

**LIVE ACTIVE LEISURE LIMITED BOARD  
MINUTES OF THE MEETING OF THE BOARD OF LIVE ACTIVE LEISURE  
Held on Thursday, 25<sup>th</sup> April 2024 at 5.00pm, Dewars Centre.**

**Present:**

Company Directors

Mr D Maclehose, Mr I Collins, Councillor B Leishman, Councillor B Brawn, Councillor S Carr, Dr D Carey, Mrs L Scott(Teams), Mr D Mckelvey

Company Officers

Mrs D Gaffney (LAL Head of Corporate Support Services) Ms Victoria Haston – (LAL Head of Finance), Mr G Watson (LAL Director of Operational Services), Mr A Brown (LAL Head of Contracts & Compliance), Miss G Edwards (LAL Board and Committee Administrator)

PKC Officers - Mrs K Johnston.

Mr D Maclehose in the Chair

1 **Apologies**

Apologies were received on behalf of:

Company Directors – Mr G McKenna

Company Officers - Mr P Cromwell (LAL Chief Executive Officer)

PKC Officers - Mr D Littlejohn

2 **Welcome – Gareth McKenna**

Following the last Nominations Committee meeting Gareth McKenna has been appointed as a new director. Mr McKenna has a vast knowledge of the Leisure sector working with UHI Perth, Badminton Scotland, Northumbria University, SFA, West of Scotland Institute of Sport and Royal Caledonian Curling Club.

The Board also acknowledged that David Littlejohn is the new PKC Strategic Lead for ALEOs and will be attending future Board meetings.

3 **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.

4 **Minutes**

The minutes of the Board meeting on 8 February 2024 were approved. The Director of Operational Services gave an update on the ownership status of Bell's Sports Centre, the minutes were accurate at the time but there have been further conversations with PKC regarding the ownership of the venue and the ownership of the land. Although it is acknowledged that ultimately PKC have responsibility for the site as landowner and sole member of the Company.

5 **Matters Arising**

**Blairgowrie Recreation Centre** – the presentation regarding the update on this project will now be presented at a future board meeting.

**PKC Budget Review Group** – As agreed by the Company Board, the forecast budget for option 1 (with a comparison of option 4) was presented to the Budget review group. (based on the Bell's options appraisal report)

**Fitness Equipment Procurement** – the procurement of fitness equipment is ongoing.

**Sports Scotland/Gannochy Trust** – Communications completed with both organisations regarding Bell's Sports Centre decisions.

**Communications/Engagement Plan** – The Company has formally written to PKC to request formal withdrawal of the services provided at Bell's Sports Centre, the decision to approve this request will be considered by Full Council in May.

**Nominations Committee** – Gareth McKenna has been appointed as a new director. The Company continue to advertise for new Directors, the Nominations Committee will form when there are further applications.

Ian Collins joined the meeting.

## 6 **Gannochy Trust Funding Presentation – Phil Coleman – Community Sports Manager**

The Gannochy Trust has a three-year funding cycle, year two has just started with last year's annual report being produced next week. An application for the next cycle of funding will be completed by the end of this year.

The Company currently receive £229k per year which is spent on the following:

- Coach and Volunteer Development
- Developing Young People
- Modern Apprentices
- Performance Sport
- Outdoor education
- Sport Specific Development
- Community Sport Development

This funding has increased each three-year cycle as the projects have increased. This work covers the whole of Perth and Kinross.

## 7 **Verbal Updates**

### **Joint HR and Finance and Governance Committee**

This joint committee met on 21<sup>st</sup> March to discuss the Budget and to propose to the Board the pay award options. These will be discussed further in agenda item 8.3.

### **Services and Communication Committee**

This committee met on 18<sup>th</sup> March and agreed the charges paper which was included in the Board Meetings papers.

