

Fife Sports and Leisure Trust

Record of the Meeting of the Board of Directors for Fife Sports and Leisure Trust
held on Thursday 26th January 2017 at 3.30pm
in the Corporate Training Room, Cowdenbeath Leisure Centre

Present: S Stewart (Chair)
J Rosiejak (JR)
E Wallace (EW)
C McDonald (CMcD)
L Erskine (LE)
A Callaghan (AC)
R Campbell (RC)

In Attendance: E Watson (CEO) Chief Executive Officer
W Watson (WW) Chief Operating Officer
G Rorrison (GR) Corporate Services Manager
L Turnbull (LT) Human Resources Manager
V Wyse (VW) Company Accountant (Item No.8)
M Rae (MR) Safety and Facilities Manager (Item No.9)

ACTION

591. Welcome and Apologies

The Chair welcomed everyone to the meeting. Apologies were received from B Goodall and E Rowand.

592. Declaration of Interests

There were no conflicts of interest declared.

593. Corporate Structure Review Report

The Directors discussed the CEO's report and sought clarification on aspects of the content. The CEO provided the necessary clarity. Directors approved the CEO's intentions and remitted to the CEO to begin the review and bring progress reports to the Board.

594. Minute of the Meeting held on 12th December 2016

The Minute of the Meeting held on 12th December 2016 was approved and the Chair authorised to sign it.

595. Matters Arising

571. The CEO updated Directors that FLST had been advised that the music festival planned to be held at Dalgety Bay Sports and Leisure Centre has been moved to Rosyth. Therefore FSLT's involvement is now concluded.

571. WW reminded Directors of the process for procuring new gym and ancillary equipment. WW advised that two preferred suppliers have been identified. One supplier is for Cardiovascular (CV) and Resistance equipment and the other is for free weights and other gym equipment and for the supply of indoor cycles. WW confirmed that the successful companies will be advised in due course by Fife Council's Procurement Service and this will be followed by a "stand still" period of two weeks when unsuccessful companies can seek feedback on their bid and challenge the award.

WW confirmed for Directors that the contract value falls within the budget set for the project of £1.1m.

WW updated Directors of a new gym provider entering the Dunfermline market area and the potential effect this may have on FSLT's facilities in the area. WW confirmed that FSLT will seek opportunities to sustain and increase its market share despite this new challenge.

WW

582. GR provided Directors with a brief statement on the establishment of "Be Active, Fife – CIC", FSLT's new Trading Subsidiary. GR advised that the legislative paperwork involved in incorporate the new entity at Companies House and the CIC Registration were well underway.

GR

585. The CEO advised Directors that work is continuing on the production of the 2017/20 Corporate Strategy. The CEO hopes to issue the new Strategy by mid-February 2017.

CEO

596. Chairman's Report

The Chair reported that he had met, and had telephone conversations, with the CEO on Company business.

The Chair advised Directors that he had written to Fife Council's Leader of the Administration concerning the financial position of FSLT and the future plans for the Company. The Chair also highlighted the work which FSLT is undertaking to provide the budget savings requested by Fife Council.

The Chair advised that a potential candidate has been identified by the CEO and asked Directors to confirm their approval of the establishment of the Appointments Committee to meet the candidate. Approval was given by the Board.

CEO

597. CEO's Report

The CEO confirmed that there were no health and safety issues requiring the Board's attention.

The CEO advised Directors that a letter had been received by FSLT from the Information Commissioner's Office (ICO) concerning the recent data breach advising that no further action would be taken at this time. The CEO advised Directors that a Clear Desk Policy will be introduced in early course and that this will be implemented across the Company. The EMT will lead on the process and full implementation will be achieved by 31st March 2017.

EMT

The CEO referred to attendances at centres and reported that, to date, these were indicating a 3% increase.

The CEO referred also to developments which will be undertaken in the near future including a new synthetic turf pitch (STP) at Bowhill Swimming Pool, the indoor football centre at Michael Woods Sports and Leisure Centre and the new STP at Michael Woods Sports and Leisure Centres. The CEO also advised that in the letter to Fife Council's Leader of the Administration, previously referred to by the Chair, details of other facility developments had been given. These included the work on a new gym at Dalgety Bay Sports and Leisure Centre, expansion of the gym and provision of studio space at Levenmouth Swimming Pool and Sports Centre, squash court conversion at Cupar Sports Centres and alterations to Cowdenbeath Leisure Centre.

