

Councils invest more than a quarter of a billion pounds a year in promoting economic growth and providing direct support for business. In 2015/16 councils supported around 16,900 businesses and supported 21,600 unemployed people into jobs within their local communities. Critically in supporting economic growth, Councils are equally investing in employment and skills, through modern and craft apprenticeships and probationary teachers, to help equip young people to enter the marketplace. Council services themselves also generate economic benefit.



Roads and Infrastructure

Despite financial pressures Councils are continuing to maintain roads at a stable level and are providing a wide range of infrastructure to support and sustain communities such as schools, libraries and community centres.



Digital Connectivity is an important area in which Councils are playing their part, particularly in rural areas. Councils recognise that ensuring good digital access throughout the country will ensure communities can prosper. This includes providing greater digital access to Councils' own services.



Transport

Transport is a major driver for the economy and a lifeline for many people, including those who must travel to access work, education, health care or other amenities. Transport can help people live better, healthier and richer lives. Transport has an important part to play connecting different aspects of people's lives.

For transport policy to be nimble and responsive to the needs of communities, there must be a close and direct connection to the local democratic process. Tying transport policy to the needs of communities up and down Scotland will benefit the whole country. However, local transport services are under significant pressure and have already been reduced. A further reduction will hit communities again.

Budget Savings Options 2018/19 & 2019/20

Service:	Children's Services			
Division:	Cleaning & Catering			
Savings Title:	Building Cleaning			
Saving Reference:	CS30			
Estimated Savings:	2018/19 £000's	2019/20 £000's		
	500	500		
Estimated FTE Impact:	10.7 FTE	0		
Commentary:				
<p>Building Cleaning: Primary – Reduce office and classroom cleaning from 3 to 2 days per week. Secondary – reduce office and non-practical classroom cleaning to 3 days per week (NPDO School only). Council Offices – Reduce cleaning from 3 to 2 days per week. Trust Properties – Reduce cleaning from 3 to 2 days per week.</p>				
Summary Provisional EPIA Assessment: (tick relevant box)		H	M	L
		✓		
<p>A full Equality and Poverty Impact Assessment (EPIA) would be required. Impacts on a Female low paid workforce</p>				
Risk Saving won't be delivered: (tick relevant box)		R	A	G
		✓		
<p>Additional reductions required. Trade Union – staff losses.</p>				
Impact on Council Priorities: (tick relevant box)		R	A	G
			✓	
<p>People – Reducing the impact of poverty on children and their families.</p>				

Budget Savings Options 2018/19 & 2019/20

Service:	Children's Services			
Division:	Quality Improvement			
Savings Title:	Reduce Teacher Numbers			
Saving Reference:	CS31			
Estimated Savings:	2018/19 £000's	2019/20 £000's		
	70	600		
Estimated FTE Impact:	2.0	23.0		
Commentary:				
<p>Reduce Teacher Numbers:</p> <p>Reduce teacher numbers across primary and secondary school sector. This is likely to lead to increased class sizes and reduced curricular options for Senior Phase.</p>				
Summary Provisional EPIA Assessment: (tick relevant box)		H	M	L
			✓	
A full Equality and Poverty Impact Assessment (EPIA) would be required.				
Risk Saving won't be delivered: (tick relevant box)		R	A	G
			✓	
Dependent on Teacher Number Agreement.				
Impact on Council Priorities: (tick relevant box)		R	A	G
			✓	
People – Raising aspiration and ambition.				

Budget Savings Options 2018/19 & 2019/20

Service:	Children's Services			
Division:	Cleaning & Catering			
Savings Title:	Municipal Buildings - Canteen			
Saving Reference:	CS32			
Estimated Savings:	2018/19 £000's	2019/20 £000's		
	30	0		
Estimated FTE Impact:	0	0		
Commentary:				
<p>Close the Municipal Buildings Canteen:</p> <p>Closure of the canteen facilities which operate at Municipal Buildings and Abbotsford House, Falkirk with effect from 1/4/18 and the tea service currently available to Members.</p> <p>Catering for civic functions / events will be undertaken from alternative locations (school kitchens).</p>				
Summary Provisional EPIA Assessment: (tick relevant box)		H	M	L
				✓
<p>A full Equality and Poverty Impact Assessment (EPIA) would be required.</p>				
Risk Saving won't be delivered: (tick relevant box)		R	A	G
				✓
<p>No risk identified. Staff would be redeployed – no job losses.</p>				
Impact on Council Priorities: (tick relevant box)		R	A	G
				✓
<p>No impact identified.</p>				

Budget Savings Options 2018/19 & 2019/20

Service:	Children's Services			
Division:	Cleaning & Catering			
Savings Title:	School Meals – Cost Increase			
Saving Reference:	CS33			
Estimated Savings:	2018/19 £000's	2019/20 £000's		
	162	106		
Estimated FTE Impact:	0	0		
Commentary:				
<p>School Meals – Cost Increase:</p> <p>£0.45 increase in meal price from £2.05 to £2.45 (20%) for primary and secondary to be more aligned to full costs recovery of meals (£2.70).</p>				
Summary Provisional EPIA Assessment: (tick relevant box)		H	M	L
			✓	
<p>Price increases may impact on the demand for services.</p> <p>Pupils who are Free Meal Entitled will not be affected.</p> <p>A full Equality and Poverty Impact Assessment (EPIA) would be required.</p>				
Risk Saving won't be delivered: (tick relevant box)		R	A	G
			✓	
<p>Public consultation required.</p>				
Impact on Council Priorities: (tick relevant box)		R	A	G
			✓	
<p>People – Reducing the impact of poverty on children and their families</p>				

Budget Savings Options 2018/19 & 2019/20

Service:	Development Services			
Division:	Environmental Services – Fleet Services			
Savings Title:	SMART WORKING – SMART TRAVEL			
Saving Reference:	DV38			
Estimated Savings:	2018/19 £000's	2019/20 £000's		
	50	50		
Estimated FTE Impact:	N/A	N/A		
Commentary:				
<p>Business travel is an essential requirement in delivering the many services offered by the Council. An extensive fleet of 530 Council vehicles is currently provided and maintained by Fleet Services; however in addition, significant resources are also expended by individual Services in reimbursing employees for business mileage incurred whilst travelling in their own private vehicles (grey fleet) during the course of their work. In 2016/17, a total of 2.19 million miles were travelled by employees and elected members in their private vehicles in carrying out their business duties which incurred a direct expenditure to the Council of claims totalling c£1m.</p> <p>It may not always be practical for the Council to eliminate all business mileage however, it is widely accepted that there are more environmentally sustainable and more cost effective business travel options available.</p> <p>The above estimated savings are directly attributed to revenue.</p>				
Summary Provisional EPIA Assessment: (tick relevant box)		H	M	L
No impact on service users with protected characteristics.				
Risk Saving won't be delivered: (tick relevant box)		R	A	G
If the savings are not delivered it would mean that there would continue to be and on-going annual cost overall to the Council of c£1m.				✓
Impact on Council Priorities: (tick relevant box)		R	A	G
The Council has a number of environmental objectives to reach over the next five years including a reduction in CO2 levels. Introducing this project will assist in reaching the agreed milestones.			✓	

Budget Savings Options 2018/19 & 2019/20

Service:	Development			
Division:	Planning & Economic Development			
Savings Title:	Employment & Training Unit – revised funding			
Saving Reference:	DV_			
Estimated Savings:	2018/19 £000's	2019/20 £000's		
	368	206		
Estimated FTE Impact:	-	-		
Commentary:				
<p>This savings option introduces a revised funding model for the Council's Employment and Training Unit arising from a change in the approach to service delivery following the successful award of a Fairstart employability contract by Scottish Government. This is an alternative to savings options DV10, DV31 and DV34 and maintains the operations of the Unit using a revised approach to service delivery. This option would maintain provision for c900 jobseekers p.a.</p> <p>The budget reductions proposed aim to maximise the use external funds for service delivery while protecting the range of interventions, matching some staff to Fairstart/European Social Fund and other externally funded activity.</p> <p>The proposal maximises the capacity for match funding to be maintained, leveraging £4.3m from external sources (£2 for each £1 committed by the Council). The proposal maintains the Unit's capacity to sustain the delivery of external service contracts for Skills Development Scotland and Scottish Government albeit there are risks as funding supplied will be dependent on outcomes secured.</p> <p>This option enables staffing levels in the Unit to be maintained.</p> <p>NB - This budget saving has an impact on the savings proposed in relation to CHS011 – Fairer Falkirk Funding Requiring a contribution to the ETU's service delivery of £450k in 2018/19 and £350k in 2019/20, a reduction in the saving amount proposed of £200k in 2018/19 and £100k in 19/20.</p>				
Summary Provisional EPIA Assessment: (tick relevant box)		H	M	L
			✓	
<p>ETU works with harder to help older people as well as young people seeking to access the labour market. Many of these clients have multiple barriers to employment including health conditions, disabilities and additional support for learning needs. There is also a focus on care leavers and ex-offenders. 30% of clients currently come from SIMD areas.</p> <p>This savings option takes into account changes in the field of employability serving excluded groups arising from welfare reform and the devolution of UK employability services. As a consequence the clients served are anticipated to exhibit additional challenges in accessing the workplace.</p>				

Risk Saving won't be delivered: (tick relevant box)	R	A	G
<p>ETU services have an ongoing contingent liability for the delivery of training programmes for periods of up to four years. If budget levels are significantly reduced this capacity to sustain contingent liabilities will be eroded and other provision will require to be found for trainees. The recent successful award of the contract for delivery of the Forth Valley Fair Start Scotland service does enable a revised service model to be introduced, match-funding to be generated and the savings to be achieved.</p>		✓	
Impact on Council Priorities: (tick relevant box)	R	A	G
<p>The revised service model assists with delivery of the Council's priorities for:</p> <ul style="list-style-type: none"> • raising aspiration and ambition; • reducing the impact of poverty on children and their families, • growing the economy, • creating jobs • Empowering and enabling people to be self reliant, and • Promoting stronger, more self-reliant communities 			✓

Budget Savings Options 2018/19 & 2019/20

Service:	Corporate & Housing Services			
Division:	Policy, Technology & Improvement			
Savings Title:	Fairer Falkirk			
Saving Reference:	CHS011			
Estimated Savings:	2018/19 £000's	2019/20 £000's		
	293	195		
Estimated FTE Impact:	0.0	0.0		
Commentary:				
<p>This includes reducing funding for employability projects and positive destinations from the Fairer Falkirk Fund. Reducing the funding to employment and training provision and realigning the remaining funding on delivering support for the priorities within the emerging poverty strategy around provision of advice, support, holiday food programmes and digital inclusion.</p> <p>This change will be achieved over two years with a further saving in year 3 to be achieved with the full implementation of the hub model of advice and a further £100k from employment and training.</p> <p>This would leave £884K in 20/21 within the Fairer Falkirk fund to be allocated against priorities of the strategy and the delivery of the new model of advice services but still contributing significant resources to the employment and training provision.</p> <ol style="list-style-type: none"> 1. Reduce funding to employability, positive destinations and realign fund to deliver food, advice and digital support – 2018/19 – £293k. 2. Reduce funding to employability and financial inclusion – 2019/20 – £195k. 				
Summary Provisional EPIA Assessment: (tick relevant box)		H	M	L
			✓	
<p>The reduction in funding above would impact on younger people and thus not one of the protected characteristics. However further work has to be undertaken to understand if those young people who benefit for the services delivered by this funding are in poverty or helps them achieve a level of future pay that takes them out of poverty.</p> <p>Further work on the EPIA will be undertaken over the coming months. This will sit alongside the emerging poverty strategy to inform how the remaining funding will support future priorities i.e. addressing the impact of poverty on children, young people and families. This will mean focusing on financial inclusion, advice and support, food poverty, the cost of the school day etc.</p>				
Risk Saving won't be delivered: (tick relevant box)		R	A	G
			✓	
<p>Work will have to be done to review the current commitments and thus ensure savings can be delivered over the 3 years of the proposed savings programme.</p>				
Impact on Council Priorities: (tick relevant box)		R	A	G