The Customer / Stakeholder Engagement plans related to decisions on Bell's Sports Centre / Dewars Centre have been developed and progressed, with communications sent to:

- Indoor Bowlers
- Event organisers
- Governing bodies / clubs and groups that traditionally use Bell's Sports Centre
- LAL Staff groups.

The Company will continue to progress with further engagement with all groups and clubs as part of the strategic Sports hall mapping exercise across Perth City and will also continue to liaise with PKC comms teams to ensure effective coordination of messaging.

## 8 Reports for Information/Decision

### 8.1 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, LAL officers attended elected member briefing on 22 April and the PH20 Senior Officer Working group continue to meet.
- Recommendations from the PKC Leisure Asset Review:
  - Perth City Provision – PH20 and transition plan
  - Energy Efficiency - proceeding with measures at Live Active Loch Leven and Strathearn Community Campus
  - Swimming – potential business development at both Live Active Loch Leven and Strathearn Community Campus
  - Programming and booking – working group has been established with PKC to develop consolidated booking and payment systems
  - Community Halls – the Company has communicated that continued funding for this year to groups
- ALEO Transformation Review (this section was covered by Diane Gaffney):
  - Initial meetings have been held with key ALEO staff across the three organisations on Finance, HR, and Marketing
  - Dialogue between the ALEO's and PKC on the issue of equal pay challenges relating to the associated employer status with PKC
  - An initial estimated assessment of the increase in yearly cost for LAL is circa £300 - 400k, with potential for claims going back for up to five years.
- 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.
  - A multi-disciplinary design team has been appointed to scope and develop the building works needed to accommodate the Health and Fitness offer at the Dewars Centre. Proposals and costs will be presented to the Property and Environment, and the Finance and Governance Committees for approval.
  - Fitness equipment and flooring procurement tender was published on the Public Contracts Scotland site. Nine submissions are currently being evaluated. These submissions meet the £300k budget approved by the Board in February. Marketing and communications plans are underway to promote the new facility.
- Bell's Sports Centre:
  - Whilst the final decision on Bell's is still to be confirmed by PKC, preparations are being made to start the decommissioning of the facility. This includes an audit to determine any reusable assets.
  - Historic and Environment Scotland have designated 'B' listing status for Bell's Sports Centre. The listing includes specifically, the domed arena, and the original circulation corridors and spaces around the domed area.
  - Initial communications with all customer groups have been completed with only six out of 18 email responses classed as negative. There have been various media requests, and the CEO attended the Perth Indoor Bowling AGM.
- Blairgowrie Recreation Centre Development – This development continues to be on schedule for completion towards the end of 2024. The Company continues to provide technical support and is represented on the project group. The Company has established a project team to prepare for the venue opening and transition.

Councillor Brian Leishman raised the Elected Member briefing which took place on 22 April 2024. This meeting was to brief the Elected Members on the progress of the scoping and costing of the PH20 project. At the briefing various options and costings were presented on the inclusion of an Ice Rink as part of the project (as per decisions by Full Council in January 2024)

Councillor Brian Leishman expressed the view that Council Officers should be treating leisure swimming in the same way, costing a dedicated leisure water rather than leisure activities carried out in the main pool. The Director of Operational Services highlighted that the facility mix had previously been agreed by the Council which did not include separate 'Leisure' Water or Ice Facilities however at the Council meeting in January officers were remitted to costs the inclusion of Ice facilities as a potential option. Following some discussion Councillor Brian Leishman proposed that the Live Active Leisure Board would write to the Council asking for a leisure swimming pool and features be costed as part of the project.

The Board directors voted and agreed that the Chairman should write to Thomas Glen, CEO of PKC to that effect.

