

**LIVE ACTIVE LEISURE LIMITED BOARD
MINUTES OF THE MEETING OF THE BOARD OF LIVE ACTIVE LEISURE
Held on Thursday, 2nd FEBRUARY 2023 at 5.00pm at Dewars Centre.**

Present:

Mr D MacLehose, Mr I Collins, Mr C Allan, Dr D Carey, Councillor B Leishman, Councillor B Brawn, Councillor S Carr, Miss E Muirhead (via Teams)

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) (Via Teams), Mrs F Robertson (PKC) (Via Teams).

Mr D MacLehose in the Chair.

1 Apologies

Apologies were received on behalf of Mrs L Scott, Mr I Blair, Mr D Longmuir.

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 15th December 2022 were submitted and approved as a correct record.

4 Matters Arising

Health and Safety Staff Survey

The survey is to be reviewed and streamlined to improve the completion rate.

Budget 2023/24

Revised budget proposals will be presented to the Board in advance of the Budget Review Group. This will be discussed in Agenda item 7.

Corporate Equalities Policies

The policies will be discussed at the Strategic Equalities Forum, feedback will be used to further develop the policies, further updates will be provided to the Services and Communication Committee and to the Board in June.

Historic Scotland

Further updates will be brought back to the Board as the process progresses.

PKC Update

Mrs F Robertson gave an update on PKC's budget position and the PKC Budget Process. PKC are presenting options to deliver a balanced budget. This will be achieved if all proposed savings are taken. LAL will present to the Budget Review Group next week focusing on the proposed budget forecast and potential service reduction options. There is also ongoing discussion around the Capital Budget which includes PH20 and Blairgowrie Recreation Centre. An update will be provided to LAL once information is available.

The draft Physical Activity and Sport Strategy was approved in December. It is likely that the final strategy will go to the June Council Meeting for approval. Any further comments from LAL are welcome.

This strategy is cost neutral and looks to maximise the assets that are already in place.

Mrs Robertson stated that there is an understanding from PKC that leisure needs investment.

Mrs F Robertson and Mr D Stokoe left the meeting

5 Verbal Reports

Flood Risk and Mitigation Update

The Director of Operational Services gave an update on the flood risk and mitigation situation stating that although there have been significant storms there had been no water ingress at Perth Leisure Pool since the major flood in 2020.

The Company's flood consultant continues to engage with key stakeholders in relation to the current site flood mitigation measures. The current designs have been developed around the existing venue footprint, further discussions will be required on progressing options, depending on decisions around PH20.

Insurance will be renewed on 1st July – further discussions to take place with insurers regarding flood risk / insurance cover.

Bells Sports Centre has been impacted by minor water ingress during storms over the last 12 months. However, the fabric and resilience of those areas at risk has been improved as part of the flood repair work completed in 2020.

6 Reports For Information

Capital Projects Update

The Director of Operational Services gave an update on the capital projects.

Historic Scotland completed site visits, have been provided with information as requested. It is anticipated that the Company will receive initial feedback towards the end of March 2023. PKC have offered to provide assistance and guidance with the process.

The final designs and full business case have been completed for Blairgowrie Recreation Centre. The project will be discussed at the full PKC meeting on 1st March.

7 Budget 2023/24 Update

The Chief Executive Officer introduced the agenda item and provided a brief update on the budget process. Confirmed that the budget position is the most challenging the Company has had to manage.

Mr Allan gave an update on the Finance and Governance Committee meeting that took place on 1st February. The main points being the forecast deficit is still on budget with a deficit in the region of

£300-£700k, customer generated income continues to increase slightly with PLP still accounting for around 7% of this, utility costs are still being contained within the budget with results of energy surveys starting to be received. There was also discussion around two major projects progressing, the replacement of the Main Arena lights and customer lift, both at BSC.

Councillor Bob Brawn Arrived

The Director of Finance delivered a presentation that will be provided to the PKC Budget Review Group. It was explained that the budget mitigation measures include stretched targeting, staffing efficiencies, income growth, but the level of deficit is such that significant service reduction options have been included for consideration as per previous reports. PKC understand the Company's pressures. ALEO'S have been asked to consider the impact of a reduced contract fee of 4% over the next three years.

Mr I Collins Arrived.

The proposed mitigation measures were discussed with both the monetary and community impact covered. The key rationale in developing the budget options included; maintaining children's swimming lessons as this is seen as an essential life skill and maintaining access to leisure provision across most localities, the delivery of PH20 and strategic use of Company Reserves.

Despite the range of options put forward, a balanced budget has not been achieved. Given the significance of the budget options the Board have agreed, in principal, the use of Reserves to support the Company's revenue position over the next three years

It will be necessary to write to PKC to ask for permission, if the proposed options are taken forward, as they would constitute a change of contract.

Miss E Muirhead Left the meeting

Collaboration and shared services work was discussed, it was noted that the Company collaborate with a range of partners and have a positive record in securing external funding. It was also noted that a shared service review with other ALEO's and PKC was concluded in 2017. A proposal has been put to PKC in relation to the Company's vacant Property Management Position.

There was a discussion on communication and wider political engagement in relation to the Company's financial position. The Board agreed that the Chair will write to all political groups on behalf of the board.

The PKC meeting on 1st March will be public, and there is the potential that the Company's budget position will be discussed. The CEO to provide a staff statement in advance of the 1st March, other statements to be prepared and provided to Service and Communications Committee.

SMT to consider strategic use of external communication company (if required)

The Chief Executive Officer asked Directors if there were further mitigation options to be considered. Directors confirmed that the options considered were comprehensive and there were no further scenarios to develop at this time.

Resolved:

Communication statements to be prepared. Media and Staff
Communication to political groups
Presentation to BRG agreed

Experience ○ Investment ○ Opportunity ○ Commitment

Perth and Kinross Sports Awards SPOTY takes place on Friday 3rd March at Perth Museum and Art Gallery.

9 **Date of Next Meeting**
Thursday 9th March