

**LIVE ACTIVE LEISURE LIMITED BOARD  
MINUTES OF THE MEETING OF THE BOARD OF LIVE ACTIVE LEISURE  
HELD ON THURSDAY, 23<sup>rd</sup> June 2022 at 5.00 pm at Bell's Sports Centre.**

**Present:**

Mr D MacLehose, Dr D Carey, Mr C Allan, Councillor Brian Leishman, Mr I Blair (via video link)

Mr P Cromwell (Chief Executive Officer), Mrs D Gaffney (Head of Corporate Support Services), Mr A Brown (LAL Head of Contracts & Compliance) Miss H MacDonald (Projects and Business Support Officer) Mrs K Johnson (PKC), Mrs F Robertson (PKC)

Mr D MacLehose in the Chair.

**1 Apologies**

Apologies were received on behalf of Mr I Collins, Mr D Longmuir, Councillor Steven Carr, Councillor Bob Brawn, Mrs L Scott and Mr G Watson (Director of Operational Services).

**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 were no declarations of interest.

**3 Live Active Leisure Board – Appointment of Council Directors**

Subject to articles 45 and 48 in the company's Articles of Association, Perth and Kinross Council, so long as it remains a member of the company, may by notice in writing, signed on its behalf by an appropriate officer and given to the company, appoint any elected member of Perth and Kinross Council who is willing so to act to be a director (a "Council Director").

Councillor Steven Carr and Councillor Brian Leishman were appointed as Council directors of Live Active Leisure Limited and Live Active Leisure Trading on 9<sup>th</sup> June 2022.

The Board welcomed Councillor Brian Leishman and noted the apologies of Councillor Steven Carr.

**4 Minutes**

Mrs F Robertson requested that the PH<sub>2</sub>O Governance arrangements were updated to reflect that the Senior Responsible Owner is responsible for Project Assurance.

Subject to the above amendment the minutes of the Board meeting on 23<sup>rd</sup> June 2022 were submitted and approved as a correct record.

**5 Matters Arising**

Mr I Blair queried whether it had been announced that the creche at Perth Leisure Pool will not reopen. The Chief Executive Officer confirmed that all customers, that provided responses to the creche survey, were provided with an update on the decision and no further feedback or comments have been received.

All additional matters arising are in progress / actioned.

## 6 **Presentation: Active Schools Update (Tammy McKinlay – Active Schools Manager)**

The Active Schools presentation was cancelled with a view to re-schedule in due course.

## 7 **Verbal Update**

### **Chairman's Update**

The Chairman informed the Board that he attended a positive meeting to discuss the next steps on PH<sub>2</sub>O with Mr D Longmuir, Mr I Blair, The Chief Executive Officer (LAL), The Director of Finance (LAL), Councillor Grant Laing (Leader of Perth & Kinross Council) and Thomas Glen (PKC Chief Executive Officer).

The Chairman expressed his satisfaction of the outcome of the full Council meeting held on the 22nd of June that confirmed the company will now terminate its lease with Perth and Kinross Council for Live Active Rodney. The Chairman thanked Mrs F Robertson for her informative paper that was presented to Council members on the matter.

The company's Active Schools team delivered a fantastic event with 'Gie it Laldy' – A Girls in Sport Event' at Bell's Sports Centre on 1<sup>st</sup> June. The Chairman attended and praised the efforts of everyone involved.

### **Finance & Governance Committee Update**

- **Financial Update**

Mr C Allan confirmed that April and May reported a small financial surplus which is positive, although a projected forecast deficit [REDACTED] remains based on an anticipated overall 81% recovery this financial year. This figure will continue to be monitored closely as more data is gathered. [REDACTED]

Current energy consumption has indicated a reduction in usage, however any current savings in consumption are being offset by the significant increase in utility unit prices. Although the Company is part of the Energy Procurement Framework the unit price is higher than was expected.

Given the uncertainty across a range of key financial cost areas, the Director of Finance confirmed that further financial scenario modelling will be completed.

- **PH<sub>2</sub>O Project Board Representation**

The Project Board will have overall accountability for the PH<sub>2</sub>O Programme. The Board will consist of six members, 3 Perth and Kinross Council appointed elected members and 3 Company Directors. The Company's Board Of Directors Skills Matrix has been reviewed and recommends the following.

The following directors have been chosen to represent the company on the PH<sub>2</sub>O Project Board:

- Mr D Longmuir
- Mr I Blair
- Mr D MacLehose

Should any of the above directors be unable to attend a meeting the following directors have been designated as standbys:

- Mr C Allan
- Mr I Collins

## **Resolved:**

- i) Directors ratified the Director representation on the PH<sub>2</sub>O board as recommended by the Finance and Governance Committee

## **Service & Communications Committee Update**

Mr I Blair commented that the marketing for the new Bell's re-development is dynamic and vibrant with new font and visuals. The marketing is now live and being promoted via multiple marketing channels.

