

**A MEETING of the LIVE ACTIVE LEISURE LIMITED BOARD
will be held in the Hay Suite, Dewars Centre, Glover Street, Perth
on Thursday, 24 October 2019 at 5.15 pm**

A G E N D A

1 Apologies

2 Declarations of Interest

Directors are 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.

3 Annual Accounts and Report by Chairman

Approval of financial report and abstract of accounts for year to 31 March 2019 incorporating the Treasurers Report, Auditors Certificate and Chairman's Report (copy enclosed).

4 Live Active Leisure Board – Retirement of Independent Directors

The non-Council Members are Mr D Longmuir who was re-appointed to the Board on 27 October 2016, Mrs M Colvin who was appointed to the Board on 27 October 2016, Mr I Collins and Mr D MacLehose who were appointed to the Board on 13 February 2018, Mrs L Scott who was appointed to the Board on 30 August 2018, Mr M Robinson and Mr C Allan who were re-appointed to the Board on 25 October 2018 and Dr I Blair who was appointed to the Board on 29 August 2019.

In terms of Article of Association 54, two Independent Directors shall retire at each Accounts Sign-off Board Meeting, but each of them shall, providing he/she is willing to act, be eligible for re-appointment. In terms of Article of Association 55 the Independent Directors to retire at each Accounts Sign-off Board Meeting, shall be those who have been longest in office since they were last appointed or re-appointed, if three or more Independent Directors were last appointed or re-appointed on the same date, the question of which of them are to retire shall be determined by some random method. Mr D Longmuir and Mrs M Colvin will therefore fall due to retire by virtue of their seniority. They are eligible for re-election.

Note:

1. The Council Members of the Board appointed by Perth and Kinross Council being Councillors G Laing who was reappointed to the Board on 17 May 2017 and B Brawn on 21 June 2018 and T McEwan who was appointed on 5 September 2019.

5 Appointment of Chairman*

The Board is required to appoint a Chairman of the Board in terms of Articles of Association 62-64.

6 **Appointment of Vice Chair***

The Board is required to appoint a Vice-Chairman of the Board in terms of Article of Association 62.

Note: *The Chairman and Vice Chair appointed above will also serve as the Chairman and Vice Chair of the Live Active Leisure Trading Board.

7 **Appointment of Auditors**

It is recommended that Campbell Dallas Audit Services, 5 Whitefriars Crescent, Perth be re-appointed Auditors to the Company.

8 **PRESENTATION – GOVERNANCE RESPONSIBILITIES AND TRUSTEES DUTIES (10-15 Mins)**

9 **Minutes**

- (i) Board Meeting of 29 August 2019 (copy enclosed)

10 **Matters Arising**

- (i) Matters Arising Update/Actions Report (enclosed)
- (ii) Any Other Matters Arising

11 **Reports for Information:**

- Festive Operating Hours 2019/20
- FOI/GDPR Annual Progress Report
- LAL Board Committee Structure and Member Information
- Capital Projects Update

12 Gas & Electricity Contract Review – Report No. LAL/19/12

13 Catering Operations Update – Report No. LAL/19/13

14 PH₂O Update - Presentation

15 2020/21 Revenue Budget Presentation – **CONFIDENTIAL**

16 AOCB

- LAL December Board – Social Event (Bowling)

17 Date of Next Meeting – Thursday, 12 December 2019

LIVE ACTIVE LEISURE LIMITED

MINUTES OF THE MEETING OF THE BOARD OF LIVE ACTIVE LEISURE HELD IN THE HAY SUITE, DEWARS CENTRE, GLOVER STREET, PERTH ON THURSDAY, 24 OCTOBER 2019 AT 5.15 PM

Present:

Mr D Longmuir, Mr C Allan, Mr I Collins, Mr D MacLehose, Mrs L Scott, Dr I Blair and Councillors B Brawn, T McEwan and G Laing.

Mr P Cromwell (Chief Executive Officer), Mrs F Cameron (Director of Finance), Mr G Watson (Director of Operational Services), Mrs D Gaffney (Head of Corporate Support Services), Mr A Brown (Head of Contracts & Compliance) and Mrs H Fairweather (Board Administrator).

In Attendance: Ms F Robertson - Head of Culture & Community Services.

Mr Longmuir in the Chair

1 APOLOGIES

Apologies were received on behalf of Mr M Robinson, Mrs M Colvin and Mr Scott Walker.

2 DECLARATIONS OF INTEREST

There were no additional declarations of interest.

3 ANNUAL ACCOUNTS AND REPORT BY CHAIRMAN

The financial report and abstract of accounts for year to 31 March 2019 incorporating the Treasurer's Report, Auditors Certificate and Chairman's Report were approved.

