

Item: 12

Education, Leisure and Housing Committee: 13 November 2019.

Pickaquoy Centre Trust – End of Year Performance.

Report by Executive Director of Education, Leisure and Housing.

1. Purpose of Report

To review Pickaquoy Centre Trust's end of year usage and performance for 2018 to 2019.

2. Recommendations

The Committee is invited to note:

2.1.

Pickaquoy Centre Trust's end of year usage figures and performance from 2018 to 2019, as detailed in Appendix 1 to this report, which indicate the following:

- Overall annual usage figures of 481,107 which represents an increase of 4% in overall usage against the same period in 2017 to 2018.
- The main positive variances against targets being junior activities, track and infield, sports courses, arena sports, campsite, swimming, cinema and all-weather pitch.
- The main negative variances against targets being health suite, group exercise classes, gym, soft play, grass pitches, squash and other indoor leisure activities.

2.2.

That Pickaquoy Centre Trust's audited annual accounts for the year ended 31 March 2019 have been submitted and indicate an operating deficit of £27,359.

3. Background

3.1.

The agreement for the provision of services, known as the Service Agreement forms the basis of the contractual arrangement between the Council and the Pickaquoy Centre Trust. It is based on the requirement in terms of section 14 of the Local Government and Planning (Scotland) Act 1982 for the Council to ensure there is adequate provision for the facilities for the inhabitants of their area for recreational, sporting, cultural and social activities.

3.2.

The Council has agreed to make payments to the Pickaquoy Centre Trust for the delivery of aims and priorities as detailed in the Service Agreement. The amount paid for the services is reviewed annually to determine the requisite annual payment for the agreed level of service provision.

3.3.

A revised Service Agreement 2019 to 2022 between the Council and the Pickaquoy Centre Trust was approved by the Council on 2 July 2019.

3.4.

A number of meaningful aims and priorities, as detailed below, were included in the Service Agreement 2019 to 2022 to provide a clear link between the aims and priorities of not only the Council but those of its partners such as Sportscotland and Orkney's Community Planning Partnership:

3.4.1.

Aim: Provision of Leisure Facilities – to provide specialist venues, staff and activities to promote sport, leisure and learning.

Priorities:

- Provide facilities that comply with Health and Safety legislation and statutory guidelines.
- Provide opportunities to schools for delivery of curriculum and after school activities.
- Provide opportunities for casual use by the public.
- Provide specialist venues for use by sports clubs.
- Provide specialist venues for use by specific target groups – exercise referral/disability.
- Provide specialist venues and supervision/guidance for athletes who are part of the Sportscotland Institute of Sport/Performance Development Programme.
- Contribute to delivery of the Council's Pitch and Facilities Strategy and Physical Activity and Sport Strategy.

3.4.2.

Aim: Provision of Physical Activity and Sport – to increase the number of people taking part in physical activity.

Priorities:

- Work with Active Schools to develop pathways for young people to progress from school to after school and community sport.
- Develop and monitor a range of physical activity and sport opportunities.
- Develop and retain specialist staff for disability and exercise referral delivery.

- Work with specialist sports officers of national governing bodies and Orkney's Community Sports Hub Officer to contribute to the development of sport in Orkney.
- Contribute to the roll out of Orkney's Sport Club accreditation scheme to ensure the good practice and governance of facility users.
- Provide Swim Club lane hours for training.
- Deliver the Scottish National Swimming Framework Learn to Swim Programme.
- Develop and deliver a programme of coach led activities for all age groups.
- Develop and deliver holiday programmes.
- Contribute to the reduction of childhood obesity in primary school children.
- Work with other agencies in contributing to delivering a reduction in inequalities in relation to physical activity and healthy weight.
- Operate an exercise referral programme to support healthy eating and increase physical activity.
- Report on the number of children attending Learn to Swim Programme and numbers completing the programme and progressing on to the Orkney Amateur Swimming Club.
- Contribute to the long-term outcome of increasing the proportion of Orkney's population with a healthy weight.

3.5.