The fund needs to focus on mitigating the impact that lack of poverty and supporting people in those circumstances.		✓	
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2018/19 & 2019/20
BUDGET GAP STATEMENT

	<u>Latest Projection</u>		<u>Latest Projection</u>		Comments
	2018/19	FTE	2019/20	FTE	
Budget Gap	25.000		16.380		Assumes 3% Council Tax Increase 18/19 Gap increased to reflect additional pressures
<u>Non-recurring spend</u>					
Childrens	0.275				Issue with unwinding ASN Funding of £0.250m
Development	0.780	12.00			
Corporate & Housing	0.243				
IJB	0.200				
FCT	0.328				
External Funding	0.024				
	1.850	12.00			
<u>17/18 Unused Savings</u>					As per Oct Exec. Report
Childrens	2.694	46.50	-	-	
Development	1.618	13.82	0.109	-1.00	
Corporate & Housing	1.643	48.60	0.485	13.30	
	5.955	108.92	0.594	12.30	
<u>New Services Options</u>					As per Oct Exec. Report
Childrens	3.145	48.00	1.882	-	
Development	2.599	24.50	0.713	19.17	
Corporate & Housing	0.998	4.90	1.600	16.60	
	6.742	77.40	4.195	35.77	
<u>Other Possible Options</u>					
Building Cleaning	0.500		0.500		Childrens Services to evaluate
Teachers	0.070		0.600		Reduced teaching costs
School Meals	0.162		0.106		Increasing school meal prices to £2.45
Municipal Buildings - Canteen	0.030				Close MB canteen
Smart Working/Travel	-0.200		-0.100		Reducing savings to more realistic level
	0.562		1.106		
FCT	1.500		3.500		19/20 increased by £2m (previously £1.5m)
IJB	4.000		4.000		Note non-recurring spend above
Terms & Conditions	-		1.500		
External Organisations	1.500		-		
Income Commercialisation	?		?		
Apply Reserves	-		2.000		Apply £2m of reserves in 19/20 - will increase 20/21 deficit
Rebasing	5.872		2.200		
	27.981	198.32	19.095	48.07	
Balance	-2.981		-2.715		

Enquiries to: Maureen Campbell
Direct Dial: 01324 590902
Date: 15 November 2017

Bryan Smail
Chief Finance Officer
Room G26
Municipal Buildings
Falkirk Council

Dear Bryan

Falkirk Community Trust Business Plan 2018/19

In accordance with our Funding Agreement please find attached two copies of our Business Plan documentation. The Plan is summarised in the Briefing Report and the appendices provide more detail. The Plan was reviewed and approved by our Board at their meeting on Thursday 9 November 2017.

The report notes that the Business Plan is founded on our Business Plan Approach that was approved by the Council in February this year. The project groups that have been established to improve our income generation are working well and we have forecast almost £750k of new income implementing from the proposals. To enable time for our Business Plan Approach to impact on community engagement we intend to utilise just under £250k from our Reserves to keep services operating.

We note that a service payment reduction of £75k was assumed in 2017/18 on the basis of efficiencies that we would have achieved by resolution of the future management arrangements at Falkirk Stadium. However as the Council's work on this has continued for another year we ask that this sum be reinstated in our budget until such times as a decision is made on the Stadium.

We have continued to identify efficiency savings totalling £100k. We reluctantly identify over £700k in service reductions through the withdrawal from facilities and services. We set out our rationale for this in the Appendices. However we recognise that any loss of service will be unpalatable not only for Members but for communities who use and value the services currently available. You will note that we seek the Council's input and guidance on the proposal to close up to 2 libraries. There are various dimensions to be considered in evaluating such a proposal and our early work does not offer a clear recommendation on which libraries should be considered for us to withdraw from.

We have noted in the briefing paper the continuing uncertainty around the outcome of the Scottish Government deliberations on the recommendations of the Barclay Report and highlighted this as a key risk to our Board.

We have briefed our staff on our proposals being shared with the Council. However In a change from previous practice, we have advised that no formal notification will be issued until after the Council budget setting meeting in February 2018. This is likely to mean that statutory consultations will run in to the new financial year and that the full saving may not be achieved. We would welcome an opportunity to discuss this with you.

It is clear that the scale and scope of what we currently provide directly has to be reduced or a new way found to pay for or deliver services. This Business Plan proposal offers a mixed approach for the Council's consideration.

We will continue to work closely with you in relation to each of our respective processes and to ensure a coordinated approach to the management and communication of our plans for 2018/19.

I look forward to hearing from you in due course.

Yours sincerely

Maureen Campbell
Chief Executive

Appendices List

Briefing Report

Appendix 1 Income Growth Project Summaries

Appendix 2 Service Efficiencies and Reductions Proposals 2018/19

Appendix 3 Equality and Poverty Impact Assessment Summary

Appendix 4 Fees and Charges Proposals 2018/19

Appendix 5 Capital Proposals 2018/19

Appendix 6 Draft Helix Business Plan 2018/19

Falkirk Community Trust

Subject: Business Plan 2018/19
Briefing Note: Falkirk Council
Date: 15 November 2017
Author: Chief Executive

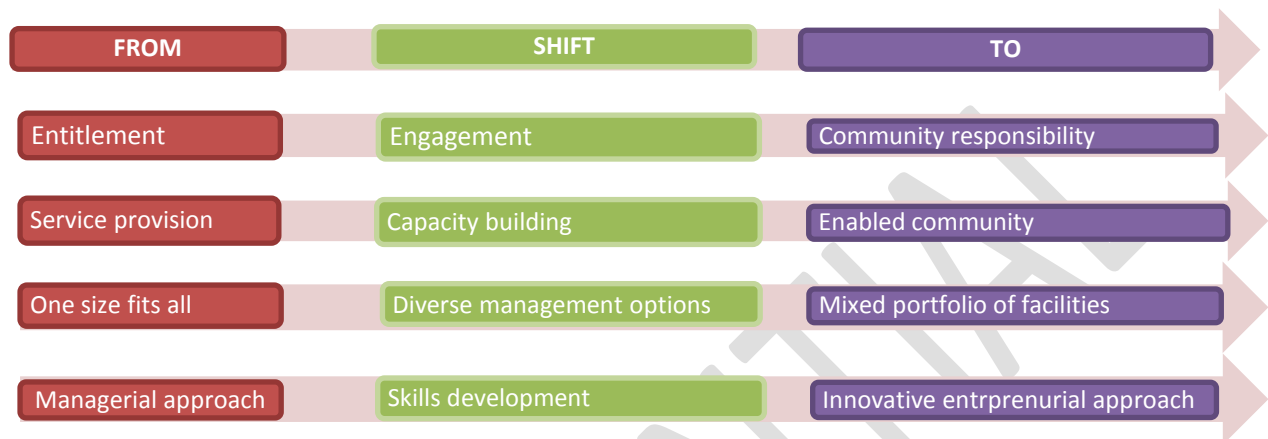
1. Introduction

- 1.1 Each year, as part of our Funding Agreement, the Trust is required to submit our Business Plan for the year ahead to the Council to secure the service payment. It is developed in the context of the likely level of funding available. For 2018/19 the Council has indicated that this will be £1.8m less than the current year, a reduction of 15%.
- 1.2 Last year the Trust and Council approved a three year Business Plan Approach. The plans for 2018/19 are developed within this framework. An update is provided on work to date along with a progress report on the implementation of the savings agreed for 2017/18.
- 1.3 It is clear that the scale and scope of what we currently do directly has to be reduced or a new way found to pay for or deliver services. This Business Plan proposal offers a mixed approach that highlights the good work being undertaken to grow income further, sets out plans for community engagement and puts forward proposals for services to be withdrawn and facilities returned to the Council for them to make decisions on their future use.

2. Background

- 2.1 The Trust has a five year Business Strategy 2014-2019 that has three strategic objectives:
 - Meeting customer needs
 - Organisational development
 - Financial sustainability
- 2.2 Together these objectives underpin its approach to developing the Business Plan each year. The focus has been, and continues to be, on developing venues, programmes and services that fulfil these objectives. This is set against a backdrop of severe public sector constraint that has meant that the service payment has been reducing year on year relative to overall costs. To mitigate this, income from customers has been increasing so that no significant services have been entirely withdrawn, although staffing levels have been reduced.
- 2.3 The 2016/17 Annual Report highlights some of the significant achievements that have been made in the last year and demonstrates the impact and value of the services the Trust provides to individuals and the wider community.

- 2.4 During 2016 the Trust Board reflected on the sustained financial pressure and how it might impact on future business planning and the achievement of its strategic objectives. It recognised that the status quo was not a viable option and that it should either plan for an immediate dramatic downsizing of the organisation and the venues it operates from, in order to accommodate the planned budget shortfall, or it could explore and embrace new approaches and a radically different engagement with clubs, groups and service users that developed a new and different model of operation. The Business Plan Approach was created from this work. In summary it seeks the following:



- 2.5 The work to develop and implement the Business Plan Approach has made a positive start in the year. 6 project groups have been established to create plans to grow income while delivering the strategic objectives and meeting the aspirations set out in “Inspiring Active Lives.” It has the following key themes: participation, motivation, venues and partnership. Together they provide a helpful framework for the working groups and reinforce the link between the strategy and our own objectives and delivery mechanisms. Many of these groups are now moving to the implementation phase and their plans are outlined in Appendix 1.
- 2.6 The community engagement strand of the Business Plan Approach has been in a research phase as it is recognised that this needs more time and consideration on how best to support the community to embrace the level of change that is envisaged. The Trust also wants to allow adequate time for staff to equip themselves with the right mix of skills and knowledge to support this new work. The local elections also meant that this was best held back until the new Council had time to settle in and establish its priorities as many of the community facing proposals require the support and backing of the Council.
- 2.7 The Council continues to face severe budget pressures and is looking to identify savings of £40m over the next two years including £3.3m from the Trust. The recent proposals outlined in the Barclay Report with regard to the potential changes to rates relief for Council ALEOs are a further concern. The Trust currently benefits from rates relief worth £1.2m.
- 2.8 The Council has recently updated its Corporate Plan setting out new priorities in key themes of people, place and partnership. The Business Plan approach that is being developed and implemented by the Trust is complementary to the Council Corporate Plan. The opportunities to develop a shared approach to promoting stronger more self reliant communities in particular resonates well with the shift that is outlined in paragraph 2.4 above.

