a user's comment in the log which is fed back to Sustrans Scotland monthly. To date the kits been used three times by grateful cyclists in need.

### Libraries

SLLC Libraries worked in partnership with Unison to add to our collection of environmental and sustainability books to help and encourage customers and staff to have a better awareness of these topics. The books were funded by Unison. Stephen Smellie of Unison informed members that the books are available from Hamilton Town House Library.

## 3. Capital Projects

### Larkhall Leisure Centre

South Lanarkshire Council approved the £12M shortfall in February 2024. A consultant will be appointed soon, with the design and tender scheduled to take place from summer 2024 to spring 2025. Construction is expected to commence in summer 2025, with an indicative opening date of summer 2027.

### Country Parks Master Plan

South Lanarkshire Council has appointed Turner and Townsend as Project Manager led multidisciplinary design team to deliver a master plan for Chatelherault and Calderglen Country Parks. The masterplans will be utilised as a basis to explore and secure investment in the parks as external funding opportunities arise. The project should complete within 6 months.

### Whitemoss Tennis Courts

Following a successful external funding award from the Lawn Tennis Association, the three Whitemoss Tennis Courts in East Kilbride have received refurbishment and are due to open to the public on Thursday 16 May 2024, following an opening event on Wednesday 15 May 2024.

## 4. Emerging Challenges

The following challenges remain

- Inflation remains high and it is anticipated to fall in future quarters however prices will continue to increase.
- Utilities have been pre-purchased however it is anticipated that costs are likely to remain high.
- The employment market remains competitive

Some of our older facilities require investment to bring to modern standards or to halt any further deterioration

## 5. What we did well

### John Wright Sports Centre

Very complimentary re all staff at the John Wright Sports Centre who go out of their way to make everyone welcome - and this is to acknowledge the highly professional staff. Also delighted for the new gym equipment which has been installed there.

### Fitness Live Event

Attended Fitness Live for the first time and thought it was amazing - a kick start to customer's exercise routine.

### Low Parks Museum

We were on the Mausoleum Tour yesterday afternoon, please pass our thanks to the incredibly knowledgeable guide. We have passed the Mausoleum hundreds of times over the years and had no idea what was inside. The amount of historic information we were given was unbelievable and so entertaining. Wishing Low Parks Museum continued success.

### Customer Recognition

### Dollan Aqua Centre

Was helped tremendously by a member of staff at the Dollan Aqua Centre, they were kind, informative and helpful and had a lovely way about them. A pleasure to deal with so well done SLLC for employing this terrific ambassador.

### Library Services

Staff helpful, good selection of books and excellent service.

### Torrance House Golf Course

As an outsider (I live in E Ren) I have no say however, I use Torrance Golf Course twice weekly and think it is a credit to the council. It is value for money and I hope it remains a vital part of South Lanarkshire Leisure's portfolio.





# Report

Report to:	<b>Board of Trustees</b>
Date of Meeting:	<b>29 May 2024</b>
Report by:	<b>Ross McKie, Head of Corporate Services</b>

Subject:	<b>Revenue Budget Update 2023/24</b>
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## 1. Background

1.1. The purpose of the report is to:

- ◆ Update the Board on the most recent 2023/24 budget monitoring position as at 29 February.

## 2. Recommendations

2.1. The Board is asked to approve the following recommendation:

- (1) That the content of the report be noted.

## 3. Background

- 3.1. At the 28 February 2024 Board meeting, it was reported that the 2023/24 budget indicated an expected outturn projection of (£0.885m) overspent based on pay award projections. It was anticipated that offsetting this budget gap would require further cost reductions, improved income generation and potentially the full use of reserves of £0.806m to manage the overall gap.
- 3.2. This report provides an update on the 2023/24 budget monitoring position as at 29 February 2024 following a robust review of income and expenditure to date across all service areas.
- 3.3. As highlighted in previous updates, South Lanarkshire Leisure and Culture (SLLC) continues to face pressures resulting from changes to the funding model which have led to the transfer of some additional liabilities from South Lanarkshire Council (SLC or the Council) to SLLC. These include:
- ◆ Utilities – increases in utility costs have been met by SLLC where they were previously met by SLC.
  - ◆ Pay Award – SLLC are required to fund pay awards, which were previously met by SLC, and these are dependent upon Scottish Government, Trade Union and COSLA agreement on proposed increases.
  - ◆ Apprenticeship levy.
- 3.4. These additional liabilities have been exacerbated by the increased cost of living, resulting in less expendable household income, and abnormal inflationary pressures increasing the cost of service provision, both of which continue to have a negative impact on business recovery.