**Resolved:**

1. Directors agreed the content of the report.
2. Directors agreed that the purchase of the Dewars Centre Fitness Equipment had been approved by the Board in February 2024.
3. Directors approved delegated authority to a joint Committee of the Property & Environment Committee and the Finance & Governance Committee to approve the contract award of the Dewars Centre buildings works. The Head of Finance confirmed the financial authority limits for Committee is £500K
4. Directors agrees that the HR / Finance and Governance Committee will review further progress relating to the Equal Pay and Terms and Conditions project.
5. Directors agreed that the Chair will write to PKC Chief Executive to ask for an option of a separate leisure water to be costed within the rescoping exercise for PH2O.

**8.2 Board Committee Representation**

The Head of Contracts and Compliance gave an update on the Directors Committee representation because of recent changes to the Company's Board of Directors. The Company's Committee structure plays a vital role in the effectiveness of the Board, directors are appointed to the various committees based on a range of factors including skills, experience and abilities. Mr G McKenna has been added to the Services and Communications and Finance and Governance Committees. Two directors are required to be quorate at a committee meeting.

**Resolved:**

Directors all agreed to the updated committee representation.

**8.3 Budget 2024/25 and Pay Award**

**Pay Award**

The Head of Corporate Support Services introduced the pay award paper, the full paper was presented to the Joint HR and Finance and Governance Committee with two options being proposed for the board to consider, the two options were:

Option 1	Option 2
£21,000 – RLW	£21,000 – RLW

Experience ○ Investment ○ Opportunity ○ Commitment

£21,300 - £25,000 8.75%	£21,300 - £25,000 8.75%
£25,000 - £30,000 6.00%	£25,000 - £30,000 6.00%
£30,000 + 4.5%	£30,000 - £69,000 4.5
	£70,000 + 3%
Cost £439k	Cost £438k
61k within budget	62k within budget

Both options are within the initial draft budget proposals.

L Scott stated that the Joint HR and Finance and Governance Committee were comfortable approving Option 1 and that Option 2 was included at the request of the Company CEO. Councillor Brian Leishman stated that the Committee had appreciated the sentiment behind this request. Directors agreed with the recommendation of the committee to approve Option one.

**Resolved:**

- Directors agreed on Option one.

**Budget 2024/25**

The Head of Finance summarised the budget for 24/25, which was approved by the Finance and Governance Committee and confirmed the figures had been updated to include the pay award detailed in 'option 1'.

For 2024/25 the business model for Live Active Leisure has changed significantly. This year's budget has been set against the backdrop of a complex transition period and includes:

- Bell's Sports Centre will not be reinstated although it is acknowledged that the final decision lies with the Council.
- A new Fitness Gym and Group fitness offer will transition to Dewars Centre with the intention of opening in Summer 2024. Indoor Bowls will end at the end of the current season. Events and meeting room hire at Dewars will be reduced because of the re-purposing of space.
- Staffing at Dewars Centre from July will be based on a revised new staffing structure, every effort will be made to redeploy staff from Bell's within LAL, or within the wider Family Group of the ALEO's and PKC.
- There is a commitment to continued investment in the venues in Crieff and Kinross as detailed in the PKC Leisure Asset Review.
- A separate review of the PKC Estate in Pitlochry will determine the future of Live Active Atholl, with LAL continuing to manage the facility throughout 2024/25.
- LAL will continue to manage the Community Halls in 2024/25.
- PH20 Revised Business Case to be considered by Council in August 2024

**LIVE ACTIVE LEISURE LIMITED BUDGET 24/25**

£

**Total Income**

**10,151,385**

Experience ○ Investment ○ Opportunity ○ Commitment

<b>Total Expenditure</b>	<b>10,608,618</b>
<b>Surplus/-Deficit</b>	<b>-457,233</b>
<b>Mitigations</b>	<b>270,314</b>
<b>Unmitigated Deficit</b>	<b><u>-186,918</u></b>

The unmitigated deficit of £187k utilises the remaining reserves set aside for 23/24.

**Resolved:**

- Directors approved the budget for 24/25

9 **AOCB**  
There was no AOCB.

10 **Date of Next Meeting** – 20<sup>th</sup> June 2024

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