The CEO provided some detail on budget savings proposals and advised that discussions would be held with the relevant parties prior to their implementation.

CEO

598. Finance Report

VW presented the report which had previously been considered by the Audit, Finance and Compliance Committee.

VW referred to the Company's performance over the period and advised that the projected deficit for the period was £281,000. VW advised of the increase in income of £442,000 and an increase in expenditure of £360,000. VW provided amplification on the breakdown of the increases in income and expenditure for Directors' information. VW reminded Directors that the January to March period is historically FSLT's busiest period during which she expects to see increases in income received by FSLT.

VW referred to the efforts being made to reduce the level of debt owed to FSLT. VW advised that a meeting was scheduled with Fife Council's Debt Recovery Team to move forward on debt recovery.

Directors noted and commented on the report.

599. Health and Safety Report

The CEO introduced MR who presented the report. MR advised that the report is to give Directors a broad explanation of activities being undertaken relating to health and safety within FSLT.

MR explained the statistics contained in the report which showed improvements in health and safety which have resulted in low levels of reports to the Health and Safety Executive (HSE) concerning members of the public and no reports to the HSE concerning members of staff.

MR referred to health and safety inspections which have been undertaken and advised that these were up to date and available to Directors. (Any Director requiring a copy should contact Glen Rorrison at glen.orrison@fifeleisure.org.uk).

MR highlighted the inclusion of a Health and Safety Management System in the Company's Health and Safety Policy. MR explained the methodology behind the system and the CEO advised that officers will be contacted in due course to provide evidence to support compliance with the system.

MR reminded Directors of the chemical spill at East Sands Leisure Centre and of the action plan put in place after the event. MR updated Directors on the progress of works to be completed in the plan and confirmed this was on track.

The Chair requested that Directors arrange visits to centres with MR as this was one way that Directors could fulfil their health and safety responsibilities.

Directors

Directors noted and commented on the content of the report.

600. Associated Employers - ALEOs Report

The CEO provided background to the report and made reference to the Court of Session's recent judgement related to Glasgow City Council and two of its ALEOs.

The CEO referred to reasoning behind the judgement and the risks it creates for FSLT. The CEO specifically referred Directors to the risks in Section 6.2.1 to 6.2.4 of the report. The CEO confirmed that Burness Paull LLP had provided a legal view on the Court of Session's judgement and its effect on FSLT, referred to in Appendix 1.

The CEO pointed out that this could result in FSLT requesting Fife Council to either pay the overtime costs incurred by FSLT after changing terms and conditions of employment to meet savings targets and to recompense FSLT for payment of the Scottish Local

Government Living Wage (SLGLW) which Fife Council insist the Company pays as these could fall under the definition of “an unanticipated increase in cost”. The CEO advised that Trade Unions may raise the issue.

The CEO advised that to mitigate any risk going forward the arrangements contained in Sections 7.2 and 7.3 of the report will be implemented in early course.

CEO

VW advised that the potential cost of introducing the SLGLW was in the region of £150,000 - £160,000.

The Board of Directors:

(a) Noted and commented on the report.

(b) Remitted to the CEO to bring further reports to the Board on progress made.

601. Review of Trusts’ Management and Governance – Verbal Update

The CEO referred to the recently produced report and advised that a final report has now been produced. The CEO confirmed that as soon as the final report is received it will be circulated amongst Directors.

CEO

602. Committee Business Report

The CEO referred to the recent meeting of the Audit, Finance and Compliance committee. GR updated Directors on the discussions on the Company’s Reserves Policy. GR referred to the minor changes in the policy and confirmed the Committee’s view that the Reserves level is appropriate.

Directors approved the new Policy and Reserves level.

603. Date of Next Meeting

Thursday 23rd March 2017, venue to be confirmed, commencing at 3.30pm.

Signed _____
Chair

Date _____