#### **4. Position as at 29 February 2024**

- 4.1. The current position is an overspend position of (£0.406m). This is the position as at 29 February 2024 and it should be noted that the final position may vary once the year end exercise has been completed. This reflects significant underspends in employee costs of £0.571m driven by vacancies, a minor overall over recovery in income of £0.010m offset by overspends in IT and irrecoverable VAT (£0.706m), insurance and central administration (£0.155m), payments to other bodies (including licences and professional fees) of (£0.174m). Further detail on the current position is provided in Appendix 1.
- 4.2. As reported as part of the final 2022/23 accounts position, the balance on general reserves was £0.806m. It is anticipated that these reserves will require to be used in full or in part to manage the overall overspend forecast for 2023/24. The outturn projection has not been updated since the last projection, estimated to be an overspend of (£0.885m). The current position and trajectory continues to indicate that the available reserves should be sufficient to cover any budget shortfall. However as highlighted at the last board update, the final position would only be known after year-end adjustments are complete.

#### **5. Next Steps**

- 5.1. Continued monitoring will be undertaken for the remaining time in 2023/24 and potential corrective actions identified by the SLLC Leadership Team for implementation in order to mitigate the overall overspend forecast for 2023/24.

#### **6. Employee Implications**

- 6.1. There are no employee implications arising from this report.

#### **7. Financial Implications**

- 7.1. The report highlights the risk of SLLC ending the year with a funding gap.

#### **8. Other Implications**

- 8.1. There are no other implications in terms of risk and sustainability.

#### **9. Equality Impact Assessment and Consultation Arrangements**

- 9.1. There is no requirement to carry out an impact assessment or consultation in terms of the proposals contained within this report.

**Ross McKie**  
**Head of Corporate Services**

**29 May 2024**

#### **Links to SLLC Objectives**

- ◆ Organisational Sustainability
- ◆ Health and Wellbeing
- ◆ Connected and Engaged
- ◆ Equality and Inclusion

#### **Previous References**

- ◆ None

#### **List of Background Papers**

- ◆ None

#### **Contact for Further Information**

If you would like to inspect the background papers, if any, or want further information, please contact:

Ross McKie, Head of Corporate Services  
Ext: 8454320 (Tel: 01698 454320)  
E-mail: ross.mckie@southlanarkshireleisure.co.uk

#### **Appendix 1**

**South Lanarkshire Leisure and Culture - 2023/24**

**Current Financial Position Report (Variances greater than £50k highlighted)**

<b>By Subjective</b>	<b>Budget YTD (£m)</b>	<b>Actual YTD (£m)</b>	<b>Variance YTD (£m)</b>	<b>Notes</b>
Employee Costs	23.380	22.809	0.571	Underspend – Significant vacancies offsetting pay award costs.
Property Costs	7.498	7.437	0.061	Underspend – Various minor lines.
Supplies and Services	2.832	3.538	(0.706)	Overspend – IT and irrecoverable VAT.
Transport and Plant	0.090	0.091	(0.001)	
Administration	1.398	1.553	(0.155)	Overspend – Insurance and central administration.
Payments to Other Bodies	0.338	0.512	(0.174)	Overspend – Licences and professional fees.
Payments to Contractor	0.576	0.555	0.021	
Financing Charges	0.167	0.199	(0.032)	
<b>Gross Expenditure</b>	<b>36.279</b>	<b>36.695</b>	<b>(0.416)</b>	
Income	(39.823)	(39.833)	0.010	Over recovery – bank interest, over recoveries in venues offsetting under recoveries in SPA and ACE.
<b>Net Expenditure</b>	<b>(3.544)</b>	<b>(3.138)</b>	<b>(0.406)</b>	

<b>By Service Area</b>	<b>Budget YTD (£m)</b>	<b>Actual YTD (£m)</b>	<b>Variance YTD (£m)</b>	<b>Notes</b>
Outdoor Recreation	0.695	0.749	(0.054)	Overspend in property and supplies and services offset by over recovery in income.
Museum	0.459	0.422	0.037	
Libraries	3.277	3.172	0.105	Underspend – staffing vacancies and buildings related costs offset by under recovery of income.
SPA	5.860	6.184	(0.324)	Overspend – buildings related underspends offset by income under recovery.
ACE	(0.382)	0.113	(0.495)	Overspend – under recovery in participation income
Support	(18.494)	(18.428)	(0.066)	No significant variance.
Halls	2.861	2.470	0.391	Underspend – staffing vacancies and buildings related costs offset by under recovery of income.
Cultural Venues	2.180	2.180	0.000	No significant variance.
<b>Total</b>	<b>(3.544)</b>	<b>(3.138)</b>	<b>(0.406)</b>	



# Report

Report to:	<b>Board of Trustees</b>
Date of Meeting:	<b>29 May 2024</b>
Report by:	<b>Martin Cryans, Head of Business Development</b>

Subject:	<b>Savings Implementation Update 2024/25</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ Update to the Board on the progress of the 2023/24 savings proposals as previously presented to the Board.

## 2. Recommendations

2.1. The Board is asked to approve the following recommendation:

- (1) That the update on the progress of the 2023/24 savings is noted.