- 2.9 The Trust is cognisant of the need to ensure that opportunities for all are available. Concessionary pricing arrangements are being maintained. Many activities and programmes focussed on children and young people ensure that they contribute to their health and wellbeing as well as raising ambition and aspiration for those wishing to develop their interest and expertise in culture and sport.
- 2.10 The Trust recognises the vital contribution the services it offers make to economic growth in the area. Many of the key tourism assets within its portfolio are already attracting national and international visitors to the area. The achievement of a five star rating for the Helix from VisitScotland along with four star ratings at Callendar House and Kinneil Museum demonstrates excellent customer experience is a priority. Customer feedback on sites such as Trip Advisor show that this is delivering very well for both residents and visitors alike.

3. Update on 2017/18 Savings Plans

- 3.1 The proposals for 2017/18 outlined a savings package of £0.97m. After the budget meeting in February 2017 this was reduced by £0.33m in order to protect jobs and avoid the risk of compulsory redundancy. The balance of £0.64m has been accommodated in the budget, the efficiency savings have all been achieved and we are well on track to deliver additional income. The Council requested that the Trust continued to operate Woodlands Games Hall for another year until the community group prepared for the transfer. It is hoped that this will be effective from April 2018 if the outstanding governance issues can be appropriately addressed.
- 3.2 The learning from the Woodlands transfer proposals is that such transfers are generally more complicated and time consuming than the community group might initially envisage. The governance arrangements, building liabilities and costs and the requirements to follow appropriate public accountability processes mean that such transfers need time and resources from the Council, Trust and the parties involved.
- 3.3 The late decision to retain the Outdoor Activities Team and the Heritage Learning Team for 2017/18 affected income generation but has allowed time to interrogate the cost of delivery to schools and the wider community. The community facing services are largely covering their costs while the school based programmes are fully subsidised. The Council has indicated that they expect that these services be “unwound” to the original proposal. This plan includes a proposal for full cost recovery for the service offered to schools following discussion and agreement with the Council Children’s Services Director.
- 3.4 The income for the year 2017/18 is expected to be greater than that generated in 2016/17 by 5%. In addition we are carrying significant vacancies in our management roles that deliver ongoing savings. However the consequence of this is a drop in business effectiveness and significant pressure on all staff. It is a priority to develop and agree a revised management structure for 2018.
- 3.5 As part of the budget in 2017/18 we allocated an efficiency saving of £75k to be achieved through combined use of the reception areas at Falkirk Stadium. Due to the ongoing delays on resolving the future operation of the Stadium Company it has not been possible to achieve this saving and so the Trust request that this be added back to our budget until such time as efficiencies can be delivered.

4. Approach to 2018/19 Business Plan

Business Plan Approach

4.1 As part of the implementation of the Business Plan Approach 6 project groups had been established to develop significant income growth plans covering a three year period from April 2018 to March 2021. The groups are drawn from a wide cross section of staff. This has been a development opportunity for the staff involved and has meant that they have greater awareness of the severity of the financial position and they have come up with ideas that they own and care passionately about delivering in order to protect services and better meet customer needs. The projects are outlined in Appendix 1.

4.2 The summary income projections over the next three years is as follows:

	17/18 £000s	18/19 £000s	19/20 £000s	20/21 £000s
Callendar House	283	327	368	399
FTH	188	258	328	358
Hippodrome	159	204	224	229
Helix	1,617	1,649	1,723	1,735
Mariner	987	1,025	1,144	1,234
Mariner soft play	0	90	200	213
Grangemouth Sports Complex	1,458	1,498	1,768	2,072
Stenhousemuir Sports Centre	67	99	109	119
Swimming	462	512	562	612
Outdoor Activities income from schools		245	250	260
Muiravonside Park Car Parking		58	65	75
Total	5221	5965	6741	7306
Year on Year growth		744	776	565

4.3 In order to achieve the income projections outlined above some modifications are required to existing facilities to improve the functionality of specific areas. The changes are largely improvements to the customer experience. The details of the proposals are as follows:

Facility	Planned Changes	Benefits
Helix	Improvements to the internal layout of the Plaza Café building.	<ul style="list-style-type: none"> Improved customer flow allowing quicker service and therefore increased income generation. Warmer internal environment encouraging increased footfall and income generation.
Hippodrome	Adaptation of the existing catering pod.	<ul style="list-style-type: none"> Reduced expenditure by allowing sales of tickets and retail items. More attractive catering unit allowing increased sales of goods.
Callendar House	Use of the Green Room for provision of afternoon tea.	<ul style="list-style-type: none"> Extension of existing service in the Pink Room to cater for increased demand and therefore generate increased levels of income.
	Use of a previous office area in to a meeting and conference room.	<ul style="list-style-type: none"> Opportunity to provide meeting or conference facility leading to increased levels of income.
Stenhousemuir Sports Centre	Sports hall to be fitted out as a specialist centre of excellence for gymnastics.	<ul style="list-style-type: none"> Long term development of gymnastics in the Falkirk area in anticipation of existing gymnastics facilities "failing" which will also attract increased levels of income

4.4 The Proposed change of use at Stenhousemuir Sports Centre is to create a dedicated specialist centre of excellence for gymnastics to mitigate against the withdrawal from other sites. The development of the Mariner and Grangemouth Sports Complex also feature strongly in our future income growth plans. The venue specific plans are at developmental stage and require further feasibility work to be undertaken before any proposals are submitted to the Council for consideration.

4.5 It is expected that the Trust will have a level of unrestricted reserves of £596k at the end of March 2018. We propose to use £245k of this to mitigate against withdrawal of services in 2018/19 to allow time for the income generating groups to continue their work and for community engagement focussed proposals to be worked up. It is recognised that if these proposals do not proceed to development then this sum will have to be found in 2019/20, in addition to any service payment reduction that the Council request. This recommendation is predominantly about giving time for ideas to come to fruition.

5. Service Efficiencies and Reductions

5.1 Each year we carefully analyse each budget heading and look for areas where the budget could be redirected or used to avert service reductions.

5.2 We have identified £100k relating to staff turnover. This relates to the gaps between someone leaving a post before it is filled. This relates to front line posts. However looking over previous years we are comfortable that this saving is deliverable within the overall staffing budget.

5.3 The proposal to withdraw from Heritage Learning as outlined in para 3.3 will lead to a saving of £55k. The board previously agreed to fund the 2018 Fireworks from reserves and so this will be a reduction in the 2018/19 revenue budget of £30k.

5.4 Taken together this takes our total to £1,174k leaving a final sum of £626k to be found from additional service withdrawal.

5.5 It is proposed that the Trust withdraw from the following facilities:

- Hallglen Sports Centre
- Denny Football Centre
- Polmonthill Snowsports Centre
- Grangemouth Golf Course
- Up to 2 libraries

The rationale and supporting evidence for this is outlined in Appendix 2.

5.6 An Equalities and Poverty Impact Assessment (EPIA) for each of these is noted in Appendix 3.

5.7 It may be that community groups or clubs would be willing to take over the operation of these services. However this is not deliverable by 1 April 2018 and so it is our intention to return the facilities to the Council in the first instance to allow members and officers to make arrangements for their future operation or disposal. Nevertheless we would anticipate working closely with the Council and community to seek alternative management models.

6. Fees and Charges

6.1 The setting of fees and charges is a matter solely for the Trust, in accordance with the requirements of having “charitable status.” In this respect the Trust established a set of principles that had at its core the aim of having customers perceive the fees and charges as representing ‘good value for money’. However, given the significant budgetary pressure on the Trust to generate additional income in 2018/19 and before, much work has been undertaken to determine the most appropriate fees and charges for all the activities and services that are provided.

6.2 The opportunity has been taken to maximise income from those areas that are valued by existing customers, such as in areas of continuing and potential growth, e.g. swimming lesson programme and health and fitness related activities.

6.3 It is expected that the actions proposed will deliver additional income in 2018/19, assuming participation levels are retained at existing levels. Similarly, the income projections associated with such a review assumes that all the services will continue to operate beyond the 1st of April 2018, however this may not be the case in some activity areas.

6.4 In addition to but outwith the work undertaken by the Charges Working Group, agreement has recently been reached with Children’s Services colleagues in the Council that schools wishing to participate in outdoor activities should be charged a fee, that equals the actual cost of the service provision. This will help ensure the ongoing delivery of such an important service to schools as they deliver their ‘Curriculum for Excellence’ agenda.

6.5 Similarly, it is intended that a charge of £1 be introduced to those visitors to Muiravonside Country Park, wishing to park their vehicles in the main car park area, whilst still allowing free access to the smaller car park at the entrance to the park.

6.6 Appendix 4 highlights the significant changes or proposals to Trust fees and charges in 2018/19, as there are many other adjustments which will be made. Following acceptance of the Business Plan, a full list of the Trust’s fees and charges will be prepared and communicated to customers before their implementation.

7. Capital Proposals

- 7.1 The Council has allocated £620k of funding to the Trust for 2018/19 from its General Capital programme. The total amount awarded to the Trust represents approximately 1.6% of the total capital programme of the Council. The Audit & Performance Sub Group, who consider and monitor the Trust's capital programme, has previously agreed that the Trust's Capital Programme should consist of projects that resulted in one or more of the following outcomes and this approach has been maintained in the 2018/19 review process:
- Resolution of appropriate health and safety related matters
 - Ensure facilities or services continue to operate
 - Retention of existing levels of usage and/or income.
- 7.2 It was also intended that the delivery of projects that met the aforementioned criteria would also improve the customers' experience and attract additional income.
- 7.3 The projects that are planned for 2018/19 are detailed within Appendix 5, with the potential to accelerate some of these into this financial year where possible. However, the potential to install an outdoor synthetic tennis court at Denny Sports Centre, with support from external funding is no longer possible. It is proposed that some funds are therefore reallocated to the provision of an appropriate system to generate income from vehicular traffic to Muiravonside Country Park and to augment the allocation that has been identified to develop the reception area of Grangemouth Sports Complex.
- 7.4 In addition to this programme, further bids amounting to a total of £1.36m were submitted to the Council that would help to address many of the long outstanding backlog of maintenance items. However, it is not expected that the Council will allocate any funds to these items.
- 7.5 Income growth is often dependent upon the quality of the facilities and the expectations of customers, which in many cases, is not currently being met. The Council's Strategic Property Review has been unable to provide the Trust with a steer as to its wishes in relation to its facility provision. In this regard, the Trust's projects assume the position that all Trust operated sites would continue to operate in 2018-19.
- 7.6 Although the projects for 2018-19 have been identified, these must remain flexible, as often in the past facility breakdown and plant and machinery failures occur unexpectedly, given the relative poor condition of the portfolio of facilities currently operated by the Trust, which may require immediate decisions to be taken that alters the capital programme as outlined.

8. Helix Business Plan

- 8.1 Each year the Council asks that the Trust share its Business Plan for the Helix as part of the service payment submissions.
- 8.2 The proposed Plan for 2018/19 is attached at Appendix 6. It builds upon the excellent foundations that have been laid thus far. It is particularly worth noting that the Helix was recently awarded a VisitScotland 5 Star Visitor Attraction award in recognition of the outstanding facilities, welcome and service the staff provide to visitors and locals alike. To maintain this recognition will require sustained effort from everyone involved. The Trust plans for the year ahead take cognisance of this and focus on marketing,

customer experience and maintaining the revenue streams on site. The support of the Council and Scottish Canals in supporting this work through their own plans and strategies is vital for continued success.

- 8.3 The Council is asked to approve the Helix Business Plan in Appendix 6.