Mr I Blair confirmed that discussions were had on the company's draft sales and retention plan with the committee's focus on improving the decline of membership sales from 2020. [REDACTED]

The key reasons that were captured as part of the report on why members cancel their membership were:

- Cleanliness
- Feeling out of place
- Equipment maintenance issues
- Cost/value of membership
- Not seeing results
- Equipment choice
- Poor class choice/availability

Mr I Blair confirmed that the sales and retention plan is a companywide plan that will be used across all venues. All feedback from customers will be monitored with the aim to make improvements and KPI's will be set for each element.

Dr D Carey queried if the feedback regarding cleanliness was targeted at one specific venue. The Director of Finance commented that cleanliness comments are sometimes directed at Perth Leisure Pool, however the venue is over 35 years old and is showing obvious signs of ageing which can be mistaken as cleanliness issues. The Director of Finance confirmed that the company has cleaning protocols, standards and monitoring in place in all venues.

Dr D Carey discussed the current cost of living crisis and queried whether this has been considered when looking at membership sales. The Chief Executive Officer confirmed that current pricing of memberships is competitive with a range of options including concessions and student memberships. Charging is reviewed frequently alongside how the offer is marketed to promote the value for money that a membership provides.

The Chief Executive Officer explained that the 'key reasons' members cancel which are included in the sales and retention plan have been taken from *wider industry insight and research* and not wholly from feedback from our customers. This approach ensures that tactics are in place to proactively manage these issues to support improved member retention levels.

## **Operational Update**

The Head of Contracts and Compliance confirmed that venues are largely back to pre-covid hours with some temporary adjustments due to staffing issues. Live Active Atholl is currently closed as it was used as an NHS Vaccination centre for an extended period. However, it is due to reopen from 11<sup>th</sup> July.

Dry side coaching has returned throughout venues with gymnastics and football development going well. Swimming lessons are also thriving and are back to pre-covid attendance levels. Positively, it is also the first time in three years that the company has received applications from schools to resume school swimming lessons / school sport within Company venues after the summer holiday period.

As part of the Bell's Sports Centre Fitness development, the customer journey for new gym members has been reviewed in line with current industry practice with inductions now being offered in person and online.

The company has recently been approached by PKC, who have identified funding to work with targeted families to tackle 'holiday hunger.' The Company are working with colleagues in the council to provide children with supported access to activities and packed lunches, these opportunities will be available across the Company's venues this summer

The Head of Contracts and Compliance made the board aware of the current nationwide challenge in the supply of chlorine related chemicals to swimming pools. The Company are in ongoing contact with suppliers and are monitoring the situation very closely. Further information will be provided to the Board if the situation becomes critical. Mr C Allan asked how much stock of pool chemicals the company can hold. The Head of Contracts and Compliance confirmed that the chemical that is currently used is delivered in liquid form and the venues each have a specific number of tanks to hold it. Increasing the storage capacity on site is limited due to space requirements.

The Head of Corporate Support Services confirmed positive progress had been made in relation to recruitment challenges at Perth Leisure Pool since the last meeting, the Company have responded to the recruitment challenges by introducing new contractual arrangements for seasonal summer staff and a revised training offer as part of the Company's Employment offer. These actions have resulted in a near full complement of staff at PLP which will enable normal operating hours and holiday programme activities to be available this summer.

However, the Head Of Corporate Support Services confirmed that there are still positions available in corporate support roles which remain unfilled, despite, in some cases, multiple recruitment attempts. These challenges are affecting the finance, marketing, projects and property teams. Mr C Allan queried whether the company pay a 'finder's fee' and if not whether that would be considered. The Head of Corporate Support Services confirmed that the company could consider this.

## 8 **Capital Projects Update – Report For Information**

- **Live Active Blairgowrie**

The Chief Executive Officer confirmed that the Blairgowrie development remains ongoing, and the company continues to be represented within the Project Team. The opening date for the venue is currently expected to be spring 2024. This is an exciting project that the company is delighted to be involved in and once completed will have a positive impact on the local community.

- **PH<sub>2</sub>O**

The Chief Executive Officer commented that the PH<sub>2</sub>O project continues to progress. The project's Senior Officer Group continue to meet regularly, with current focus on the initial Project Board meeting, procurement and development of the key workstream areas.