## 3. Background

- 3.1. As part of our resident consultation on our savings proposals which ran from November 2023 to February 2024, nine in ten of respondents had agreed that South Lanarkshire Leisure and Culture (SLLC) offers value for money within the then pricing structure, and, furthermore, some 74% agreed with the statement that should it assist in the continued delivery of service provision, then price increases would be acceptable.
- 3.2. At the Board meeting held on 28 February 2024 the Board agreed savings proposals for the 2024/25 financial year.
- 3.3. Price increases for 2024/25 vary across different products and service areas with the average price increase circa 4%. However, it was agreed there should be exceptions where price increases are larger; for example, entry to Calderglen Zoo has increased from £2 to £4 for an adult and £1 to £2 for a child and fitness membership from £25 to £27.
- 3.4. This report provides an early update for the Board regarding implementation of those proposals based on data from 1 to 30 April 2024.

#### 4. Savings Implementation Update

##### 4.1. Fitness Membership

4.1.1. There has been a year-on-year increase in fitness membership streams, with a 3.7% rise in numbers from April 2023 to April 2024. We will closely monitor matters as the financial year progresses to assess what, if any, impact the price increase is having on membership numbers.

##### 4.2. Activage

4.2.1. At the South Lanarkshire Council Budget-setting meeting in February 2024, Elected Members agreed to the SLLC Board's proposal to increase the Activage membership for 2024/25 to £120 per annum.

4.2.2. Members of the scheme are now able to spread payment by paying £10 per month by direct debit.

4.2.3. There has been a year-on-year increase in membership numbers from April 2023 to April 2024 of 9.6%. It should be noted that as we have now moved to the application of the direct debit option we will need to wait until further into the financial year to be able to properly assess the impact this option is having on the Activage product, and any potential impact the rise in membership fee has.

4.2.4. A marketing campaign promoting the widespread benefits of Activage commenced in early May 2024 with a view to bringing the Activage offer to a wider audience.

##### 4.3. Pricing

4.3.1. Table 1 below details the ledger performance for the past 3 years, across three of the main proposed income generating changes for 24/25. Although the 24/25 figures are still subject to change due to the ongoing transition process to oracle fusion, all areas highlight a positive direction of travel in terms of increased income, in comparison to the previous financial year.

**Table 1 – Ledgered Income for April (3 Year Comparison)**

Category	Apr-22	Apr-23	Apr-24	Movement
Membership fitness	-£368,449	-£541,196	-£582,961	-£41,765
Calderglen Income	-£42,134	-£52,015	-£65,146	-£13,131
Active age	-£27,658	-£31,726	-£32,838	-£1,112

##### 4.4. Calderglen Zoo

4.4.1. Attendance figures at the zoo are down in April 2024 compared to those in the equivalent month of last year. This was somewhat expected due to the inclement weather experienced over the Easter period. However, the increase in entry price saw income in April 2024 higher than that of April 2023.

##### 4.5. Efficiencies

4.5.1. Efficiencies are being implemented through a reduction in the libraries book fund and call off service. Additionally, SLLC grant funding to community groups in respect of independently managed and community managed halls has ceased.

##### 4.6. Rationalisation

4.6.1. We are working closely with colleagues from South Lanarkshire Council (SLC) as we continue the process of withdrawing from those facilities agreed by the Board at its meeting in February.

- 4.6.2. The introduction by SLC of the Community Fightback Fund and Future Library Fund, together with potential access in some areas to the Renewable Energy Fund, is allowing facilities to remain open for a period to allow for discussions on potential community asset transfers to take place.
- 4.6.3. The introduction of the funds has resulted in a delay in the expected withdrawal of staff from sites along with their re-deployment. There has therefore been reduced service levels in some areas and a limiting of the ability to adequately facilitate bookings. Currently a skills matching process is underway to reduce the number of vacancies being held and to rebuild the team and service levels.
- 4.6.4. SLLC officers continue to work closely with colleagues at SLC as this process develops.

## **5. Next Steps**

- 5.1. Continued monitoring will be undertaken by the Leadership Team to ensure that savings are realised for the financial year and will be reported to the Board throughout the year via the quarterly performance and finance reports.
- 5.2. As previously agreed by the Board, a review of commercial pricing will be conducted throughout the year and proposals for adjustments in line with market tolerances and other relevant factors will be brought to the Board as required.
- 5.3. Officers will continue to explore future options to support the transition to organisational sustainability and update the Board accordingly.

## **6. Employee Implications**

- 6.1. There are no employee implications arising from this report.

## **7. Financial Implications**

- 7.1. The implication of the above report is that savings proposals as agreed by Board remain integral to the achievement of savings for the 2024/2025 financial year.

## **8. Other Implications**

- 8.1. There are no other implications in terms of risk and sustainability.

## **9. Equality Impact Assessment and Consultation Arrangements**

- 9.1. There is no requirement to carry out an impact assessment or consultation in terms of the proposals contained within this report.