The priorities and aims detailed in 3.4.1 and 3.4.2 clearly reflect the future requirements of the Council and will be used to monitor the performance of the Pickaquoy Centre Trust, as well as being reported on as part of the Pickaquoy Centre Trust's performance report 2019 to 2020.

4. Monitoring of Pickaquoy Centre Performance

4.1.

Attached as Appendix 1 to this report, are usage figures and performance for 2018 to 2019, together with commentary, from the Pickaquoy Centre Trust.

4.2.

Performance data for 2018 to 2019 show that a number of areas experienced significant growth in usage with other areas decreasing slightly. The overall facility usage of 481,107 represents an increase of 17,496 or 4% against the previous year.

4.3.

An analysis of the 2018 to 2019 actual usage figures compared with the same period in 2017 to 2018 indicate that the areas of activity showing the largest increases are as follows:

- Junior activities up by 9%.
- Sports Courses up by 14%.
- Arena Sports up by 9%.
- Cinema up by 4%.
- All-weather pitch up by 29%.
- Campsite up by 4%.
- Swimming up by 13%.

4.4.

Analysis of the usage figures also highlight some areas of operation where there has been little or no growth on the previous year and a drop in use, which include:

- Gym, strength and conditioning and functional training down by 9%.
- Group exercise down by 14%.
- Health suite down by 6%.
- Other indoor leisure activities down by 7%.
- Soft play down by 7%.
- Grass pitches down by 35%.
- Squash down by 14%.
- Climbing and bouldering remained static.

5. Annual Accounts

5.1.

The annual accounts for the year ended 31 March 2019 have been submitted and indicate an operating deficit of £27,359. Incoming resources increased from £2,540,000 to £2,870,000 with the uptake of ActiveLife remaining positive resulting in increased income of £92,000. Café income increased by £55,000 and some of the large events held throughout the year increased income by £60,000.

5.2.

Expenditure also increased from £2,860,000 in 2017 to 2018 to £2,900,000 in 2018 to 2019 despite staff costs falling by £40,000. Utility costs increased by £39,000 from 2017 to 2018.

6. Corporate Governance

This report relates to governance and performance monitoring processes and procedures and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

7. Financial Implications

7.1.

The Council paid the Pickaquoy Centre Trust a management fee of £776,600 for 2018 to 2019 to deliver a range of services, subject to the performance targets as set out within the Service Agreement being met.

7.2.

In accordance with the Code of Guidance on Funding External Bodies and Following the Public Pound, the Council has a duty to ensure adequate stewardship of Council funds at all times. It should be viewed as good practice that the Council ensures that the necessary systems and controls are in place to protect its investment.

8. Legal Aspects

The purpose of the Service Agreement is to provide fiscal savings, and in addition gives the Council the opportunity to monitor the Pickaquoy Centre Trust on performance management principles.

9. Contact Officers

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10. Appendix

Appendix 1: Pickaquoy Centre Trust – Commentary on 2018 to 2019 actual usage figures against 2017 to 2018 figures.

THE PICKAQUOY CENTRE TRUST 2018 TO 2019 USAGE AGAINST 2017 TO 2018 ACTUALS

Gym, Strength & Conditioning & Functional Training	2017/18 Actual	2018/19 Actual	Variance
Number of participants attending the Gym areas	67,420	61,819	-5,601 (-9%)

Issues with customers collecting tickets for gym entry, currently looking into access control to resolve this issue. Also looking at re-education of customers and initiative to incentivise collecting a ticket.

Group Exercise Classes	2017/18 Actual	2018/19 Actual	Variance
Number of participants attending Group-X Classes	46,097	40,594	-5,503 (-14%)

Instructor availability and lack of cover for classes has impacted on number of classes being cancelled. Timetable restructure has not attracted new customers as hoped. Development of KGS timetable now offering new genres has also affected attendance.

Junior Activities	2017/18 Actual	2018/19 Actual	Variance
Number of juniors attending activities	66,867	68,076	1,209 (2%)

Junior Inter-county home year. Delivery is mostly through clubs. Still have a reliance on Operational Supervisors to manually record head counts for all club bookings.