9. Human Resource Implications

- 9.1 As staff costs represent over 65% of our operating budget it is inevitable that many of the proposals impact directly on staff. As noted the income groups have provided a development opportunity for some staff and they have embraced the opportunity whole heartedly.
- 9.2 In previous years where services were proposed for withdrawal the Trust notified staff and begun statutory consultations on the assumption that any changes would be effective from 1 April in the following year. In each of the last three years the Council has initially supported the proposals then overturned their position at the Council Budget setting meeting in February. While this has been welcomed it has led to a high level of stress and anxiety for all staff involved, damaged the Trust reputation and impacted on our income generation.
- 9.3 We propose therefore to delay any formal communication with staff about withdrawal of service until the Council has made a definitive decision at its budget setting meeting taking account of a full and complete picture of its financial position and options. We will, however, brief all staff on the possible implications of the Trust recommendations and set out the likely timelines for final decisions to be made.
- 9.4 It remains the Trust Board's responsibility to take any and all decisions affecting the use of resources and we are simply allowing more time and clarity to be available to the Board prior to making a final decision. This may mean that full year savings will not be achievable as any that affect facilities and staff require 3 to 4 months lead time to implement. This may require additional options to be identified to deliver the overall savings in the year.

10. Community Implications

- 10.1 The Business Plan Approach is a medium term Strategy that seeks to support the community as they consider how best to manage a shift from services and programmes delivered for them to one where the community has a much greater role not only in developing ideas around the type of provision, but in actually managing and delivering it. This takes time to identify community representatives who wish to be involved and for them to be upskilled to support the wider engagement and development.
- 10.2 The proposals to withdraw from facilities and services will be of great concern to those directly affected and the Trust will endeavour to advise the community of our recommendation at the earliest opportunity while recognising that we need to await feedback from the Council and so a phased approach is likely to be required. Where alternative provision is available the Trust will endeavour to encourage groups to make the change and to support that with additional resources where it is prudent to do so.
- 10.3 Inevitably the Trust and the Council is being asked to make some unpalatable decisions that the wider community do not want or support and the Trust will need to be robust in explaining our decision making process and act accordingly. We seek Council support in explaining the wider context within which the Trust is operating.

11. Financial Implications

- 11.1 The Business Plan brings together a number of strands of work some of which carry over from one year to the next. Others are new work streams that are intended to improve our financial stability against a back cloth of severe budgetary constraint.
- 11.2 The table below summarises the indicative financial position for 2018/19 and notes the request for a service payment of £10.027m in 2018/19, which takes full account of the £1.8m reduction requested by the Council.

FALKIRK COMMUNITY TRUST		
<u>2018/19 BUDGET</u>		
<u>BUDGET SUMMARY</u>		
	BUDGET 2017/18	PROPOSED BUDGET 2018/19
	£'000	£'000
Employee Expenses	11,883	11,336
Property Expenses	2,250	2,187
Transport Expenses	187	159
Supplies & Services	3,609	3,440
Third Party Payments	390	390
Support Services	806	806
Capital Costs	94	94
TOTAL EXPENDITURE	19,219	18,412
Service Payment	11,433	10,027
Other Income	7,686	8,040
Contribution from Reserves	100	345
TOTAL INCOME	19,219	18,412
NET EXPENDITURE	-	-

12. Risk Implications

- 12.1 The Trust Risk Register already flags at the highest red rating the risks to the business associated with the funding pressures from the Council in terms of both Capital and Revenue funding,
- 12.2 The backlog maintenance issues have been widely reported and are understood by both the Council and Trust staff. However the continued under investment in key sites leaves them vulnerable to service failure. Our inability to provide modern fit for purpose facilities severely constrains our ability to attract and retain customers thereby impacting on our ability to create a sustainable and thriving business, the result of which will impact on the wider Falkirk community in terms of their general health and well being and indeed their pride in the area.
- 12.4 Finally, the uncertainty around the Government decision on the recommendations of the Barclay Report and how the Council might respond if the recommendations were to be accepted, represents a new and significant level of risk for the Trust.

13. Conclusions

- 13.1 The context for this Business Plan report has been shaped by the increased pressure on Council and Trust budgets, the uncertainty surrounding the outcomes of the Government consideration of the Barclay Report and the Council request to plan for a reduction in the service payment of £1.8m.
- 13.2 The Business Plan Approach approved by the Council as part of the 2017/18 Business Plan has made good early progress particularly through the creation of the income growth project groups and the community engagement group. The engagement of a wider group of staff in these groups has generated new ideas and approaches to income generation. While it will take some time to fully implement the agreed investments we are confident of positive progress during 2018/19 and beyond.
- 13.3 Using reserves to mitigate against the time lag in the income growth and the community engagement programmes is very much a temporary measure to allow more time, for community groups in particular, to establish whether capacity exists to support us in this new approach.
- 13.4 It is extremely unfortunate that we are recommending withdrawal of services but this has only been done having explored all options for alternative funding and delivery.
- 13.5 The budget saving of £1.8m is derived as follows:
- | | |
|--------------------|--------------|
| Income Growth | £744k |
| Efficiencies | £100k |
| Service Reductions | £711k |
| Use of Reserves | £245k |
| Total | £1.8m |
- 13.6 The ongoing areas of work including the Helix Business Plan, fees and charges reviews and Capital programme proposals are all intended to support the Business Plan Approach. The Council is asked to acknowledge the progress made to date; to note the pace of change designed to deliver income growth and to approve the service reductions taking account of the context and supporting information in the appendices.
- 13.7 A clear communications plan to brief all stakeholders will be required to be prepared and implemented.
- 13.8 While the proposals outlined address a significant reduction on the service payment they minimise the impact to some extent. The pace of change will need to be increased again to ensure that the income growth is achieved and the work to engage the community progress with greater urgency and impetus.

14. Recommendations

14.1 The Council is asked to:

- a) **Note the income growth proposals and note the income projections set out para 4.2;**
- b) **Agree the changes and modifications to the facilities outlined in paragraph 4.3 to facilitate the achievement of the income targets in these sites.**
- c) **Note the use of £245,000 from the Trust unrestricted reserves as outlined in para 4.5;**

- d) Approve the various initiatives to tackle the reduction in funding through service efficiencies and reductions as outlined in section 5 and in Appendix 2;**
- e) Endorse the approach to fees and charges for 2018/19 as outlined in section 6;**
- f) Endorse the capital proposals for 2018/19 as outlined in section 7;**
- g) Approve the Helix Business Plan for 2018/19 as set out in Appendix 6;**
- h) Agree to prepare and implement a joint communications plan for stakeholders and communities in respect of the proposals to withdraw from the facilities identified in section 5**
- i) Agree to jointly develop a process for identifying and agreeing which libraries the Trust should withdraw from.**

Maureen Campbell.

Maureen Campbell
Chief Executive

Appendices

Appendix 1 Income Growth Project Summaries
Appendix 2 Service Efficiencies and Reductions Proposals 2018/19
Appendix 3 Equality and Poverty Impact Assessment Summary
Appendix 4 Fees and Charges Proposals 2018/19
Appendix 5 Capital Proposals 2018/19
Appendix 6 Draft Helix Business Plan 2018/19

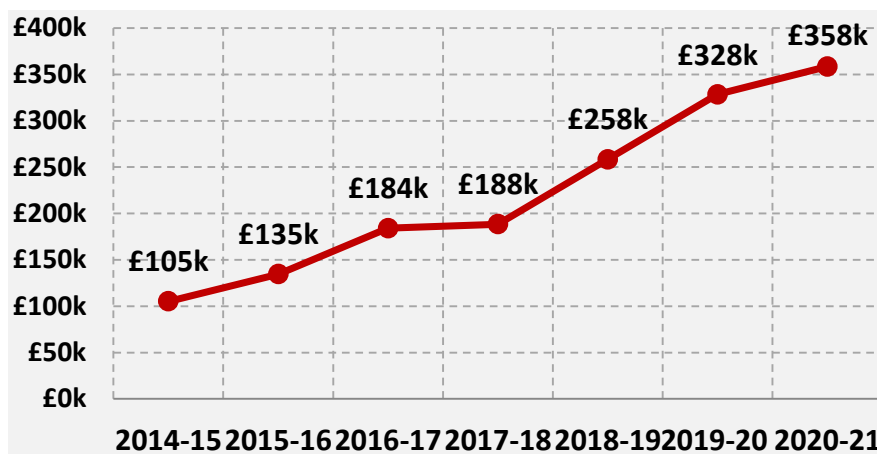
Falkirk Community Trust Income Growth Projects

FALKIRK TOWN HALL

Objective: To generate a £70k increase in income over the next 3 years.

Project Proposal: To introduce a professional pantomime at FTH in December 2018 increasing income that can be generated through a high number of performances and tickets priced to compete with the Macrobert Arts Centre and Alhambra. A new programme of activity has been created for Falkirk Youth Theatre. Alternative accommodation has been secured for two displaced lets.

Income growth:



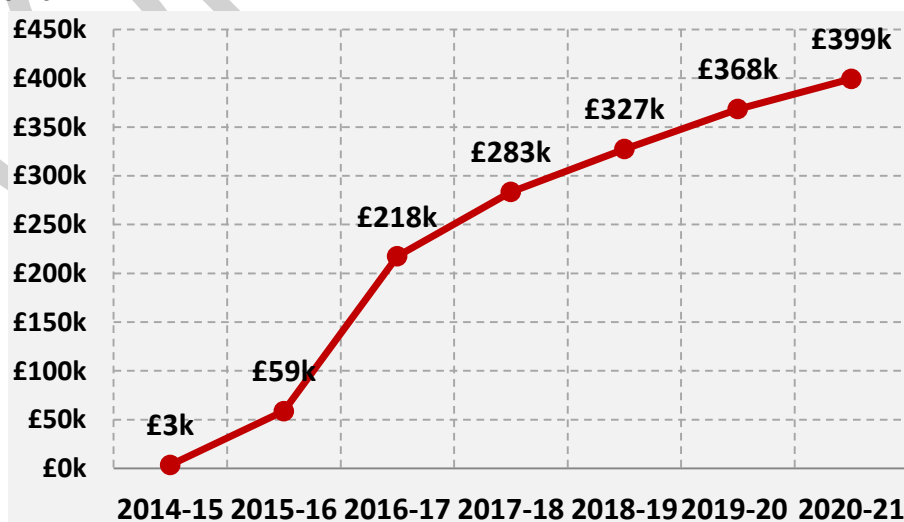
Project Status: Project is currently being implemented and is on track to deliver a higher than targeted level of income.

CALENDAR HOUSE

Objective: To generate a £80k increase in income over the next 3 years.

Project Proposal: To develop the Green room as a catering space focussed on high quality afternoon teas. This will build on the current success of the tea room and relocate the conferencing business to another area of the building. To develop paid tours of the House.