**Martin Cryans**  
**Head of Business Development**

**29 May 2024**

## **Links to SLLC Strategic Objectives**

- ◆ Organisational Sustainability
- ◆ Health and Wellbeing
- ◆ Connected and Engaged
- ◆ Equality and Inclusion

## **Previous References**

- ◆ None

### **List of Background Papers**

- ◆ None

### **Contact for Further Information**

If you would like to inspect the background papers, if any, or want further information, please contact:

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Ext: 8454317 (Tel: 01698 454317)  
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# Report

Report to:	<b>Board of Trustees</b>
Date of Meeting:	<b>29 May 2024</b>
Report by:	<b>Ross McKie, Head of Corporate Services</b>

Subject:	<b>Revenue Budget 2024/25</b>
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## 1. Background

1.1. The purpose of the report is to:

- ◆ Provide the Board with an update on the base revenue budget for 2024/25.

## 2. Recommendations

2.1. The Board is asked to approve the following recommendation:

- (1) That the content of the report be noted.

## 3. Background

3.1. The process for 2024/25 budget setting follows the agreed position to revise the budget based on the expected outturn position for 23/24. Similar to the previous financial year, there are some particularly significant items relating to the budgetary requirements for South Lanarkshire Leisure and Culture (SLLC) that are noted below:

- ◆ Full funding for the 2023/24 pay award has now been incorporated into the budget (£1.746m) reflective of the sites remaining in operation for 2024/25.
- ◆ SLLC continue to be responsible for funding the annual pay award. The exact figure for this year has yet to be determined and is dependent upon Trade Union and COSLA agreement.

3.2. The proposed recommendations to address the overall 2024/25 budget gap were approved at the 28 February 2024 Board meeting. This was based on the 2023/24 outturn as calculated for the budget modelling with the individual items detailed below:

**Table 1 - Summary of Savings Proposals**

	£(m)
<b>Base Budget Gap</b>	
23/24 Outturn (adjusted to reflect recurring expenditure and income levels)	1.122
Pay Award, Utilities and Other Inflation	1.540
One off Funding for 23/24 Removed	1.500
Employee Cost Budget Reinstated for Redeployment	2.173
<b>SLLC Budget Gap</b>	<b>6.335</b>
<b>South Lanarkshire Council budget decision – reduction in Management Fee for 2024/25</b>	<b>0.750</b>
<b>Total Gap (Including Management Fee Reduction)</b>	<b>7.085</b>
<b>Options for Meeting Budget Gap</b>	



Pension Contributions	(2.261)
Utilities	(0.300)
Commercial Price Increases	(0.841)
Introduction of Booking Fee	(0.025)
Activage Price Increase	(0.287)
New Income Streams	(0.070)
Proposed Savings from Core Business Operation Budget	(0.516)
Proposed Vacancies removed from Current Venue Operating Model	(0.737)
Rationalisation of Services	(2.048)
<b>Total Options</b>	<b>(7.085)</b>
<b>Revised Budget Gap Including Options</b>	<b>0.000</b>

#### 4. Base Revenue Budget for 2024/25

- 4.1. The SLLC Finance Team have now modelled through the approved proposals with the final 2024/25 revenue budget figures as follows:

	<b>Trust</b>	<b>Trade</b>	<b>TOTAL</b>
Employee Costs	24,273,140	-	-
Other Costs	9,024,220	715,407	-
Total Expenditure	33,297,360	715,407	34,012,767
Earned income	(17,825,800)	(1,201,967)	(19,027,767)
Confirmed SLC Management Fee	(14,985,000)	-	(14,985,500)
<b>Shortfall/(Surplus)</b>	<b>486,560</b>	<b>(486,560)</b>	<b>0</b>

- 4.2. The budget figures also include the proposed realignment in relation to the approved transfer of utilities (including expected inflation) to SLC. A more detailed breakdown of the budget is provided in Appendix 1. Should the financial position for 23/24 be better than anticipated, particularly in relation to income levels, options will be explored to utilise the better than expected position to meet core staffing levels in more facilities, providing the greatest impact on alleviating operational pressures and sustaining income generation.
- 4.3. A contributing financial pressure still exists as a result of SLC's decision, originally taken by the Council on 17 May 2023, to phase the proposed concession price increases for under 16's over 3 years. We will continue to monitor the situation over the coming months and provide further update during the agreed phased period up until 1 April 2025.
- 4.4. There are a number of risk items that are identified within the budget:
- ◆ Employee Costs - The 2024/25 pay award has yet to be determined which presents an unquantifiable risk. To mitigate this risk some provision has been made within the budget, however it may require to be revised following any pay award agreement with SLC aware of this.
  - ◆ Utility Costs – Although not contained within the budget, the actual value of utilities costs could require further funding, should these prove to be higher than the estimated transfer value to SLC for 2024/25.
  - ◆ Income – Although steps have been taken to more accurately predict income levels based on baseline performance and proposed increases, there continues to be an ongoing risk that income levels do not materialise as expected due to commercial competition and cost of living pressures on household budgets.