4 LIVE ACTIVE LEISURE AUDIT HIGHLIGHTS MEMORANDUM

The Director of Finance stated the Audit Highlights Memorandum provides assurance that the Company's accounts have been audited and that any significant risk areas had been audited with no adjustments proposed. A clean audit was issued for both the Charitable and Trading Company.

5 LIVE ACTIVE LEISURE BOARD – RETIRAL OF INDEPENDENT DIRECTORS

In terms of Article of Association 54, two Independent Directors shall retire at each Accounts Sign-off Board Meeting, but each of them shall, providing he/she is willing to act, be eligible for re-appointment. In terms of Article of Association 55 the Independent Directors to retire at each Accounts Sign-off Board Meeting, shall be those who have been longest in office since

they were last appointed or re-appointed. Mr D Longmuir and Ms M Colvin therefore fell due to retire by virtue of their seniority. They were eligible for re-election.

Resolved:

- (i) Mr Longmuir and Ms Colvin were re-elected as Directors of the Company.

6 APPOINTMENT OF CHAIRMAN

The Board were required to appoint a Chairman of the Board in terms of Articles of Association 62-64.

The Chief Executive Officer reported Mr Robinson had confirmed his willingness to stand for Chairman. No other nominations were received for consideration.

Resolved:

Mr Robinson was re-elected as Chairman of the Board.

7 APPOINTMENT OF VICE CHAIR

The Board were required to appoint a Vice-Chairman of the Board in terms of Article of Association 62.

Resolved:

The Chief Executive Officer reported Mr Longmuir had confirmed his willingness to stand for Chairman. No other nominations were received for consideration.

Resolved:

Mr Longmuir was re-elected as Vice Chairman of the Board.

It was noted the Chairman and Vice Chair appointed would also service as the Chairman and Vice Chair of the Company's Trading Board.

8 APPOINTMENT OF AUDITORS

The Chairman recommended the re-appointment of Campbell Dallas Audit Services as Auditors to the Company.

Resolved:

- (i) The Board agreed the re-appointment of Campbell Dallas Audit Services as the Company's Auditors for 2020/21.
- (ii) The Board agreed a re-tendering process be undertaken prior to the next re-appointment of Auditors.

9 GOVERNANCE RESPONSIBILITIES AND TRUSTEES DUTIES

Mr Allan provided the Board with a presentation to cover the important areas of Governance Responsibilities and Trustees Duties.

10 MINUTES

10.1 Minutes of the Board Meeting of 29 August 2019

The Minutes of the Board Meeting of 29 August 2019 were submitted and approved as a correct record and authorised for signature.

11 MATTERS ARISING

11.1 Matters Arising Update/Actions Report

11.1.1 Item 2 – Budget Consequential Update – The Chief Executive Officer reported PKC had agreed financial support of 50% for the first quarter of the year to cover budget pressures for the operation of facilities whilst withdrawing from venues.

11.1.2 Item 3 – Pay Awards/Pay & Grading Structure – The Chief Executive Officer reported that he, the Board Director for HR and the Head of Corporate Support Services had an initial meeting to progress potential pay awards going forward and the impact they might have on the Company's Pay & Grading Structure. The Chief Executive Officer stated that this subject would also be discussed as part of the 2020/21 Revenue Budget Presentation.

11.1.3 Item 4 – Sport & Active Recreation Facilities/Externally Funded Wellbeing Initiatives – The Chief Executive Officer reported Mrs Colvin had organised for Mr Andrew Radley, Consultant Pharmacist in Public Health to provide the Board with a presentation on Social Prescribing at the December Board Meeting.

11.1.4 Item 6 - Directors Training – The Chief Executive Officer stated visits to LAL venues for Directors is outstanding but that these visits will be organised over the next couple of months depending on Directors availability.

11.1.5 Item 7 – Company Annual Training & Development Day – The Chief Executive Officer reported the Marketing Team are exploring sponsorship for this event.

11.1.6 Item 8 – Property Asset Management Plan – The Chief Executive Manager reported that the Chairman had written to the Chief Executive of PKC to provide an update with regard to urgent works required to PLP and DC and the PH₂O reserve funding level and that a positive response had been received. It was noted the works required at PLP during the December closure will not now require a complete closure and that specific areas will remain open for customers.

11.1.7 Item 9 – Q1 Business Performance – The Chief Executive reported that a Services & Communications Committee Meeting had been diarised for Wednesday, 20th November 2019.

11.1.8 Item 11 – Maisie Moo Magical Moments Project – The Chief Executive reported that an application had been submitted to the Gannochy Trust on behalf of the Maisie Moo Magical Moments organisation.

11.2 Any Other Matters Arising
There were no other matters arising.

12 REPORTS FOR INFORMATION

12.1 Festive Operating Hours 2019/20

The Director for Operational Services reported the Draft Festive Operating Arrangements were based on historical usage and endeavoured to provide some access at each locality.

