

**LIVE ACTIVE LEISURE LIMITED BOARD
MINUTES OF THE MEETING OF THE BOARD OF LIVE ACTIVE LEISURE
Held on Thursday, 5th September 2024 at 5.00pm, Dewars Centre.**

Present:

Company Directors

Mr D MacLehose, Councillor B Brawn, Mr I Collins, Mr D McKelvey, Councillor S Carr, Mrs L Scott, Dr D Carey, Mr G McKenna, Mr G Clark

Company Officers

Mr P Cromwell (LAL Chief Executive Officer), Mr G Watson (LAL Director of Operational Services), Mrs D Gaffney (LAL Head of Corporate Support Services), Miss G Edwards (LAL Board and Committee Administrator)

PKC Officers

Mr D Littlejohn

Mr D MacLehose in the Chair.

1 Apologies

Apologies were received on behalf of:

Company Officers - Ms V Haston – (LAL Head of Finance), Mr A Brown (LAL Head of Contracts & Compliance)

PKC Officers - Mrs K Johnston

2 Declarations of Interest

Directors were reminded of their statutory duty to declare any financial and non-financial interests they may have in the items of business for consideration, identifying the relevant agenda item and the nature of their interest, in accordance with the Conflict-of-Interest Policy.

There was no Declarations of Interest.

3 Minutes

The minutes of the Board meeting on 27th June 2024 were approved.

4 Matters Arising

Blairgowrie Recreation Centre – agenda item 8

Update on Equal Pay Review – SMT continue to work through this review, meeting with PKC and the other ALEOs. The initial view is that the risk may be relatively low, as the Company has an established and recognised pay and grading scheme combined with a lack of comparable posts with PKC. Further work will be required to affirm this position and a report will be provided in due course.

Ian Collins arrived

Mechanism for applying for Transition Funding – D Littlejohn confirmed that funding request should be made to T Glen, PKC CEO, in writing. Funding request will be considered for costs in relation to the transition to Dewars Centre and the wider transition of activity across the estate.

Update on Portal for Directors to access information – This has been trialled at sub committee and will be rolled out to all committees and Board meetings from October 24.

Adjustments to the Health and Safety report as per item 7.3 – This has been completed

BSC and impact on accounts - There will be a note in Annual Report 23/24 highlighting the impairment of a major asset. At the end of the current financial year the written down value of Bell's (circa £1.9m) will be removed from fixed assets and the non-cash property reserve lowered by the same amount.

Directors signature for Auditors letter of engagement – This has been completed.

Breadalbane Staffing / Recruitment Challenge – impact on operations - Temporary Operational hours have been introduced and communicated whilst medium / longer term plans are being developed.

5 Committee Updates

5.1 Property and Environment Committee

The Property and Environment Committee meeting was held on the 20th August and covered the following areas:

- Update on the work at Dewars Centre
- BSC Decommissioning
- PLP listing
- PLP Flood Defences

5.2 Services and Communication Committee

The Services and Communication Committee meeting was held on the 22nd August and covered the following areas:

- Quarterly reports from Community Sport, Wellbeing and marketing
- Verbal updates on Dewars health and fitness development and Perth City sports hall mapping and provision
- A business case for improved new website was presented and agreed by committee, this will be launched early next year. Funded through revenue.
- Gannochy Trust – The 3 year partnership funding agreement is coming to an end, currently the Company receives £229k per year. A recent meeting was held with the Gannochy Trust which was positive, the Company will develop a funding application for a revised 3 year term.

5.3 Finance and Governance Committee

The Finance and Governance Committee meeting was held on the 28th August and covered the following areas:

- The overall financial position of the group (excluding funded activity) at the end of quarter was a deficit of £-143k against a budgeted deficit of £-252k. Whilst ahead of

budget it still reflects a deficit position. Close monitoring of performance will continue to be essential as the Company move further into the financial year.

- The position in terms of usage is similarly challenging and despite encouraging performance in the localities, the issues affecting Perth Leisure Pool and Bell's Sports Centre have had a significant impact on the overall performance of the company
- Further legal investigation has determined that the Company own the 'titles' to the Bell's pavilion / store and some areas of the Bell's car park. On this basis, the company would be expected to gift these assets to the council, this will enable the council to develop new lease arrangements with the Rugby Club. Further due diligence is required on this issue, including confirmation of the company's responsibilities in relation to the disposal of an asset. Thorntons will be engaged to consider the legal implications.

6 Reports for Information

6.1 Company Projects

The Director of Operational Services gave an update on the Company's current projects:

- PKC Transformation Review of Leisure Assets – meetings continue to take place to move key actions forward.
- Recommendations from the PKC Leisure Asset Review:
 - Perth City Provision – PH20 and transition plan.
 - Energy Efficiency - proceeding with full environmental surveys at Live Active Loch Leven and Strathearn Community Campus.
 - Programming and booking – a working group has been established with PKC to develop consolidated booking and payment systems.
 - Community Halls – the Company has communicated that continued funding is available to users.
- ALEO Transformation Review

A meeting was held on Friday 23rd August, representation included PKC Senior Management, ALEO Chairs and CEO's.

Key areas discussed included:

 - Four main elements of the review (Equal Pay, Property, Corporate Services, Governance)
 - Future reporting and progress monitoring to partners
 - Ongoing relationship maintenance between partners
 - Update on appointment of project lead (shared role between the four organisations).
- Dewars Fitness Development:
 - An internal project team is now in place to deliver the requirements of the project including operations, programming and activities, health and safety, staffing, marketing and communications, and information technology.
 - Building Works
 - The principal building works required to deliver the project are:
 - adaptations to create the gym and studio spaces
 - improvements to the changing facilities to accommodate the increased customer footfall.