## **5. Next Steps**

- 5.1. Monthly monitoring and targeted forecasting will be undertaken to allow early intervention as required and SLLC officers will continue to liaise closely with SLC.
- 5.2. As noted in the last financial update, work has commenced on a SLLC financial business plan which will be developed to model the anticipated resourcing requirements, financial pressures, reserves balances, challenges and opportunities for the next 3 years. As anticipated the first full plan, which will help inform the development of proposals for the 2025/26 Revenue Budget, will be presented at the September Board meeting.
- 5.3. The SLLC Finance, IT and HR teams, along with the wider SLLC Corporate Services are currently in the process of implementing the new Oracle Fusion System. While the Fusion Finance System came into operation in early April, the Fusion HR System will be rolled out over the Summer following further testing before it becomes operational. Whilst the Fusion Procurement (P2P) system went live for SLC in April, this continues to be scheduled for implementation within SLLC during October. As data and processes continue to be migrated from the old system, there is potential for further disruption to SLLC Corporate Services during this period. An update will continue to be provided to the Board in the coming months.

## **6. Employee Implications**

- 6.1. There are no employee implications arising from this report.

## **7. Financial Implications**

- 7.1. The report highlights the risk of SLLC ending the 2024/25 year with a funding gap and the requirement to closely monitor the position throughout the year, highlighting any issues timeously to SLC to allow for discussion to take place where required.

## **8. Other Implications**

- 8.1. There are no other implications in terms of risk and sustainability.

## **9. Equality Impact Assessment and Consultation Arrangements**

- 9.1. There is no requirement to carry out an impact assessment or consultation in terms of the proposals contained within this report.

**Ross McKie**  
**Head of Corporate Services**

**29 May 2024**

### **Links to SLLC Objectives**

- ◆ Organisational Sustainability
- ◆ Health and Wellbeing
- ◆ Connected and Engaged
- ◆ Equality and Inclusion

### **Previous References**

- ◆ None

### **List of Background Papers**

- ◆ None

### **Contact for Further Information**

If you would like to inspect the background papers, if any, or want further information, please contact:

Ross McKie, Head of Corporate Services  
Ext: 8454320 (Tel: 01698 454320)  
E-mail: ross.mckie@southlanarkshireleisure.co.uk

## Appendix 1

### Final 24/25 Budget Proposal

#### Subjective Summary

	<b>Proposed Trust Budget (£000)</b>	<b>Proposed Trade Budget (£000)</b>	<b>Total (£000)</b>
Employees	24,273		24,273
Property	3,003		3,003
Supplies	2,733	712	3,445
Transport	128		128
Admin	1,657		1,657
Payments to other bodies	500		500
Payments to other contractors	666	3	669
Finance charges	338		338
Income	(32,811)	(1,202)	(34,013)
<b>NET</b>	<b>487</b>	<b>(487)</b>	<b>0</b>

#### Objective (Service) Summary

	<b>Proposed Trust Budget (£000)</b>	<b>Proposed Trade Budget (£000)</b>	<b>Total (£000)</b>
Outdoor Recreation	(8)	(17)	(25)
Museums	401	0	401
Libraries	2,860	0	2,860
Sport and Physical Activity	2,897	(36)	2,861
ACE	14	0	14
Halls	1,780	(1)	1,779
Culture Venues	1,925	(413)	1,512
Support	5,603	(20)	5,583
Management Fee	(14,985)	0	(14,985)
<b>TOTAL</b>	<b>487</b>	<b>(487)</b>	<b>0</b>



# Report

Report to:	<b>Board of Trustees</b>
Date of Meeting:	<b>29 May 2024</b>
Report by:	<b>Nick Lansdell, Head of Strategy and Governance</b>

Subject:	<b>Committee Membership</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ Ask the Board to agree the South Lanarkshire Leisure and Culture (SLLC) Board committees membership.

## 2. Recommendations

2.1. The Board is asked to approve the following recommendation:

- (1) That the proposed membership of the Performance, Finance and Audit Committee; Policy and Strategy Committee; and Nominations Committee is approved.
- (2) The Chair of each committee is approved.
- (3) That the Vice Chair of each committee is approved.
- (4) That proposals to fill vacancies at 3.6 is approved.

## 3. Background

3.1. The SLLC Governance Guide for Trustees sets out the operation and conduct of the Board including the membership and function of committees. These committees are the:

- ◆ Performance, Finance and Audit Committee.
- ◆ Policy and Strategy Committee.
- ◆ Nominations Committee.

3.2. At the meeting of the Board on 15 November 2023 Trustees were advised that it was anticipated that all Trustees will actively participate in committees. Committee membership would reflect the overall composition of the Board by ensuring there is a distribution of both independent and elected member Trustees across committees.

3.3. Trustees agreed to progress with the committees structure as contained within the Governance Guide and Trustees were contacted by the Board Secretary to establish interest in committee membership. The information provided by Trustees was used in conjunction with the current skills matrix to inform the Chair, Vice Chair of the interest in membership of the committees.

3.4. Subsequently Trustees have been invited to sit on committees following a process which considered the skills of individual Trustees based on the existing skills matrix to ensure that committee membership best utilises Trustees skills.

3.5. The proposed membership of the committees is contained within Appendix 1.

- 3.6. Two vacancies exist within the committees, one for an independent Trustee and one for a Trustee who is an elected member. The independent Trustee committee vacancy will be filled by the incoming newly appointed Trustee, subject to their acceptance. The elected member Trustee committee vacancy will be filled by asking for eligible Trustees to confirm their interest in the vacancy at the meeting and for the Board to approve acceptance, by a vote if required.

