



**LIVE ACTIVE LEISURE LIMITED BOARD
MINUTES OF THE MEETING OF THE BOARD OF LIVE ACTIVE LEISURE
Held on Thursday, 15th December 2022 at 5.00pm at Dewars Centre.**

Present:

Mr D MacLehose, Mr I Blair, Mr D Longmuir, Mr I Collins, Mr C Allan (Via Teams), Dr D Carey, Councillor B Leishman, Councillor B Brawn,

Mr P Cromwell (LAL Chief Executive Officer), Mrs F Cameron (LAL Director of Finance/Deputy Chief Executive Officer) Mrs D Gaffney (LAL Head of Corporate Support Services), Mr G Watson (LAL Director of Operational Services), Mr A Brown (LAL Head of Contracts & Compliance), Miss G Edwards (LAL Board and Committee Administrator) Mr D Stokoe (PKC).

Mr D MacLehose in the Chair.

1 **Apologies**

Apologies were received on behalf of Mrs L Scott, Councillor S Carr, Miss E Muirhead and Mrs F Robertson (PKC).

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 **Minutes**

The minutes of the Board meeting on 27th October 2022 were submitted and approved as a correct record.

The Chief Executive Officer explained that information in the minutes in red is confidential and would be redacted as required from the minutes.

Resolved:

Directors agreed that the information indicated should remain confidential at this time.

4 **Matters Arising**

Appointment of auditors

The tender process will be in place for the appointment of auditors for the financial year 2023/24.

Budget 2023/24

Scenarios were developed and considered by the Finance and Governance committee and an updated report was subsequently circulated to Directors.

Budget Update Report

Initial budget proposals have been provided to Perth and Kinross Council as requested, correspondence has been sent to the Council Leader on behalf of the Board. The Senior Management Team continue to model and analyse existing and alternative proposals. Further updates will be presented to the Board.

5 **Verbal Update**

Chairman's Update

The Chairman thanked the Chief Executive officer and his team for all the work they have done to put the different budget proposals and scenarios together and providing PKC with all the relevant information, commenting that whilst this a necessary process it is incredibly complex and time consuming.

Finance and Governance Committee

Mr I Collins summarised the meeting from 14th December 2022 which looked at the Company's November finance figures (draft). The key points are; the forecast deficit is slightly better than anticipated and is currently in the range of between -£250K and -£400K, income for the month is at 84% of precovid levels, staff costs are 92% of budget, with other expenditure being managed within the budget.

Mr Collins confirmed that there had been discussions on venue maintenance expenditure with the planned project budget currently being underspent by £150K – this was due to delays to the progression of some of the planned work. It is hoped that some of these projects will be completed in this financial year and therefore the deficit position is more accurately reflected in the £300 -£700K range.

Health and Safety JCC Committee

Mr I Blair summarised the meeting from 3rd November 2022. This was a very positive meeting with good staff attendance and participation. The meeting discussed the 2022 Staff Health and Safety Survey. The survey returned significantly more positive responses to all questions asked than negative responses, which is encouraging. It was noted however that the completion rate was at 30%, it was therefore suggested that the survey is streamlined and for future surveys to include topics such as wellbeing, and information from the Company's Health and Safety Reports

Resolved;

SMT will develop a more streamlined staff survey to try and increase the completion rate.

Services and Communications Committee

Mr D Longmuir summarised the meeting from 7th December 2022. This was a positive meeting which discussed Retention and Sales, Corporate Memberships, BSC gym usage, Aquatics plan, warm spaces initiative, Annual Performance Report and the progress of the introduction of a Perth and Kinross Young Persons Sports Panel.

The Director of Operational Services provided an update on a funding application which will be submitted to Sports Scotland in relation to the Programme for Government actions. If successful, the funding will support the Active Schools and Community Sport Teams to further reduce inequalities to accessing Sport and Physical Activity.

6 **Report for Information**

Capital Project Report

The Director of Operational Services introduced the paper for information, which provides further updates of progress in relation to the replacement Blairgowrie Recreation Centre and the PH₂O project. Key progress noted in relation to the projects includes the development of a draft PH₂O Communications Strategy and the ongoing development of the Blairgowrie Recreation Centre Business Case, which includes updated financial modelling and highlights the additional revenue funding which will be required by the Company to operate the new venue.