Income growth:



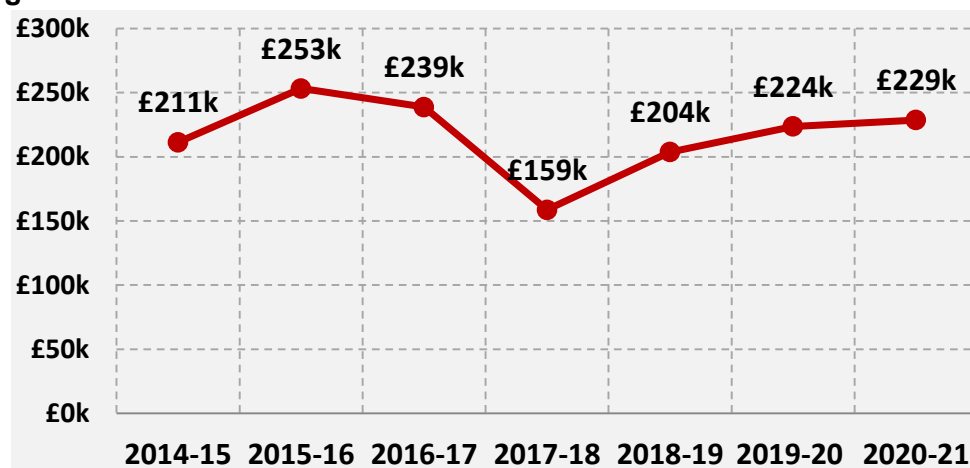
Project Status: With investment of £70k the green room redevelopment is being implemented for April 2018 opening and is on track to deliver income target. Tour development is being explored.

HIPPODROME

Objective: To generate a £70k increase in income over the next 3 years.

Project Proposal: To review the optimal timings and number of screenings per week and required staffing levels. Appropriate to an A listed historic building, improve the catering pod location, layout and design to encourage secondary spend. Consider introducing seat sponsorship.

Income growth:



Project Status: Design options for the catering pod are in development. Feasibility work is progressing on screenings and staffing.

GRANGEMOUTH SPORTS COMPLEX

Objective: To generate a £500k increase in income over the next 3 years.

Project Proposal: To convert sports hall 1 to an integrated health, fitness & functional training facility with immersive studio space. Extend and further develop the swimming lesson programme and develop and improve the catering offer.

Income growth:



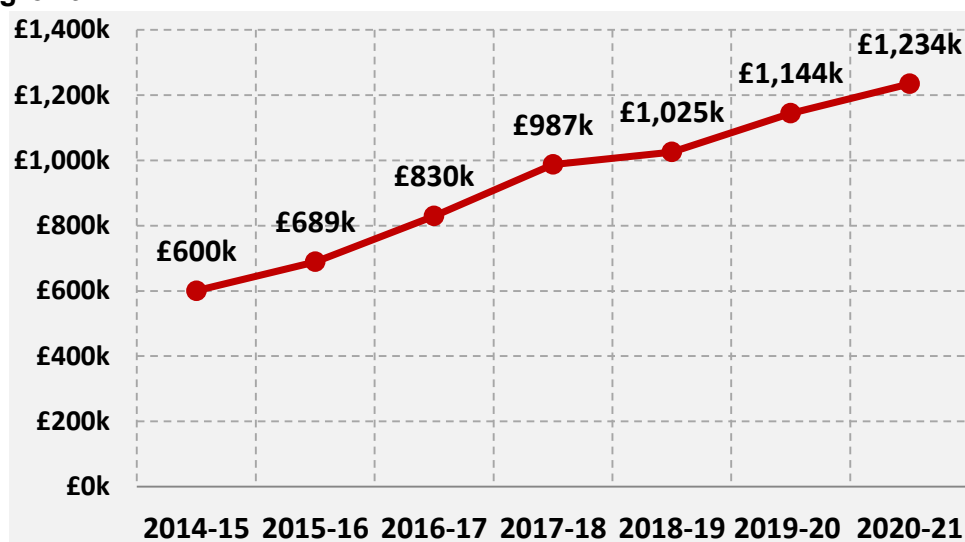
Project Status: Swimming lesson programme on track to deliver income of £50k pa. Hall conversion feasibility work and outline business case is in development. Menu development and catering actions have been incorporated into operational plans.

MARINER CENTRE

Objective: To generate a £300k increase in income over the next 3 years.

Project Proposal: To develop the lower floor as family friendly and new spaces developed for programming complimentary to the soft play. To enhance the health & fitness offer on the upper floor utilising vacated spaces. Programming to cater for the older adult market.

Income growth:



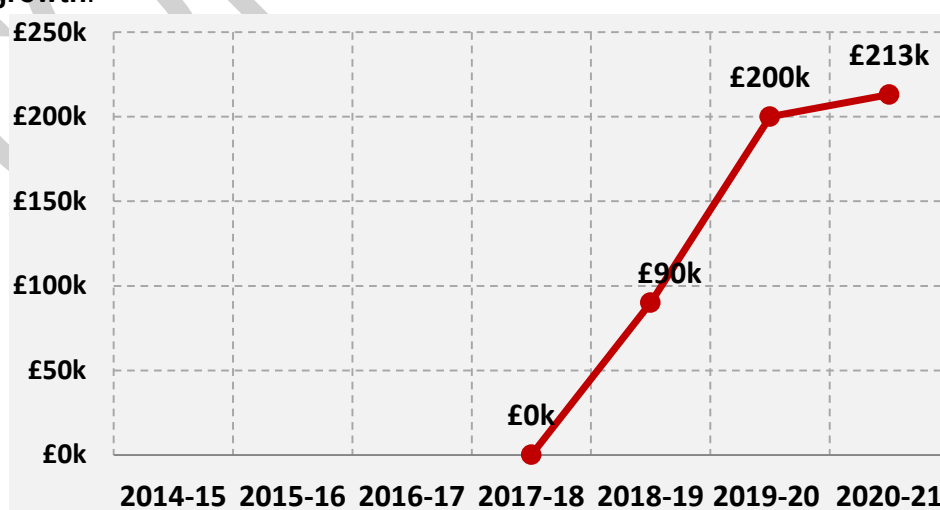
Project Status: Project implementation plan is in development for a new interactive play space. Proposals for gym improvements planned whilst an outline business case for the upper floor development is prepared. Older adult programme proposals are progressing.

MARINER CENTRE – SOFT PLAY

Objective: To generate an annual new income of over £200k of in 3 years.

Project Proposal: To convert the games hall to accommodate a destination soft play centre and relocated café and reception services. A relocated ground floor entrance will give greatly improved access. Income will be generated from soft play admissions, uplifted trading and swimming admissions. A funding package utilises borrowing.

Income growth:



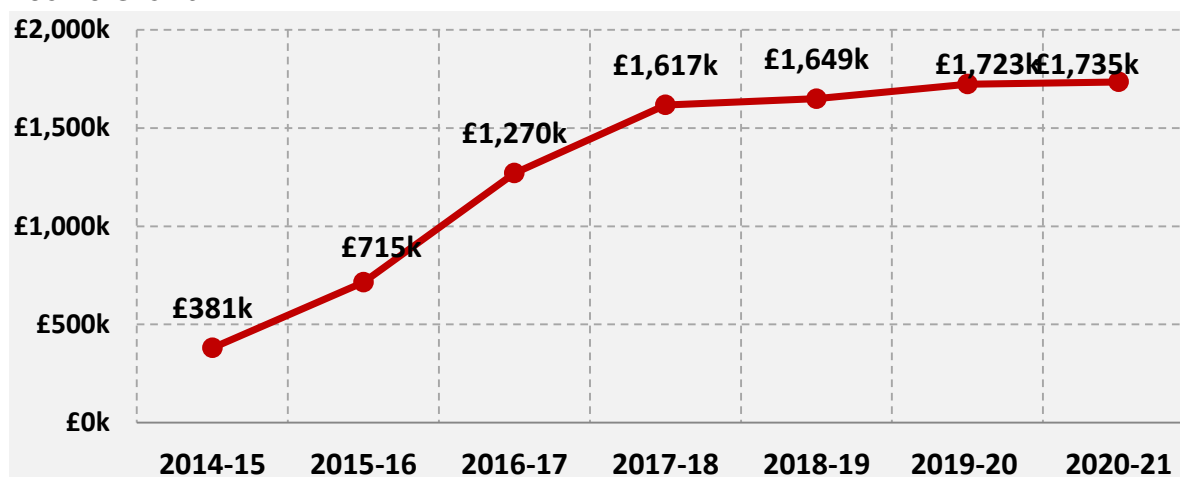
Project Status: At tender stage and on track for opening in 2018.

HELIX

Objective: To generate a £300k increase in income over the next 3 years.

Project Proposal: To improve the performance of the Plaza Café and provide suitable outdoor catering at the Kelpies to complement the Visitor Centre. Engage a range of operators to introduce new outdoor activities on the site.

Income Growth:



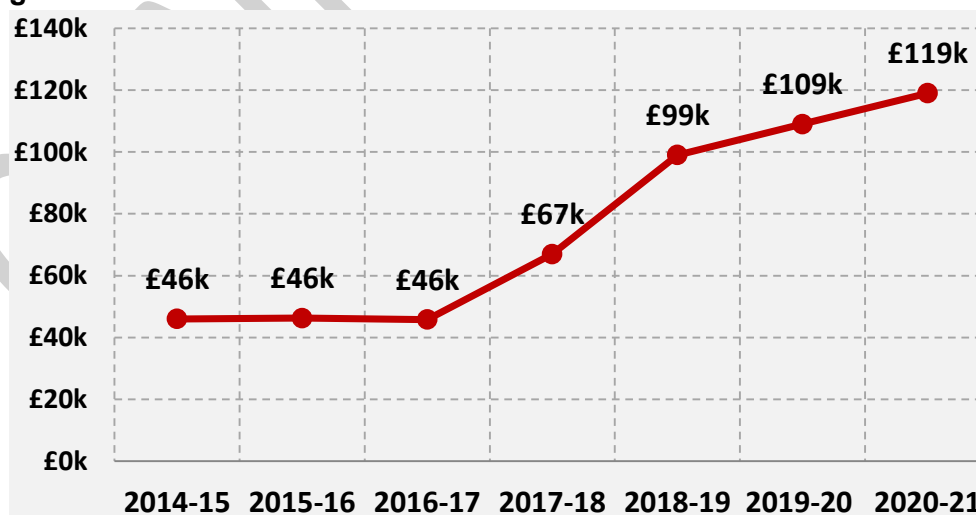
Project Status: Design options for improving the layout of the Plaza Café and for locating an external offer near the Visitor Centre are in development. Feasibility and market exploration of outdoor activities is progressing.

STENHOUSEMUIR SPORTS CENTRE

Objective: To generate a £50k increase in income over the next 3 years.

Project Proposal: To convert the sports centre into gymnastics specific venue for growing classes and clinics and for club use. Investment will be required for fit out.

Income growth:



Project Status: Conversion feasibility work and business case is in development.