#### **4. Next Steps**

- 4.1. Following approval by the Board of the committee membership it is anticipated that the incoming committee members will meet to discuss terms of reference of the committee prior to the whole committee system being operational in 2024.
- 4.2. Whilst committees will provide scrutiny, assurance and advice to the Board, decisions will continue to be made at Board level except where the Board itself has delegated tasks to a committee.

#### **5. Employee Implications**

- 5.1. There are no employee implications arising from this report.

#### **6. Financial Implications**

- 6.1. As outlined in the report.

#### **7. Other Implications**

- 7.1. There are no other implications in terms of risk or sustainability.

#### **8. Equality Impact Assessment and Consultation Arrangements**

- 8.1. There is no requirement to carry out an impact assessment or consultation in terms of the proposals contained within this report.

**Nick Lansdell**

**Head of Strategy and Governance**

**29 May 2024**

#### **Links to SLLC Objectives**

- ◆ Organisational Sustainability
- ◆ Health and Wellbeing
- ◆ Connected and Engaged
- ◆ Equality and Inclusion

#### **Previous References**

- ◆ None

#### **List of Background Papers**

- ◆ None

#### **Contact for Further Information**

If you would like to inspect the background papers, if any, or want further information, please contact:

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Ext: 8454319 (Tel: 01698 454319)  
E-mail: [nick.lansdell@southlanarkshireleisure.co.uk](mailto:nick.lansdell@southlanarkshireleisure.co.uk)

## Appendix 1 – SLLC Board Committee Membership

Committee	Independents	Elected Members
Performance Finance and Audit Committee	Alan Morrison (Chair) Lisa Maule Neil Brown Stephen Smellie	Cllr Mo Razzaq (Vice Chair) Cllr John Anderson
Planning and Strategy Committee	Dr Angela Beggan (Chair) Chris Goudie Craig Cunningham Vacant (TBC upon recruitment of new Board member)	Cllr Andrea Cowan (Vice Chair) Vacant
Nomination Committee	Dr Avril Osborne (Chair) Neil Brown Chris Goudie	Cllr Maureen Devlin (Vice Chair) Cllr Ross Lambie

## AUDIT COMMITTEE UPDATE

14 MAY 2024

1. Key issues considered:
  - ◆ Internal Audit Business Continuity
  - ◆ Internal Audit Activity Report
  - ◆ Internal Audit – Audit Planning 2024/25
  - ◆ Fusion
  - ◆ Cash Security
  - ◆ Risk Register
2. Key issues to highlight:
  - ◆ The Audit Committee (AC) meeting was non-quorate. An attendance note is to be kept and any concerns flagged with the Board from a risk perspective.
  - ◆ The AC were given verbal notice that business continuity is likely to be noted in the Internal Audit (IA) Annual Report, which will be formally presented at the next AC meeting, as a split audit opinion with limited assurance of a general understanding across SLLC regarding plans and roles and responsibilities. SLLC are already working on this with a view to renewing policies and procedures to increase resilience.
  - ◆ Eight out of ten assignments in the 2023/24 Audit Plan are complete with business continuity and the Audit Plan 2024/25 outstanding with assurances that the 2023/24 plan will be completed.
  - ◆ The Audit Plan for 2024/25 will be finalised and presented at the next AC meeting.
  - ◆ The Fusion finance module has been rolled out, with the HR module due for a summer roll out and the procurement module expected in October.
  - ◆ Two cash security incidents were highlighted attributed to human error and not inadequate procedures. Procedures have been issued as a reminder of good practice cash security controls and IA are content there are general assurances of good practice out on site.
3. Any decisions/approvals taken to highlight:
  - ◆ Although noted in some risks, reputational damage is to be added to the risk register as a stand alone risk. A revised risk register will be presented at the next AC meeting.
4. Any risks identified to highlight:
  - ◆ As above.



# Report

Report to:	<b>Board of Trustees</b>
Date of Meeting:	<b>29 May 2024</b>
Report by:	<b>Kay Morrison, Chief Executive</b>

Subject:	<b>Transformation Fund Proposals and First Phase</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ Update Board on to South Lanarkshire Council's (SLC or the Council) Transformation Fund Proposals and First Phase.

## 2. Recommendations

2.1. The Board is asked to approve the following recommendation:

- (1) That the SLC Transformation Fund Proposals and First Phase are noted.

## 3. Background

3.1. The facilities operated by South Lanarkshire Leisure and Culture (SLLC) on behalf of SLC are owned by the Council. These facilities form a wide portfolio of properties of different sizes, ages and condition.

3.2. A fund of £13 million has been included within the Council's financial plans in the capital programme to create what has become known as the Transformation Fund. SLC officers have worked alongside SLLC to identify facilities that would benefit from investment.

3.3. On 8 May 2024 the SLC Executive Committee approved the first tranche of investment proposals total of £8.4 million (Appendix 1).