Gender Pay Gap Report

The Head of Corporate Support Services introduced the Gender Pay Gap Report which is a statutory requirement. The Company is committed to the promotion of equality of opportunity in its employment practices and is confident that males and females are paid the same rate of pay for the same job role regardless of gender.

2022 Staff Health and Safety Survey

Discussed under the Health and Safety Joint Committee Update (Agenda item 5)

Health and Safety Quarterly Report Q1 and Q2

The Head of Contracts & Compliance introduced the report, noting that the effective management and monitoring of Health and Safety is a priority for the Company. Mr Blair confirmed his agreement with this and stated that the Company must ensure that accident prevention for staff and customers remains a proactive focus moving forward.

PKC Physical Activity and Sport Strategy Update

The Chief Executive Officer confirmed that the draft strategy will be presented at the PKC meeting for approval on Wednesday 21st December. Further discussions on the draft actions will be taken forward by PKC during the 1st quarter of 2023.

The strategy provides the future aspirations for physical activity and sport in Perth and Kinross and reflects the feedback from our communities. The strategy will help in the process of moving forward in a more collaborative environment with partners working towards the same priorities and goals.

Any further comments/questions regarding the draft strategy should be sent to the Chief Executive Officer.

7 Report for Decision

Corporate Equalities and Trans People Accessibility Policies

The Head of Contracts & Compliance introduced the report and reminded Directors of the Company's obligations under the Equality Act 2010 and the Public Sector Equality Duty. The draft form of each policy was discussed, and the Board agreed with the principals of the draft policies. Mr C Allan requested that clarity be sought in relation to any impact of the Gender Recognition Reforms. Mr Collins suggested that the policies are subject to wider and appropriate consultation for feedback prior to finalising.

Resolved

The Head of Contracts and Commission will continue to progress the two Policies, seek wider consultation with appropriate groups and submit final draft policy to the Services and Communities Committee for approval in early 2023.

Q2 Financial Report

The Director of Finance introduced the financial information for July to September 2022 including year-to-date financial performance of the Company.

The main points covered included; operating income for the quarter has averaged 85% of overall budget, Pay and Play/ invoiced activities including club bookings are at 92% of precovid levels, swimming lessons are at 136% and DD Fitness membership income is at 59% (Fitness direct debit membership growth continues to increase and is currently at 80% of pre-covid level)

The current forecast deficit is £416K. The revised forecast is based on achieving 88% of budgeted income targets and 89% of budgeted staff costs. A reduction has been made to property costs of £150K for anticipated underspend on Major Projects budget. (see Finance and Governance Update)

The overall financial position of the group at the end of Quarter 2 is a deficit of £109K.

Resolved

All Directors understood and agreed the content of the report.

Budget Update 23/24

The Chief Executive Officer gave an update on the budget process to date. The agreed draft budget for 2023/24 and beyond was submitted to PKC as requested. A follow up meeting has taken place with PKC officers to discuss and clarify the financial assumptions and projections provided in the Company's submission.

PKC have requested that proposals are developed for a 12% reduction over 3 years (ie 4% per year) as a slight change to the initial request for plans to consider a 20% reduction over 5 years.

The SMT will continue to work on the draft budget proposals to present to the Board in advance of the Budget Review Group meeting which is anticipated to be scheduled towards late January 2023.

The CEO highlighted the information which had been circulated regarding Trusts across the UK, the report reflects and highlights the same challenges and issues as the Company are facing. Community Leisure UK (CLUK) who are the representative body for Culture and Sport Charitable Organisations are actively lobbying key decision makers including Government highlighting the financial challenges and seeking sector support. Further updates will be provided to the Board.

Resolved

- Revised Budget Proposals to be agreed by the Board of Directors.

8 AOCB

Historic Environment Scotland

The Director of Operational Services confirmed that Historic Environment Scotland officers had now visited both Bells Sports Centre and Perth Leisure Pool. HES have requested historical building information as part of the 'listing process', which will be supplied. Further updates will be provided to the Board.

9 Date of Next Meeting - TBC

NOTE: TEXT IN RED IS CONSIDERED TO BE CONFIDENTIAL OR COMMERCIALY SENSITIVE INFORMATION AND WILL BE REDACTED FROM THE MINUTES POSTED ON THE COMPANY'S WEBSITE.

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