- **Bell's Sport's Centre - Fitness Re-development**

The Chief Executive Officer confirmed that the project is nearing completion and no significant costs over and above the allocated budget of £750k are expected. The project has gone well with final snagging and testing to be carried out.

Mr I Blair asked if the final health and safety testing prior to opening has been scheduled with department heads ensuring that all areas are checked and covered. The Chief Executive Officer confirmed this is being considered and the operational teams are working closely with the Head of Contracts and Compliance.

## **Health & Safety 2021/22 - Q3/Q4- Report For Information**

The Head of Contracts and Compliance confirmed that the figures in the report are to be considered in the context that for the first four months of the year the company was operating within Scottish Government level restrictions due to Covid 19.

Some inconsistencies remain in categorising of accidents or incidents, this will be addressed over the course of this year. Management teams have been asked to review accidents or incidents that have been categorised as 'other' to determine whether additional defined categories would be beneficial.

The Head of Contracts and Compliance explained that as previously reported to the Company Board in December 2021, there were 3 reports made to the HSE under RIDDOR following public accidents where the customer went to hospital. Two of these reports were not necessary, one because the accident occurred due to horseplay by the participant and one because it was an injury sustained as part of the normal course of activity (badminton).

The number of 'near miss – water rescues' has been reviewed by the company's management team, identifying that fourteen of these 'near miss' events took place at Perth Leisure Pool, with the majority being in relation to the aqua run inflatable or the flumes. These are higher risk activities that are staffed accordingly. Water rescues can range from reaching in, using equipment or the lifeguard entering the water. No necessary remedial action has been identified because of these near misses; however, it is an area that will continue to be closely monitored by the venue management team.

Of the 12 staff accidents none resulted in any time off or the staff member requiring hospital treatment.

In Q4 there was an additional incident defined as a 'concern for a child or vulnerable adult' this incident related to a person under the influence of unknown substances entering Bell's Sports Centre (non-customer) Bell's Sport Centre staff contact health support services to provide the necessary support to the individual.

In Q4 two additional incidents were defined as 'unacceptable behaviour – violence' one of these related to an incident in a pre-school class between two participants at Bell's Sports Centre that was addressed at the time with the parents. The second in relation to an incident at Perth Leisure Pool where a child with ASN declined to leave the pool, unfortunately the incident could not be resolved without the intervention of the police. Carers of the participant have been spoken to by venue management and specific measures have been agreed for future visits.

The Head of Contracts and Compliance confirmed that following a two-year break due to Covid 19, plans are now in place to restart the company's Health & Safety Joint Consultative Committee. The Committee will reconvene in Autumn 2022. In advance of the meeting the company will conduct its annual health and safety survey of all staff. The survey will be divided into four areas of awareness, competence, compliance, and excellence, reflecting the values of the company's health and safety policy.

The Head of Contracts and Compliance commented that an incident outside Dewars Centre where someone tripped on a paving slab that resulted in an insurance claim being raised, however the claim was not successful.

## 9 **Report for Decision**

### **Q4 Performance Report**

The Director of Finance discussed the Q4 Performance Report highlighting at end of the financial year the group position generated a surplus of £636k which included £49k from Live Active Leisure Trading. The surplus is a consequence of the underspend in property costs in relation to planned asset management works of £300k, plus the total income for the year was £260k more than was forecasted. The surplus generated has been allocated to offset previous year's losses in the trading company and to the lifecycle maintenance reserves for asset management works and general reserves.

Overall, at the end of the twelve months to March, operating income was 65% of pre-covid levels which is an increase of 10% on Q3. For Q4 alone operating income has returned to 82% of pre-covid levels with similar levels ( 81%) continuing into April and May 2022.

The Head of Contracts and Compliance confirmed that the year-end KPI's for 21/22 are currently under review with Perth & Kinross Council. The company's intention is to report these figures to the Board on a quarterly basis.

The Director of Finance commented that although the impact of Covid is currently easing, the complexities and uncertainty in predicting the finances of the company remain challenging. It is hoped that these challenges are alleviated by further periods of sustained operations without restrictions.

### **Resolved:**

- i) Directors agreed to the allocation of the surplus for the year to lifecycle maintenance and general reserves.

### **Board Committee Representation Update**

The Chief Executive Officer explained that due to the recent changes to the company's board of directors, the Committee representation has been updated in accordance with the director's skills matrix.

#### **Resolved:**

- i) Directors approved the Committee allocation.

### 10 **AOCB**

Directors were given a tour of the newly renovated areas as part of the Bell's re-development project.

The Chairman commented that PKAVS are hosting a 'Trustees Roles & Responsibilities' event in July via Microsoft Teams and encouraged directors to attend.

#### **NOTE:**

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**END**