

WEST DUNBARTONSHIRE COUNCIL**Report by Chief Officer – Citizen, Culture & Facilities****Corporate Services Committee: 23 February 2022**

Subject: West Dunbartonshire Leisure Trust Business Plan 2022/23**1. Purpose**

- 1.1 The purpose of this report is to update members on the West Dunbartonshire Leisure Trust Business Plan for 2022/23.

2. Recommendations

- 2.1 It is recommended the Committee:
- approves the report and the 2022/23 West Dunbartonshire Leisure Trust Business Plan;
 - agrees that the WDLT management fee set out in this report is included in the Council's 2022/23 revenue budget considerations for the March budget-setting meeting

3. Background

- 3.1 West Dunbartonshire Leisure Trust (the Trust) is a company limited by guarantee with charitable status. In addition to being regulated by the Companies Act (2006), the company is also subject to the charities regulator in Scotland, OSCR (Office of the Scottish Charity Regulator).
- 3.2 West Dunbartonshire Leisure Trust was incorporated as a company in December 2011 and started trading on 5th April 2012.
- 3.3 There are nine members of the company who serve as trustees comprising of three (3) West Dunbartonshire Councillors (Partner Trustees), an Employee Representative Trustee and five (5) Independent Trustees. The board of Trustees (who are also directors of West Dunbartonshire Leisure Trust for the purposes of company law) has control of the company subject to providing and operating the services in accordance with the Legal Agreement reached with West Dunbartonshire Council and provides strategic direction to the General Manager and his Management Team.
- 3.4 West Dunbartonshire Leisure Trust is responsible for the strategic and operational management of West Dunbartonshire Council's Sport and Leisure Facilities, Community Facilities, Sports Development, Active Schools, Outdoor Recreation facilities and for event delivery on behalf of the Council.
- 3.5 In order to ensure that the Council meets its obligations to provide adequate provision of facilities for the residents of the area for recreational, sporting,

cultural and social activities in terms of Section 14 of the Local Government and Planning (Scotland) Act 1982, there is a Services Agreement in place between the Council and the Leisure Trust. The Trust is paid a management fee for delivery of the services through an annual funding commitment.

- 3.6** The Services Agreement states that the Leisure Trust should bring a draft Business Plan forward for the coming financial year that illustrates the resources which WDLT intends to use to deliver its services. It should also include information on the expected expenditure required to provide those services, and the amount of funding required from the Council in the form of the management fee. This report and the accompanying Business Plan (Appendix 1) fulfils this requirement.
- 3.7** This report is presented to Committee on behalf of WDLT by the Chief Officer for Citizen, Culture, and Facilities (CCF) who is the senior officer responsible for monitoring WDLT activity on behalf of the Council.
- 3.8** The 2021/22 Management fee was £4,140,311 and incorporated £200,000 of efficiencies/management adjustments. These included completion of the review into Community Services; the completion of the review of the Trust's Management and operating structure; and a reduction in overtime levels.
- 3.9** Although WDLT facilities and services have remained open since 26 April 2021, the Trust has been operating under a number of restrictions. This is predicted to lead to an annual accounts position of a favourable outturn against budget of £426k depending on activity between now and end of financial year. However this favourable outturn will only reduce the agreed allocation of £829k from reserves originally anticipated to balance the budget.

4. Main Issues

- 4.1** The pandemic continues to cause significant disruption to the Trust and its activities with income and usage for 2021/22 predicted to be at 70% of pre-Covid levels by the end of the financial year. The Trust is projecting a 15% loss in income in 2022/23 based on services operating as normal for the financial year.
- 4.2** The Trust will provide as many opportunities for existing, previous and new users including those from under-represented groups to participate in leisure, sporting and physical activities as possible, and look to restore memberships to generate appropriate levels of income to offset required expenditure to deliver services. The Trust is planning on a one-off use of £742,305 of reserves, on the basis that it expects the position to improve over 2022/23 once services and programmes are fully operational and public confidence to meet, engage and interact is fully restored. The Trust is also planning as part of the use of reserves on delivering a one-off saving to the Council in 2022/23 of £200,000.
- 4.4** The use of reserves will result in a break even position for 2022/23 subject to all premises remaining open and no further restrictions being imposed

Projected Trust costs 2022/23	£
Operating and Expenditure Costs	-8,188,101
Additional operating costs linked to the transfer of new facilities – Dalmonach Community Centre	-28,510
Total Projected Costs	8,216,611
Projected Trust income	
Draft Management Fee	4,161,077
Income (Customer Receipts)	2,932,134
Income (3rd Party Funding & Misc)	381,095
Total Projected Income	7,474,306
Gap	742,305

4.5 The Leisure Trust proposes to deliver the following in the coming year as per the Business Plan at Appendix 1:

4.6 Sport & Leisure

The strategic and operational management of the council's three wet and dry leisure centres, Vale of Leven Swimming Pool; the Meadow Centre; and Clydebank Leisure Centre.