SERVICE EFFICIENCIES and REDUCTIONS – 2018/19 PROPOSALS

No.	Net Saving / Income £	Background/Rationale	Impact	Mitigating Factors
1	Proposal: Reduction in Staffing Costs			
	£100,000	There is a natural turnover in staff numbers which results in a gap from the point of someone leaving the Trust until their post can be filled by a new recruit. Where this gap is not needed to be immediately backfilled for operational reasons, then a saving will accrue.	Tasks will be delayed and more pressure put on existing members of staff.	The Trust has incurred such turnover levels for some years, which provides some comfort that this target could be achieved.
2	Proposal : Withdrawal from the delivery of Heritage Learning programme from Callendar House			
Summary - The services provided by this group of staff will impact on schools ability to deliver on their 'Curriculum for Excellence' agenda. However in discussion with senior staff from the Council's Children's Services, it is clear that they are unwilling to fund this service. In practice, the staff from this section subsequently resigned, with some moving on to alternative employment opportunities outwith Falkirk, which has resulted in many of the previously delivered sessions to mainly primary schools being largely depleted this year. The loss of this service has not led to any noticeable areas of concern from the community.				
	£55,000	<p>This proposal was tentatively agreed by Falkirk Council in the Trust's Business Plan for 17/18, however the Council reversed its views upon receipt of additional funds from the central Govt. in February 2017. This funding however is being viewed by the Council as a one-off payment to the Trust and they have advised that this amount will not be available for 18/19.</p> <p>The service is highly subsidised for a relatively small number of school pupils and families who access the service (c. 6,000 in 2015-16)</p>	<p>Reduction in service for the local community.</p> <p>Part of this budget has been allocated as match-funding for the Trust's HLF 'Great Place Scheme' application for £430,000. A decision on this is expected in December however the bid partnership would be in jeopardy should the Trust withdraw.</p> <p>Plans are in place to develop income generating activity using this team (e.g. paid tours and workshops), although these would not result in a break-even position.</p> <p>FTE posts: 3</p>	Service has been reduced in 2017-18 due to resignations and maternity leave so impact on schools likely to be low.

No.	Net Saving / Income £	Background/Rationale	Impact	Mitigating Factors
3	Proposal : Withdrawal from Hallglen Sports Centre			
Summary - The condition of this facility is poor and continues to deteriorate. The Council has insufficient funds to return this facility to that which would be considered as 'fit for purpose'. With no long term hope for the future, it is considered appropriate to withdraw from this facility and attempt to relocate existing customers wherever possible. The facility is currently 'shared' with the Church of Scotland and an agreement is in place between them and the Council that will add a level of complexity to the issue should the Council wish to demolish or sell the facility/land.				
	£60,000	<p>The Centre is no longer 'fit for purpose' and in need of significant investment in the plant and equipment that services the building and in the internal fabric of the building, which is also in need of major refurbishment and modernisation.</p> <p>Falkirk Council has advised that a minimum of £300,000 is required to return this facility to an operational state.</p>	<p>Reduction in service for the local community.</p> <p>The facility attracted annual usage of 32,958 in 2016/17.</p> <p>Annual rates liability of £44,280 would be incurred by the Council.</p> <p>FTE posts: 3.87</p>	<p>Existing customers could potentially transfer to alternative locations at Falkirk HS or Graeme HS.</p> <p>The Trust's proposal to convert Stenhousemuir SC to a 'Gymnastics Centre of Excellence' would help support the local club who currently operate within Hallglen SC, albeit some distance away.</p> <p>This facility could be considered as part of a Community Asset Transfer if an appropriate community group expressed an interest in taking this facility over.</p>
4	Proposal : Withdrawal from Denny Football Centre			
Summary - The Council has insufficient funds to return this facility to that which would be considered as 'fit for purpose'. The Trust's plans to install a full size 3G synthetic football pitch on the site to enable the community to benefit from a specialist football 'Hub' were halted two years ago when the Council withdrew their capital funds of £740k from the Trust, which had previously been allocated to the project. The Council's aim was to pass this fund to local football clubs in the hope that this would help deliver several new 3G synthetic pitches throughout the area. At this stage it is understood that the Council are minded to grant approximately half of this total amount to the locally based Dunipace Juniors Football Club to help develop their particular site. This will ultimately lead to a reduction in the use of Denny Football Centre and therefore to the conclusion that this facility will no longer be required by the local community.				
	£38,000	<p>The venue is in a poor location and the fabric of the building is in a poor condition. An internal artificial surface pitch was fitted 3 years ago and is still in use. There are two external grass pitches also in use by local teams.</p>	<p>Reduction in service for the local community.</p> <p>Currently 3 regular Clubs book the facility with ad-hoc bookings made by individuals.</p> <p>Annual rates expenditure of £36,162 would be incurred by the Council.</p> <p>Annual usage figure of 4,800.</p> <p>FTE posts: 0.75</p>	<p>Existing users may be able to re-locate to the external / internal facilities at Denny High School.</p> <p>This facility has the potential to be considered for a Community Asset Transfer.</p>

No.	Net Saving / Income £	Background/Rationale	Impact	Mitigating Factors
5	Proposal : Withdrawal from Polmonthill Snowsports Centre			
	£104,000	<p>Skiing could be considered to be a minority sport as it serves a small cross section of the Community.</p>	<p>Reduction in service for the local community.</p> <p>Withdrawal from this facility would take away a unique visitor experience to the area as there are only a few artificial ski slopes in Scotland catering for this customer group.</p> <p>Local schools would be unable to receive their ski and snowboarding tuition from this site. They currently use the venue Mondays to Saturdays both on a block booking and ad hoc basis as required.</p> <p>The facility attracted annual usage of 11,260 in 2016/17. FTE posts: 5.36</p>	<p>Customers could re-locate to the nearest artificial slopes at Firpark Ski Slope in Tillicoultry, or to the larger ski slope at Hillend in Midlothian.</p>
6	Proposal : Withdrawal from Grangemouth Golf Course			
	£94,000	<p>There are several commercially operated Golf Courses in the wider Forth Valley area of a good standard and existing customers could transfer to one of these alternative Courses.</p> <p>Golf is currently a sport in decline, due to the impact of other forms of outdoor recreation and pastimes being made more readily available and accessible.</p> <p>The course has seen many improvements in the Trust's management of this facility and the improving conditions of the course has resulted in 27,228 rounds of golf played in 2016/17 which is currently bucking the trend of a general decline in golf throughout the country.</p>	<p>Reduction in service for the local community.</p> <p>Local golfers, who do not have access to transport, would inevitably suffer, although most customers currently drive to the facility due to its location.</p> <p>Grangemouth Golf Club is based on the first floor of the changing area/clubhouse facility and lease this area from the Council. If the Trust were to withdraw from the course then the club may likely fail, leading to a reduction in rates income to the Council.</p> <p>FTE posts: 4.92</p>	<p>This facility could be considered as part of a Community Asset Transfer if an appropriate community group, such as the on-site Grangemouth Golf Club, expressed an interest in taking this facility over.</p>

Summary - The withdrawal from these facilities should be considered together, as to withdraw from only one would lead to a significant deterioration of the other in relation to services, car parking and security issues. These facilities deliver services that are operated elsewhere by others and often by commercial operators. The sites are very well used and appreciated by local customers, however there are numerous alternative golf courses nearby that have the capacity to accommodate our existing customer base. The snowsports customers have in recent years created a club, but they had not done so with any expectation of having to consider taking over the operation and management of the ski slope.

No.	Net Saving / Income £	Background/Rationale	Impact	Mitigating Factors
7	Proposal : Withdraw from up to two libraries			
Summary - An analysis of all eight libraries throughout the Falkirk area has been undertaken and a brief summary of the conclusions that have led to this proposal are shown below: <u>Bo'ness Library</u> (open 45 hrs/wk) This library sits in an historical building within a town centre location. It has just had repairs undertaken in an attempt to resolve the heating issues. Its layout is generally small and not open in its design or to move around in. Internal discussions have taken place about relocating the library service to the previous library area located within the Bo'ness Town Hall. <u>Bonnybridge Library</u> (open 39 hrs/wk) This library sits close to a community education facility that perhaps could be considered as being capable of including a reduced library service thereby allowing the closure of the library building. The new library at Denny is only 2.3 miles away and could be considered as being an alternative to current Bonnybridge customers, as public transportation is available between these towns. <u>Denny Library</u> (open 45 hrs/wk) This is a new library facility that has only opened in May of this year. It is seen as an 'anchor tenant' of the Denny Town Centre and as part of the regeneration plans for the area. This new purpose built library replaces the previous facility that was most unsuitable. It is not considered appropriate to withdraw from such a new and high profile facility at this stage. However, the Trust previously queried the completion of this building when the budget pressures became apparent a few years ago now. <u>Falkirk Library</u> (open 45 hrs/wk) This facility houses the area's central reference section as well as providing a base for the professional library staff for the area. It is located within the town centre and although it does not have associated customer parking it is very easily accessible, being near to all major public transport routes. The facility is somewhat disjointed in its design with an operational elevator vital to many of the community who may visit the facility. <u>Grangemouth Library</u> (open 45 hrs/wk) This library is contained within an old but large building which has shown signs of needing repairs to its roof and associated stonework most recently, as well as having its boiler replaced. Such works have been undertaken and the library continues to function, however Grangemouth Library is relatively costly to operate mainly due to its size and its age. The library sits on a prime site within the town centre and as such any withdrawal from this site would impact on the town centre footfall. Internal discussions have taken place about the potential to relocate this service to within a nearby facility, however that facility is not yet vacant to enable such a transfer. <u>Larbert Library</u> (open 45 hrs/wk) This library is relatively new, with a town centre location and high footfall position with access to an adjacent car park available at all times. It is of a new, open plan design. <u>Meadowbank Library</u> (open 45 hrs/wk) This library is relatively new, with an adequate car park available at all times. It is of a new, open plan design and is our most well used facility. <u>Slamannan Library</u> (open 19 hrs/wk)				

This is the smallest of our libraries, therefore the financial saving that can be achieved from our withdrawal from it is relatively small at £33k. The EPIA would suggest that this service is fundamental to the provision of public services within that local and rural community. However, discussions have taken place about the potential to retain a library service in that village, but by relocating it to either the local Community Education centre or primary school, thereby saving only the minor building and energy related costs.

No.	Net Saving / Income £	Background/Rationale	Impact	Mitigating Factors
	£330,000	<p>The Trust currently operates 8 libraries across the wider Falkirk area. 3 of these fall within the East Locality, 3 within the West locality and 1 in the Central locality.</p> <p>The Council has a statutory obligation to provide an adequate level of library provision; however it is not clear how such a definition would be delivered in an area such as Falkirk. Previous legal tests has suggested that EPIA assessments should be conducted that may help authorities make this determination. In this respect the Trust has identified a sum which requires to be saved from its withdrawal from libraries, i.e. two; however, this will need further consultation with the Council and other stakeholders before determining which libraries should be directly affected. The Strategic Property Review and locality planning will also require to be considered.</p> <p>Progressing the concept of libraries as community hubs is a key strategy in the Library Development Plan; the alternative is to further reduce staffing levels across all 8 libraries which will reduce service standards as well as compromising our ability to deliver events and learning activities.</p>	<p>Reduction is service to the community.</p> <p>Withdrawal from up to two libraries will generate a rates liability to Falkirk Council depending which buildings services are withdrawn from ranging from £1,375 (Slamannan) to £56,580 (Falkirk).</p> <p>FTE posts affected would be dependent on which buildings services are withdrawn from.</p>	<p>The growth in the Trust's online library service enables library members to access their key borrowing requirements on a 24/7 basis, although visits will still be required to return books or other items.</p> <p>Existing standards of service continue to be provided in the remaining facilities.</p> <p>Co-location is possible with other Trust or Council services and this will be considered as part of the Council's Property Services Asset Review although the full saving would not be realised in such circumstances.</p>