## 4. Next Steps

4.1. SLC will progress the projects identified as part of tranche one of the Transformation Fund and will continue to undertake feasibility studies for larger projects.

4.2. Updates will be provided to the SLLC Board at future meetings.

## 5. Employee Implications

5.1. There are no employee implications arising from this report.



## **6. Financial Implications**

- 6.1. The capital expenditure will improve the life expectancy and performance of properties as well as generate opportunities for revenue savings and income generation.

## **7. Other Implications**

- 7.1. As detailed in the SLC report the specification of improvements to the fabric of the properties will take into account the wider Council objectives in terms of energy reduction and carbon footprint.

## **8. Equality Impact Assessment and Consultation Arrangements**

- 8.1. There is no requirement to carry out an impact assessment or consultation in terms of the proposals contained within this report.

**Kay Morrison**  
**Chief Executive**

**29 May 2024**

### **Links to SLLC Objectives**

- ◆ Organisational Sustainability
- ◆ Health and Wellbeing
- ◆ Connected and Engaged
- ◆ Equality and Inclusion

### **Previous References**

- ◆ None

### **List of Background Papers**

- ◆ None

### **Contact for Further Information**

If you would like to inspect the background papers, if any, or want further information, please contact:

Nick Lansdell, Head of Strategy and Governance  
Ext: 8454319 (Tel: 01698 454319)  
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# Report

Report to:	<b>Executive Committee</b>
Date of Meeting:	<b>8 May 2024</b>
Report by:	<b>Executive Director (Housing and Technical Resources) Executive Director (Community and Enterprise Resources)</b>

Subject:	<b>Transformation Fund Proposals and First Phase</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise of the themes and criteria used to identify investment in property assets through the Transformation Fund
- ◆ seek approval to the first tranche of investment proposals

## 2. Recommendation(s)

2.1. The Executive Committee is asked to approve the following recommendation(s):-

- (1) that the first phase of investment from the Transformation Fund, amounting to around £8.4 million, as set out in Appendix 1 is approved; and
- (2) that it be noted that proposals for a further phase of investment will be prepared for consideration in Quarter 3 2024/2025.

## 3. Background

3.1. The Corporate Asset Management Plan sets out the approach to ensuring that the council's property portfolio is suitable for the council's needs in terms of scale, condition, location, suitability and corporate image. This is based on the Corporate Standard that property should be in good condition, well maintained, well used and energy and cost efficient. This approach includes regularly reviewing service need.

3.2. In light of the significant budgetary pressures facing Local Government and the challenges of net zero targets, consideration has been given to identifying what should be defined as the council's property estate and where the focus for modernisation, capital investment, repairs and maintenance budgets should be.

3.3. In recognition of the service delivery and community challenges arising from the transformation of the property estate managed by South Lanarkshire Leisure and Culture (SLLC), the Council, at its meeting held on 22 February 2023, approved funding for capital investment to help modernise the leisure and culture estate, optimise use of assets and assist in the transition towards net zero.

3.4. A fund of £13 million has been included within the council's financial plans in the capital programme and this is what has become known as the Transformation Fund.

#### **4. Establishing Themes and Priorities**

- 4.1. Consideration has been given as to how the Transformation Fund can be managed, recognising that spend must be capital and relate to a council owned asset.
- 4.2. In considering the objectives of the Transformation Fund, projects have been assessed on the basis that they must relate to a property managed by SLLC and fall under one of the following headings to qualify:-
  1. Adaptation and Modernisation
  2. Energy Efficiency and Decarbonisation
  3. Reduction of Liabilities and Demolition
  4. Community Accessibility
- 4.3. Themes 1 and 2 are aimed at extending the useful life of properties and creating an operating environment that meets modern standards and maximises the opportunity for increased use, generation of income and reduced expenditure.
- 4.4. Theme 3 focuses on removing the revenue liabilities associated with a small number of properties that have been lying vacant for a considerable period of time and enabling land to be considered for alternative purposes, although none have development potential.
- 4.5. Theme 4 is aimed at exploring mechanisms for community organisations to be more directly involved in the management of facilities, by adapting the property to accommodate alternative operational arrangements for SLLC. Options could include community control through licences to occupy and leases, or arrangements for remote access etc.

#### **5. Proposed Projects**

- 5.1. Using information collated during 2022 and 2023 in respect of property survey and maintenance information and SLLC business planning, officers from Community and Enterprise and Housing and Technical Resources, as well as SLLC and Finance have identified priorities for investment in order to sustain and modernise services. These are identified on Appendix 1.
- 5.2. There are also a small number of properties that require demolition in order to remove ongoing financial liabilities and health and safety risks.
- 5.3. At this stage, detailed project briefs have not been finalised and therefore cost estimates are very high level. Work is underway to create the detailed brief for each property, settling out the specifications, outcomes and a more specific budget. Whilst improving property condition is a key element, projects will also take into account the opportunities to increase accessibility, improve operations and generate income/reduce expenditure and create savings.
- 5.4. It is intended to undertake feasibility studies for the larger projects such as Chatelherault and Calderglen Country Parks, Museum Stores and Fairhill Lifestyles with detailed proposals feeding into the consideration of the range of projects under phase 2.
- 5.5. An element of funding has been suggested to support the changes to the library service arrangements, however, at this stage, work is ongoing to establish the most appropriate approach.