Building works commenced on 22nd July with the gym and studios prioritised. All works are progressing well and are on time for the planned opening date of the 21st September. The tender returns for the improvements to the changing facilities closed on the 26th August and are currently being

- evaluated prior to the contract being awarded. The works are due to commence week beginning the 9th September and to be completed by the 30th October.
- Staff – The new staffing structure for Dewars Centre has now been confirmed and staff that are being relocated from Bell's Sports Centre are due to transfer following its full closure on 13th September. Staff training and inductions sessions will take place week beginning the 16th September.
 - Communications - The implementation of the marketing & communications plan is well underway, the first phase mainly through social media and direct communications, with the second phase targeting more general communications which are due to commence in the coming weeks.
 - Finance – The current project costs to date have been contained within the budget costs of circa £1M, however, tender returns for the necessary improvements to the changing rooms are currently being evaluated which is likely to impact on the budget position. See item 7.3
- Bell's Sports Centre: The decommissioning and the Company's exit from Bell's Sports Centre continue, LAL officers are working closely with colleagues in Perth and Kinross Council. A target transition and exit date of 20th September has been set.
 - Activity and Programming – the majority of local clubs and groups have been accommodated across the wider sports estate at LAL and PKC venues. The process has been resource intensive and will require review and refining in future years.
 - Events – The majority of events which were previously hosted at Bell's have found alternative accommodation at venues in other localities.
 - Health and Fitness - Group fitness class programme currently taken place at Bell's Sports Centre will cease to be delivered from Saturday 14th September and recommence the following Saturday 21st at the Dewars Centre.
 - Staffing - All remaining staff have now either been relocated into similar posts or have been successful in their application for alternative positions within the Company. There have been no compulsory redundancies through this process which has been very positive.
 - Blairgowrie Recreation Centre Development – This development continues to be on schedule for completion towards the end of 2024 with opening early in 2025. A transition plan is being developed to ensure a smooth transition from the operations of the existing facility to the new venue.

6.1.1 PH20 Project update

The Chief Executive gave an update from the full council meeting on 4th September, this was an integrated proposal put forward by PKC officers which included:

- Purchasing Pullar House – Agreed
- Purchasing Kinnoull Street Car Park – Agreed
- To Build PH20 on the Thimble Row Car park site – Agreed – once the project is at the design stage officers will look at options for leisure water and provide updates to council
- To build affordable houses on the Glover Street site once PH20 is built
- Ice facility – the report recommended that ice facilities are not included in the PH20 project. It was agreed that Scotland/Perth curling groups to be provided with the opportunity to consider the lease of Dewars (to commence once PH20 available)

- Bell's Sports Centre – A concept proposal to use the Dome area as multi-sport indoor pitch facility was detailed in the report – there will be a wider public consultation on the future use of Bell's.

7 Reports for Decision

7.1 Company Performance

This was discussed under 5.3.

Resolved

- Directors agreed with the contents of the report

7.2 HR Policies Update

The Head of Corporate Support Services gave an overview of the recent policies that have been updated which included:

- Smoking Policy
- Substance Misuse
- Social Media
- Standards of Appearance

Resolved:

- Directors agreed with the contents of the report

7.3 Dewars Fitness Development – Budget Update

The Director of Operational Services gave an update on the budget position for the Dewars Fitness Development which included:

Fitness Gym and Studio Project

- High level budget costs of circa £1M were approved for the delivery of the project
- The fitness gym and studio project has been contained within the original £1m budget at £750k, however some additional variation works have still to be fully confirmed which are likely to take the cost up to £780k.
- The changing rooms improvement works tenders have now been evaluated with the recommended contractor submitting costs of £270k.
- This now takes the total costs over the approved £1m budget by £50k.

7.4 Company's Corporate Offices

- The closure of Bell's Sports Centre has displaced a significant number of corporate staff who were office based within the venue, these teams include the Company's Head Office and Wellbeing / Community Sport delivery staff. Office accommodation needs to be established within the Dewars Centre.
- The initial high-level costings to adapt and improve areas within the Dewars Centre to accommodate the Company's Corporate Office is circa £200k.
- Options for renting office space or using PKC office space was considered but was not viable.

It is therefore requested that an additional £50K is committed to complete the fitness/studio and changing room project and £200K is committed to develop adequate corporate team office accommodation be approved and funded from the Company's unallocated Lifecycle Reserve. The current level of £1,121m would reduce to £871k.

Resolved:

Experience ○ Investment ○ Opportunity ○ Commitment

- Directors agreed additional financial resources as detailed above to be committed from Lifecycle Reserves.

Councillor S Carr left the meeting.

8 **New Blairgowrie Recreation Centre Presentation**

The Director of Operational Services gave an overview of the new Blairgowrie Recreation Centre with the main points being:

- This has been built to passiv haus building standard which will be the first in Scotland
- Capital cost of £36M
- The build includes
 - 25m x 6 lanes/moveable floor swimming pool
 - 4 Court Sports Hall
 - Fitness Suite
 - Dance Studio
- The build is on schedule with completion towards the end of 2024 and opening early 2025.

9 **AOCB**

Bell's Sports Centre Pavilion – this was discussed under agenda item 5.3

Councillor Brian Leishman – Thanks were noted to Councillor Leishman for his contribution to the Board, he was successful in gaining a seat as an MP and has resigned from the board.

10 **Date of Next Meeting** – 24th October 2024

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