Sports Courses	2017/18 Actual	2018/19 Actual	Variance
Number of participants Learn to Swim, gymnastics etc.	24,760	32,190	7,430 (23%)

Development of gymnastics and swimming programmes with additional classes added where possible. Space and instructor availability are still an issue currently. We are continuing to review course development with a desire to introduce disability options.

As previously discussed with Monitoring Manager, an inconsistent recording process for prior years has now been rectified.

Health Suite	2017/18 Actual	2018/19 Actual	Variance
Number of participants using the Health Suite	22,881	21,566	-1,315 (-6%)

Busy therapist stopped hiring the centre from May 2018

Arena Sports	2017/18 Actual	2018/19 Actual	Variance
Number of sports participants using the Arena	37,509	41,133	3,624 (9%)

Home Junior Inter-county. St Magnus Festival did not require use of Arena in 2018/19, this allowed clubs and individuals to use the space

Other Indoor Leisure Activities	2017/18 Actual	2018/19 Actual	Variance
Other indoor leisure activities	24,079	22,471	-1608 (-7%)

Reduced meeting room space due to Studio 2 being used more for group X classes and Grainayre blocked off for extra daytime cinema shows. St Magnus Festival not using Arena in 2018/19, subsequent increase shown in Arena Sports usage.

Cinema	2017/18 Actual	2018/19 Actual	Variance
Number of customers visiting the cinema	32,866	34,164	1,298 (4%)

Extra shows introduced during weekdays.

Soft Play – Jungle World	2017/18 Actual	2018/19 Actual	Variance
Number of participants attending indoor soft play	12,600	11,744	-865 (-7%)

New soft play opening in Wellpark Garden Centre in December 2018. Similar issues as gym and squash attendance regarding customer collection of tickets.

All Weather Pitch (AWP)	2017/18 Actual	2018/19 Actual	Variance
Number of participants using the AWP	4,742	6,689	1,947 (29%)

Junior Inter-county home year. Mainly hockey club use, extra competitions held in Orkney.

Campsite	2017/18 Actual	2018/19 Actual	Variance
Number of participants staying on the campsite	14,243	14,864	621 (4%)

Orkney still a very popular destination for camping tourism. Long term stays for workers on the Balfour Hospital project.

Track & Infield	2017/18 Actual	2018/19 Actual	Variance
Number of participants using the track & infield	8,394	13,498	5,104 (38%)

Extra club usage from running club and usage increase from ActiveLife individual use. Home Inter-county weekend includes football and athletics.

Grass Pitches	2017/18 Actual	2018/19 Actual	Variance
Number of participants using the grass pitches	4,579	3,402	-1,177 (-35%)

Popularity of KGS 3G pitch with clubs using instead of grass to reduce risk of cancellations due to weather.

Swimming	2017/18 Actual	2018/19 Actual	Variance
Number of participants using the swimming pool	85,437	98,596	13,159 (13%)

Additional adult and junior use continues to climb due to ActiveLife. Home Junior Inter-county. Development of timetable to include and expand initiatives such as aqua walking. Aqua Zumba classes are increasing in popularity.

Squash	2017/18 Actual	2018/19 Actual	Variance
Number of participants playing squash	6,862	6,023	-839 (-14%)

Reduced number of club and public bookings. Issues with movable wall causing closure of 2 courts for 1 week and affecting a large number of bookings. Again, similar issues with gym and soft play attendance regarding customers collecting tickets.

Climbing & Bouldering	2017/18 Actual	2018/19 Actual	Variance
Number of participants climbing and bouldering	4,275	4,278	3 (0%)

No significant change. Hope to see an increase in 2019/20 due to the bouldering expansion completed in July 2019.

Total usage	2017/18 Actual	2018/19 Actual	Variance
	463,611	481,107	17,496 (4%)

Prepared by: Pickaquoy Centre Trust – Senior Management Team