12.2 FOI/GDPR Annual Progress Report

A report by the Chief Executive Officer for information was submitted to provide Directors with an annual update on the Company's compliance with the Freedom of Information (Scotland) Act 2002, the Environmental Information (Scotland) Regulations 2004 and the General Data Protection Regulations.

A review of the Company's Guide to Information available through the Model Publication Scheme 2018 to make public publications more accessible via the Company website was progressing.

An audit review of the Company's Data Protection Policies and Procedures had also been undertaken which covered 20 key areas in relation to compliance under GDPR.

A Board Portal to be considered for Directors to receive Board papers and other information.

12.3 LAL Board Committee Structure and Member Information

A report by the Chief Executive Officer for information was submitted to reflect the Boards stated desire to have the Company's Committees consider relevant matters that require to be progressed within tight timescales and outwith the cycle of Full Board Meetings. This also reflects the role of Committees making decisions under delegated authority as required.

The Chief Executive Officer stated the Board Committees are essential and effective and have been refreshed due to recent changes on the Board.

12.4 Capital Projects Update

A report by the Chief Executive Officer for information was submitted to provide the Board with an update in relation to the Company's Capital Projects.

The Director of Operational Services referred to the PH₂O project and reported that it was progressing well. An initial Design Briefing Workshop has taken place resulting in an initial Schedule of Accommodation which will help shape the development of site plans for three options. The next stage will be to develop the Design Options in conjunction with the associated Business Operating Model and produce a Draft Report for the end of November prior to submission to Perth & Kinross Council.

The initial stages of the Bell's Sports Centre Feasibility Study have produced a significant amount of data which is now guiding the development of design options. An internal Design Workshop will take place at the end of the month.

The Director of Operational Services stated that although the Blairgowrie Recreation Centre project is a PKC project, LAL have representation on the Project Board and reported that the project is now at high level design stage.

13 GAS & ELECTRICITY CONTRACT REVIEW

A report by the Chief Executive Officer (LAL/19/12) was submitted to provide Directors with an update on the performance of the current procurement arrangements of Gas and Electricity.

Following a detailed exercise and considering the financial risk and budget resources available, the Board agreed to continue to purchase electricity through the current energy consultants, giving cost certainty for the two financial years from 1st April 2018, but entered the Scottish Procurement Framework for the supply of gas.

The main financial risk of procuring utilities through Scottish Procurement being that prices are unknown until the beginning of the financial year and therefore setting budgets is challenging and potentially unreliable.

The Company have instructed its energy consultants to determine the prices for the next two years and they have specifically looked at gas prices over the past 6 weeks and have indicated gas prices are similar to current rates which are available for either a 2 or 3 year period giving budget certainty. The Director of Finance recommended the Company leave Scottish Procurement and procure services from its energy consultants for gas. It is hoped the Company will not be subject to a 12 month notice period with Scottish

A similar exercise is underway for electricity which over the past 18 months have been expected to increase by around 10-12%. Prices have been received from the energy consultants which would allow the Company to secure a rate of around a 7% increase. The Director of Finance therefore requested agreement for the Company to stay with its energy suppliers for a further 2-year fixed price contract.

Resolved:

- (i) Directors agreed to give notice to Scottish Procurement to enable future Gas contracts to be procured through energy consultants
- (ii) Directors agreed to progress new 2-year contract procurement for electricity through energy consultants from 1 April 2020.

14 CATERING OPERATIONS UPDATE

A report by the Chief Executive Officer (LAL/19/13) was submitted to provide the Board with an update on the financial performance of the in-house catering provision at Dewars Centre, Perth Leisure Pool and Bell's Sports Centre.

The Director of Operational Services stated the report provides a brief update of the past six months and reported there had been significant positive progress from the implementation of all the agreed actions and the resultant performance.

Resolved:

- (i) Directors agreed the Finance & Governance Committee be remitted to receive progress reports and consider further recommendations.

15 PH₂O UPDATE - PRESENTATION

The Director for Operational Services provided a brief presentation on the high-level drawings provided by the consultant following a review of usage and current facilities with three options and site configurations.

Key for the Company is for the public to see the activities within when entering the facility.

The next step is for PKC and LAL to provide a report to PKC in December when it is expected a clearer view will be reached at Officer level on which is the preferred way forward and provide an outline Business Case to take to the political groups.

16 2020/21 REVENUE BUDGET PRESENTATION – CONFIDENTIAL

Enclosed separately.

17 ANY OTHER COMPETENT BUSINESS

None

18 DATE OF NEXT LAL BOARD MEETING

Thursday, 12 December 2019 – Date may require to be changed if a General Election is held on this date.