2018/19 FALKIRK COMMUNITY TRUST SAVINGS PROPOSALS BY IMPACT LEVEL
November 2017

EQUALITY AND POVERTY IMPACT ASSESSMENT – 2017/18 BUDGET PROPOSALS				
REFERENCE CODE	DESCRIPTION	SAVINGS £'000	Assessment of Impact	Comments
EPIA RISK RATING – NO IMPACT				
REFERENCE CODE	DESCRIPTION	SAVINGS £'000	Assessment of Impact	Comments
	Turnover savings	100	Savings from the normal turnover of staff, administration of which results in vacancy gaps that often do not require to be filled temporarily whilst recruiting. No impact on customers or user groups.	
	Introduction of car parking charge at Muiravonside Country Park	58	Income generated from the introduction of a small charge to access the main car park in the centre of the park would have a negligible impact on users. A secondary car park would remain free of charge. There is good cycle access however the location of the park is such that most users require access to a vehicle to get there which is likely to mean that the most disadvantaged in the community are not users of this park.	
EPIA RISK RATING – LOW IMPACT				
REFERENCE CODE	DESCRIPTION	SAVINGS £'000	Assessment of Impact	Comments
	Withdrawal from Polmonthill Snow Sports Centre	104.7	There would be an impact on current users. In 16/17 there were 1,509 admissions 68% of which were to the juvenile programme. Young people are not a protected characteristic under the EPIA on the basis of age. We have no evidence of users being from areas of multiple deprivations.	
	Withdrawal from Denny Football Centre	38	There would be an impact on current user groups which includes three football clubs from Denny / surrounding area. The centre is also used for one off hires i.e. birthday parties. There are 2 areas of multiple deprivations in Denny, one adjacent to the venue, although there is no evidence available to confirm if any users are from these areas. There are football facilities available for community use at Denny	

			High School and along with planned Council investment in a 3G pitch at Dunipace Juniors there is potential to relocate groups.	
	Withdrawal of Heritage Learning Support for Schools	55	Heritage learning projects are mainly provided to school groups therefore impact on ability of young people who may be experiencing poverty to access heritage in addition to the school curriculum could be affected. Callendar House remains freely accessible but would not include the added value of heritage learning services.	
EPIA RISK RATING – MEDIUM IMPACT				
REFERENCE CODE	DESCRIPTION	SAVINGS £'000	Assessment of Impact	Comments
	Withdrawal from Grangemouth Golf Course	97.3	There are currently 794 Golf Course season ticket holders who would all be impacted. 30% have age related (65+) or GoCard (health/age/poverty) memberships which are protected characteristics within the EPIA. There are many golf courses across the area and age related memberships are commonplace.	
	Withdrawal from Hallglen Sports Centre	60	There would be an impact on current user groups and there are a number of clubs who hire the venue regularly. The centre serves a population in an area of multiple deprivations for whom there could be an impact. Socio economic status is a protected characteristic within the EPIA. Anecdotal information from some hirers is that a high proportion of their users are from Hallglen. However many users may be from a wider catchment area. There is potential to relocate groups wherever possible to other venues.	
EPIA RISK RATING – HIGH IMPACT				
REFERENCE CODE	DESCRIPTION	SAVINGS £'000	Assessment of Impact	Comments
	Withdrawal from up to 2 Libraries	330	There are 8 libraries across the area. The withdrawal of the service from any of these libraries would impact on users in surrounding communities. Each library currently has members from areas of multiple deprivations ranging from 20% - 94% of their individual total membership. Each library has a significant proportion of their members who are aged	Library proposal to be determined through appropriate consultation and engagement

			60+ ranging from 18% - 30%. Each library sits within a catchment zone that contains areas of multiple deprivations as mapped in the Scottish Index of Multiple Deprivation 2016.	
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	Number of Proposals	Savings £'000
No Impact	2	158
Low Impact	3	197.7
Medium Impact	2	157.3
High Impact	1	330
TOTAL	8	843

Fees & Charges 2018/19

1. Introduction

- 1.1 Much work has been undertaken in preparation for the implementation of the Trust's fees and charges for 2018/19 and follows the Audit and Performance Sub Group's consideration of early proposals at their meeting on the 17th of August.

2. Background

- 2.1 A review of charges is undertaken each year and takes into account consultation with relevant groups of staff, reference to customer feedback and any relevant information from other comparable services however there remains a focus on the generation of additional income.
- 2.2 The charges review process attempts to adhere to the previously adopted 'key principles' from November 2012 as shown below:
- FCT 'charges' should not be seen by potential customers as a 'barrier to their participation'.
 - Concessionary charges should ensure that those who can least afford to pay for our services are supported the most.
 - FCT charges should be easily accessible and simple to understand.
 - The timing of the introduction of any revised charge should consider the impact this will have on customers.
 - Charges can be flexible with the ability to offer promotional discounts at appropriate times to actively promote new services or boost falling attendances.
 - Charges will be levied which fully considers local competitors and neighbouring Trusts and Local Authorities' charges.
 - Charges will enable improved levels of income generation, where market rates and the ability of our customers to pay, allow.
- 2.3 A key objective of ensuring that customers perceive the services being delivered as representing good 'value for money' remains in place.
- 2.4 To ensure the Trust supports those in the community with the greatest needs, the Trust continues to place a strong emphasis on ensuring that the concessionary charges set out within the Go Card scheme are at realistic and affordable levels.
- 2.5 This review is set against the Trust's 2016/17 performance, the ongoing reduction to the Trust's allocation of funding from the Council, an increasing number of competitors in the marketplace, a desire from the Council to maintain our prices at relatively low levels and of course the current condition of Trust operated facilities.
- 2.6 The 'price point' for Trust services has proved to be a vital part of our marketing strategy and whilst work continues to ensure that prices are not a 'barrier to participation', the Trust continues to strive to increase the amount of income generated to reduce its reliance on Council support, through increased levels of income.
- 2.7 An early review of the Trust's charging proposals is normally considered by the Audit and Performance Sub-Group at its August meeting, as part of the Trust's annual business planning process for approval by the Board at their meeting in November each year and for subsequent agreement by Falkirk Council.

3 Review Process

3.1 The Trust's Charges Working Group, which is made up of front line, supervisory and managerial staff, representing each of the Trust's key service areas, have reviewed the current charges in anticipation of implementing new charges in 2018/19.

3.2 The group referred to the adopted key principles throughout the review process and this year focussed on the following areas which they believed needed specific consideration:

- Appropriate inflationary increases being applied to charges, but only where it was felt appropriate to do so, to reduce the potential risk of a reduction in participation levels.
- Health and Fitness charges, in relation to our need to remain competitive within the marketplace by the introduction of new products and a review of our existing prices.
- Further review of the Town Hall charges and their related equipment charges with specific reference to charges being made to community groups.
- The introduction of new charges for the Mariner Softplay facility scheduled to open in the summer of 2018.
- The enhancement and extension of the current swimming lesson programme and subsequent review of its charges.
- The evaluation of the 'true costs' associated with the provision of a community programme in outdoor activities and subsequent review of its charges.
- The costs that are being incurred by the Trust for the provision of additional staff, when requested by customer groups.
- Consideration of the U.K. Government's recent announcement on its intention to outlaw the imposition of additional charges on transactions arising from payment by credit or debit card from January 2018.

4. General Proposals and Implications

4.1 Inflationary Increases

An average inflationary increase has been added to the majority of standard Trust charges in previous years. However, an increasing number of price changes have been made which specifically either significantly reduced, or increased, charges where it was felt appropriate to do so given market rates, comparison with others and the need to increase income levels. The Consumer Price Index and the Retail Price Index have both been referred to in previous reviews, however very often a 1% increase proved difficult to implement as such an increase only represented an actual increase of 1p on a price of £1, which would prove difficult for both our customers and staff alike. Similarly, to increase some of our smaller charges by this amount would have little monetary gain for the Trust. This year the charges have continued to be considered from a marketing perspective. Only then, any potential percentage change is considered against inflationary rates and comparable charges by others.

4.2 Health and Fitness Charges (current annual income approx. £1.4m)

The revised Health and Fitness related charges are normally implemented in January of each year, to maximise the income generated from our annual January membership sales campaign. In January 2017, peak charges were reduced by approximately £2, alongside reductions in the associated charges to help aid retention levels and in recognition of the competitive environment in which the health and fitness services operate. This reduction was appreciated by our existing members and it is felt that another reduction of peak charges could be implemented this year, but alongside increased off peak charges, thereby having the effect of upselling current off peak memberships to peak membership categories.

Our membership sales in 2017 have been the most successful since the Trust's inception and the promotion of 'reduced' charges in January 2018, would help boost such sales.

The Trust continues to improve its products and services to existing customers and members and plans to introduce a new product that will actively encourage parents, who attend the larger sports centres, to participate in a fitness related activity whilst their child participates as part of a sports development activity, such as swimming lessons. Similarly, an innovative 'stay at home' membership will be introduced, with an additional on demand 'bolt-on' charge for fitness classes for existing members also becoming available.

The promotion of the health and fitness services should ensure that the Trust's unique selling points (USPs) of free parking, experienced and qualified instructional staff in attendance at all times, the additional benefits of our ancillary facilities such as free swims and saunas, is maximised.

4.3 Town Hall Charges (current annual income approx. £155k)

Much work has previously been completed in relation to the Town Hall charges at Grangemouth and Bo'ness, specifically to ensure that these facilities remained competitive in the marketplace, whilst remaining supportive of local culture and arts groups. However, feedback from commercial organisations has led us to freeze their current rates, especially at the Falkirk Town Hall to help attract external shows and productions. However, it is believed that charges for voluntary sector and conference type events could be increased by 3% with the charges for the hire of equipment for community groups being removed completely. With the Trust's planned improvement to the sound and lighting within Falkirk Town Hall in the next several months, consideration will be given to a review of existing packages and offers to help attract additional major shows and productions.

Significant increased costs are currently being met by the Trust in relation to 'Performing Rights Society' (PRS) licence charges which could and should be passed on to customer organisations. The existing charge of approximately £30 to a dance school type event for example, which previously covered the costs from the PRS to the Trust, have risen significantly to £54 and it is no longer possible for the Trust to accommodate these increased costs. It is considered appropriate to now pass on the full PRS costs to event organisers as part of their general let fee.

4.4 Mariner Softplay Facility

The launch of the planned Mariner Softplay facility will require the introduction of a new set of charges in 2018/19, which are significantly different from the current softplay charges for the much smaller softplay areas within the Mariner and Grangemouth Sports Complex, when compared with the larger and improved quality of the planned Mariner facility. A review of other competitor charges has already been undertaken as part of the preparation of the project's Business Case however this new product is being viewed as a 'destination softplay' facility with charges being proposed accordingly with some examples shown below:

- Under 1 year of age £1
- Off peak under 3 years of age £3
- Peak under 3 years of age £5
- Off peak over 3 years of age £5
- Peak over 3 years of age £7

Monthly tickets, membership prices and an off peak and peak charging structure will be introduced to ensure a wide choice of options is available to customers and to those who may be in need of financial support.

4.5 Swimming Lesson Programme (current annual income approx. £462k)

A review of our swimming lesson programme, in association with Scottish Swimming that aims to deliver an improved and extended swimming lesson programme was undertaken. Significant changes were introduced for the August block of lessons with all of our existing customers being advised of these changes which are described overleaf:

- Children receive a guaranteed number of 40 swimming lessons throughout the year.
- The duration of each swimming lesson has been increased from 30 minutes to 40 minutes to help improve the development of the child as they participate in a longer session. (apart from those of pre-school age, who will retain their 30 minute lesson as this is considered long enough for this age group).
- The number of children in each lesson has been reduced from a maximum of 12 to 8 participants, allowing more teacher time per child.
- All our teachers have successfully completed the Scottish Swimming training programme to ensure that the children are taught at the highest level recommended by Scottish Swimming, the country's National Governing Body for Swimming.
- Scottish Swimming's new development framework has been introduced, as an update to their previous recommendations that will see children's performance being measured against a different set of criteria and at different levels.
- Children are now able to progress through the whole Learn to Swim programme at the same venue on the same day, making attendance easier for parents. Similarly, siblings will also be able to attend at the same venue and date as other members of their family.