We will continue to build customer confidence on returning to our three leisure centres via social media and the promotion of customer testimonials We will continue to work towards encouraging those members who during the pandemic cancelled their memberships to re-join and attract new members to assist us establish as close to the same level of memberships prior to the outbreak of COVID-19.

4.7 Community Services

The strategic and operational management of the council's Community Facilities (12); Theatre; outdoor Grass Pitches (17); Synthetic Pitches (3); outdoor Bowling Greens (2); and the new Athletics Track in Posties Park, Dumbarton.

We will work with the Council to ensure the successful commissioning and operation of the new Athletics Track at Postie's Park, Dumbarton.

4.8 Sports Development

Our Sports Development team is focused on widening opportunities for all residents to participate in sport. This is achieved via the provision of community and school sports programmes, club and coach development initiatives and the delivery of various mass participation sports events across the area.

We will develop a Football Strategy to enhance our football provision across the authority and assist increase the use of the grass and synthetic pitches.

With the opening of the new Athletic Track at Posties Park we will work with athletic clubs to generate usage and programme opportunities for residents to participate in athletics.

4.9 Active Schools

Our Active Schools team aim to provide more and higher quality opportunities for children and young people to take part in sport and physical activity before, during lunchtime and after school.

We will continue to work closely with the Council's Education department to investigate how best we can increase pupil physical activity participation in Active Schools programmes including the use of more digital platforms due to the COVID-19 pandemic.

4.10 Major Outdoor Events

Decisions as to whether large outdoor events can proceed throughout 2022/23 based on whatever restrictions the Scottish Government impose has still to be made, however, should they proceed we will continue to deliver an annual programme of outdoor events for the Council. This Events Calendar includes a Golf ProAm; the Scottish Pipe Band Championships; the Highland Games; Firework Displays; and Christmas Light Switch On events.

In addition to delivering outdoor events for the Council we also manage and deliver the Loch Lomond 10k Road Race and for the first time a 5k Road Race will also be introduced should Covid restrictions allow.

4.11 Key Performance Indicators

To allow the Council monitor Trust service delivery during the year a number of Key Performance Indicators are set and reported on. The agreed suite for the 2022/23 Business Plan is included in Appendix 1.

5. People Implications

5.1 There are no direct people implications for the Council arising from this report

6. Financial and Procurement Implications

6.1 As outlined in this report and the Business Plan, the Trust's proposed service delivery would allow for a management fee from the Council to the Leisure Trust of £4,161,077 in 2022/23.

6.2 If agreed the WDLT management fee set out in this report will be included in the Council's 2022/23 revenue budget considerations in March.

6.3 There are no procurement implications from this report

7. Risk Analysis

7.1 There is a risk that Covid-19 disruption will have a greater impact on

income levels than currently forecast by WDLT. If that is the case then the Trust could allocate further funds from reserves up to a limit to mitigate issues in the first instance. If it goes beyond this then a further report could be brought to Council in 2022/23.

8. Equalities Impact Assessment (EIA)

8.1 An EIA was undertaken on the 2022/23 Business Plan. This identified the Plan would have a positive impact and benefits to the local area. The Business Plan has a stated commitment to equality and inclusion. Participation is lower for some groups, women, disabled people and BAME People, so explicit note of the centrality of equalities can help inform planning and practice. WDLT will continue to prioritise this in the coming year and beyond.

9. Consultation

9.1 Consultation on this report has taken place with WDLT management, Finance, Procurement, Legal and Assets.

10. Strategic Assessment

10.1 This report supports the following Strategic Plan objectives:

- Efficient and effective frontline services that improve the everyday lives of residents

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10 February 2022

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Appendices:	Appendix 1: WDLT Business Plan 2022/23
Background Papers:	None
Wards Affected:	All