## **6. Employee Implications**

- 6.1. There are no direct employee implications identified through this report and any implications arising from individual proposals will be assessed by SLLC prior to implementation.

## **7. Financial Implications**

- 7.1. Capital expenditure will improve the life expectancy and performance of properties as well as generate opportunities for revenue savings and income generation.

## **8 Climate Change, Sustainability and Environmental Implications**

- 8.1. The specification of improvements to the fabric of the properties will take into account the wider council objectives in terms of energy reduction and carbon footprint.

## **9. Other Implications**

- 9.1. There are a number of funds available for investment in the council's estate and new funds have recently been created in relation to supporting community management of facilities for which oversight arrangements are being put in place. These arrangements will include monitoring the Transformation Fund programme to ensure that any overlaps or conflicts are identified.

## **10. Equality Impact Assessment and Consultation Arrangements**

- 10.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.

**Stephen Gibson**

**Executive Director (Housing and Technical Resources)**

**David Booth**

**Executive Director (Community and Enterprise)**

15 March 2024

### **Link(s) to Council Values/Priorities/Outcomes**

- ◆ Accountable, effective, efficient and transparent

### **Previous References**

- ◆ None

### **List of Background Papers**

- ◆ None

### **Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

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Facility	Works	Cost
Hamilton Water Palace, Hamilton	Ventilation and fabric upgrade and refurbishment of fitness studio.	£0.5 m
Blantyre Sports Centre	Ventilation and fabric along with internal remodelling and the gym and fitness studio modernisation described below.	£1 m
Gym/Fitness studios modernisation programme	Replace all gym equipment across sites & upgrade studios – this helps to justify price increases, make service more competitive.	£1.9 m equipment £0.84 m studios
Hamilton, Rutherglen and Lanark Town Halls	Upgrade to modern standard to maximise use/income and enhance customer experience.  Refurb of registrar's area to create additional usable space with income generating potential.	£1.8 m  £0.3 m
John Wright Sports Centre	Main Sports Hall floors 1, 2 & 3 require complete replacement. Hall 3 and reception refurbishment.	£0.15 m
Fairhill Lifestyles	Investigate extend the gym area utilising the corridor along the front of the building. Increasing size and capacity of the gym and in turn increasing income	£0.005 m Feasibility
Murray Owen, East Kilbride	Adaptation to accommodate additional public daytime lets and diversify use.	£0.10 m
Oxford dipper	Improve swimming pool experience for residents who have access issues– 9 pools	£0.12m
Hamilton Palace Sports Grounds	Male & Female Foyer Toilets Upgrade and replacement of passenger lift	£0.08 m
James Hamilton Heritage Park	Changing Room Refit – Ladies & Gents including shower	£0.03 m
Coalburn Leisure Facility	Pool, poolside/changing and fabric upgrade to enhance customer experience, increase use and extend the useful life of the property.	£0.2 m
Hillhouse and Earnock CC	Refurbish former library area to create alternative lettable space.	£0.1 m
Chatelherault Country Park	Refurbishment of reception/foyer/cafe area to create social dwelling space.	£0.03 m feasibility

	Upgrade to both internal and external public toilets, and refurbishment of exhibition space. Replacement of life expired windows, doors and gates.	
Museum Stores	Centralising museum stores to release Crosshouse property for sale and explore options for public access to collections on request.	£0.03 m Feasibility
Conservatory, Calderglen Country Park, East Kilbride	Roof replacement, energy efficiency measures and modernisation of visitor experience following a review of the future operational requirements of a zoo and potential for alternative opportunities such research/education	£0.03 m Feasibility
HPSG	LED lights upgrade of Indoor Sports Pitch and Floodlight Conversion for 5-a-side pitches & Tennis Courts	£0.08 m
Lifestyle Eastfield	Battery storage for solar panels, improve efficiency of current panels	£0.05 m
John Wright Sports Centre	Investigate resolution of Athletics Hub power supply (part fund) to allow for LED upgrade to floodlights and re-introduction of 11-a-side football increasing income potential.	£0.05 m
Former Farmcross Hall, Rutherglen	Vacant in excess of 5 years without valid CAT interest, reinstate ground	£0.05 m
Former Bowling Pavilion, Carnwath Park	Within public park which has protected planning status, however condition deteriorating, reinstate ground.	£0.05 m
Hamilton Palace Sports Grounds	Removal of abandoned Playpark – Allow for additional parking and address antisocial behaviour.	£0.08 m
Library reprovision	Setting up of library space in a number of alternative venues, locations still to be identified	£0.3 m estimate
Improvements to Accessibility	Improving access, door entry, and security facilities.  Centre access gates at 11 sites plus external staffing support & remote access.	£0.65 m