Existing charges were generally lower than many other Local Authority and Trust providers and with the increased staffing costs that are to be incurred with the improvements to the swimming lesson programme, the opportunity has been taken to review and introduce the existing from the August intake as shown below:

	Previous Charge	August '17 Charge	
		Standard	Concession
Monthly DD membership	£15.50	£20.70	£14.50
Monthly DD membership (sibling)	£13.50	£18.00	£12.60
Monthly adult & child pre-school 30 mins	£15.50	£15.65	£10.95
Per lesson (40 mins)	£ 4.60	£ 6.00	£ 4.20
Per lesson (1:1 per 30 mins)	£17.00	£17.00	£11.90

The costs of certificates and badges are included in the aforementioned charges.

Those who elected to pay their lesson programme through the Direct Debit scheme have the additional benefit of their child receiving unlimited swimming at any of our pools, including school pools, during public sessions, when available, to help and encourage children to practice their new skills. This will also help children's development of a healthy and active lifestyle with their friends and families, especially during school holiday periods.

In recognition of the increased charges, a concessionary charge has been introduced for the first time, to help support those families who may be in need of financial support. The only other Trust to operate such concessionary charges to its swimming lesson programme is Glasgow Life.

4.6 **Outdoor Activities Programme (current annual income approx. £32k)**

The evaluation of the 'true costs' associated with the provision of a community programme in outdoor activities has been undertaken, which has led to a review of the activity prices, to ensure that this aspect of the service 'breaks-even'. This has had the result of significant increases being applied to some of the activities, especially where those are being delivered at distant locations and those with higher staff to customer ratio requirements.

Discussions with Children's Services colleagues have taken place in relation to their outdoor activity needs and the importance the provision of such a service plays in the delivery of their 'Curriculum of Excellence' agenda. It is proposed that the schools access future outdoor activity services from the Trust, but at a cost that matches the actual expenditure of the

service being delivered. In this respect, specific charges will be introduced to schools, from the start of the 18/19 school term in August 2018. The schools will therefore be in a position to 'purchase' these services that will generate new levels of income to the Trust, that match the costs of the Outdoor Activity service to enable the future delivery of such services.

4.7 Additional Staffing Costs

The costs that are being incurred by the Trust for the provision of additional staff, when requested by customer groups, has not kept pace with the actual costs of such staff and the Trust charges for such services have been reviewed accordingly. The actual additional costs will therefore now be passed on, in accordance with the appropriate grade of staff being requested.

4.8 Credit or Debit Card Charges

Consideration of the U.K. Government's recent announcement on its intention to outlaw the imposition of additional charges on transactions arising from payment by credit or debit card from January 2018 is ongoing, however at this stage it is expected that there will be no need for any resultant amendments being made to this specific area of charging.

4.9 Muiravonside Country Park

The projected number of vehicular visits to Muiravonside Country Park is approximately 58,000 in 2017/18. Donations from visitors have been trialled this year and have successfully attracted £13,000. However, it is now considered necessary to charge a small fee of £1 to those who wish to drive to and park within the main car park. A smaller car park area exists near the entrance to the park and those wishing to park there may continue to do so free of charge, e.g. regular dog walkers. However it is hoped that the subsidy required to operate the park and associated farm can be reduced by the additional income generated from the introduction of this charge.

5. Summary and General Issues

- 5.1 This report only highlights the significant changes or proposals to Trust prices in 2017/18, as there are many other adjustments which will be made. Following acceptance of the recommendations shown below, a full list of the Trust's prices will be prepared and will be made available on request. This information will also be widely distributed to Trust sites and also shown on the Trust's web-site, following the approval of the Trust's Business Plan by the Council in February 2017.
- 5.2 Any prices charged for retail and catering items are not reviewed by this annual process. Given the nature of the business there is a need to adjust the prices as and when required to ensure appropriate gross profit margins are maintained. The Trading Company Board regularly monitors the performance of retail and catering outlets.
- 5.3 Once again there is a significant budgetary pressure on the Trust to generate additional income in 2018/19 and in this respect much work has been undertaken to determine the most appropriate activity charge, with the opportunity being taken to maximise income from those areas that are valued by existing customers, such as in areas of continuing growth such as in swimming development and health and fitness related activities.
- 5.4 It is expected that the actions proposed in this annual review of fees and charges will deliver additional income in 2018/19, assuming participation levels are retained at existing levels. However such additional income has not been accounted for in the income growth items shown within the overall Efficiencies & Reductions Appendix, within the main report, as it is intended that such income will help reduce any existing gaps between actual income generated and budgeted income projected.
- 5.5 Given the draft nature of this Business Plan, pending Board and subsequent Council approval, this Appendix assumes that the services referred to within will continue to operate beyond the 1st of April 2018, however this may not be the case in some activity areas. It is a matter solely for the Trust however as to the charges it sets.

Capital Programme 2018-19

1. Introduction

- 1.1 The Council has allocated £620k of funding to the Trust for 2018/19 from its General Capital programme, whilst referring to the need for projects to acknowledge the Council's 'Council of the Future Framework' and its recently revised 'strategic priorities'.
- 1.2 The Audit & Performance Sub Group, who consider the Trust's 'bids', have previously agreed that the Trust's Capital Programme should consist of projects that resulted in one or more of the following outcomes and this approach has been maintained in the 2018/19 process:
- Resolution of appropriate health and safety related matters
 - Ensure facilities or services continue to operate
 - Retention of existing levels of usage and/or income.

It was also intended that the delivery of projects that met the aforementioned criteria would also improve the customers' experience and in the attraction of additional income.

2. Capital Programme Bids

- 2.1 Senior Management sought ideas from the wider Management Team for possible 'bids' that they considered appropriate for the 2018/19 programme. These were collated and reviewed by the Senior Management Team to ensure their relevance to the agreed criteria and the Trust's objectives, whilst ensuring that the budgetary allocation of £620k was achieved.
- 2.2 The Council's process required the Trust to submit individual capital programme 'bid applications' and these were subsequently submitted by their deadline of the 30th of June 2017 as described below:

<u>Facility/Service</u>	<u>Item</u>	<u>Costs</u>
Bo'ness RC	Replacement entrance doors	£20k
G/mouth Town Hall	Replacement boiler	£60k
G/mouth Library	Replace areas of roof felt and associated stonework	£50k
Polmont SC	Replacement boiler	£70k
Callendar Pk	Replacement chute and associated play equipment	£50k
G/mouth Stadium	Refurbish spectator toilets in grandstand	£50k
Denny SC	Replacement external five-a-side area with tennis court	£50k
G/mouth SC	Replacement bleacher seating	£60k
G/mouth Stadium	Refurbish conditioning gym and equipment	£55k
G/mouth SC	Refurbish and improve customer flow	£75k
G/mouth Stadium	Track cleaner	£10k
Callendar Park	Toilet improvements adjacent to play area	£60k
Stenhousemuir SC	Replace sports hall lighting with LED fittings	£10k

£620k

- 2.3 This total allocation has previously been approved by Falkirk Council as part of their three year programme, however it is left to the Trust to confirm their intentions as part of their annual Business Plan and the list shown in 2.2 forms part of the Trust's plans that help achieve the three objectives shown in 1.2.
- 2.4 The Audit and Performance Sub Group considered these capital programme items at their meeting on the 17th of August, however since that time repair works to the Grangemouth Library roof has been accelerated into this financial year with work being undertaken as a matter of urgency.
- 2.5 However, in recognition of the relatively poor condition of many Trust operated facilities, fourteen additional bids have been submitted to the Council for £1.36m, to reflect the estimated costs of the maintenance backlog, to help return the facilities to an appropriate condition as shown below, but with little expectation that any of these bids will be approved:

<u>Facility/Service</u>	<u>Item</u>	<u>Costs</u>
Falkirk Town Hall	Replace plant and associated infrastructure items	£742k
Bo'ness RC	Replace mechanical and electrical plant	£300k
G/mouth Stadium	Refurbish boiler, lighting and grandstand windows	£26K
G/mouth Museum store	Refurbish roof, windows, doors and lighting	£145k
Polmont SC	Replace heating and lighting plant	£80k
Bo'ness Town Hall	Refurbishment of windows, toilets, lighting etc	£61k
Callendar House	Upgrade heating plant	£50k
Falkirk Library	Refurbishment of rooflights, stonework and toilets	£36k
G/mouth Town Hall	Refurbishment of toilets	£40k
Inchyra Pavilion	Replace areas of roof	£20k
Muiravonside CP	Replace fascias, slating and stonework to farm buildings	£38k
Polmonthill Skislope	Regrade and replace matting to slopes	£130k
Bo'ness RC	Resurface and reline car park	£85k
Hallglen Sports Hall	Replace heating and ventilation and refelt areas of roof	<u>£350k</u>
		<u>£1.361m</u>

3. Summary and General Issues

- 3.1 The average capital programme allocation from the Council, of approximately £550k per year, remains a concern of the Trust, given the existing backlog of maintenance items. This represents approximately 1.6% of the total allocation from the Council's capital programme. Income growth is often dependent upon the quality of the facilities and the expectations of customers, in many cases, is not currently being met.
- 3.2 The Trust's existing 'service level agreement' with the Council's Development Services, in relation to design services and procurement processes is not set-up to support the Trust and its need for the quick and effective introduction of new activity areas or refurbishment works to existing areas. Costs for such a service are charged at 11.75% of the capital cost of each project.

- 3.3 The Trust has identified thirteen projects which are believed to be vital to the continued use of services and to protect existing usage and income levels.
- 3.4 The Council's Strategic Property Review has been unable to provide the Trust with a steer as to its wishes in relation to its facility provision. In this regard, the Trust's bids that were submitted at the end of June, assumed the position that all Trust operated sites would continue to operate in 2018-19. The Council's current strategic property review a key aspect of the number and condition of the facilities that the Trust may be expected to operate in the future.
- 3.5 Although the projects for 2018-19 have been identified, these must remain flexible, as often in the past facility breakdown and plant and machinery failures occur unexpectedly given the relative poor condition of the portfolio of facilities currently operated by the Trust.
- 3.6 Similarly, external funding opportunities change with time and the project which had identified the possibility of introducing an outdoor tennis surface to Denny Sports Centre, to replace the old and unused five-a-side pitch, is no longer possible as support funds are not available for a single tennis court development from the relevant national governing bodies. It is therefore now proposed to reallocate some of these funds to the provision of a barrier system that will enable controlled access to the main car park at Muiravonside Country Park, as described in the main report and to augment the existing allocation identified for the potential development of the Reception area of Grangemouth Sports Centre.
- 3.7 The proposals assume that all the services and facilities described previously will continue to operate beyond April 2018.
- 3.8 Regular monitoring of the progress being made with the Capital Programme projects occurs both internally with the Trust's Audit & Performance Sub-Group and externally with Council colleagues, upon whom the Trust depends for many of the projects' completion.