

Fife Sports and Leisure Trust

Record of the Meeting of the Board of Directors for Fife Sports and Leisure Trust held on Thursday 31st January 2019 at 3.45pm in the Music Institute, Dunfermline

Present: R Campbell (Chair)
C McDonald (CMcD)
J Hamilton (JH)
T Norris (TN)
L Erskine (LK)
D Watt (DW)
A Suttie (AS)
K Caldwell (KC)
D Lothian (DL)
N Crooks (NC)
E Wallace (EW)

In Attendance: E Watson (CEO) Chief Executive Officer
W Watson (WW) Chief Operating Officer
L Turnbull (LT) Human Resources Manager
S Aldred (SA) Company Accountant
S Urquhart (SU) Operations Manager
L Lorna Miller (LM) Data Protection Officer (Item No.7)
S Phillips (SP) Partner, Burness Paull LLP (Item no.8)
C Bowman (CB) Personal Assistant (Minutes)

ACTION

744. Welcome and Apologies

The Chair welcomed everyone to the meeting and thanked LM and SP for attending. Apologies were received from Vicki Wyse and Neil Mitchell.

745. Declaration of Interests

There were no conflicts of interest declared.

746. Minute of the Meeting held on 30th November 2018

The Minute of the Board Meeting held on 30th November 2018 was approved and the Chair was authorised to sign it.

747. Matters Arising

720.4 Health & Wellbeing Strategy 2018/20

The CEO advised that the presentation scheduled to be delivered by Fiona Prendergast, Health and Wellbeing Manager, at the January Board meeting has been delayed to allow more time for other urgent items of business to be

discussed. The CEO will re-schedule the presentation session.

CEO

732.3 Waterstone Crook Sports Centre

The CEO advised that he had written to Fife Council to express his view that the centre should continue to be managed and operated by FSLT. Directors noted the position.

737. Board Development and Training

The CEO reported that SP had agreed to deliver a further training session for Directors. The CEO will organise a date for this in the earlier part of the year.

CEO

740. Target Setting for Staff Absence

Directors were advised that this would be an agenda item at the next Human Resources Committee to be held on 20th February 2019.

LT

740. Ongoing Fraud Investigation

Directors were advised that the investigation will be completed by 8th February 2019. The Chair requested sight of the report once it is available.

LT

748. Chair's Report

The Chair reported that since the last Board Meeting he had met with the CEO on several occasions to discuss various items of Board business. He had twice attended a FSLT Nominations Committee to appoint a new Vice Chair and had also met with Fife Council Officers and the company solicitors, mainly to discuss the Management Fee. He commended the Executive Management Team on their hard work, keeping on top of all other aspect of the business whilst addressing the demands of providing information to the Council for the Management Fee.

Directors noted the report.

749. CEO's Report

The CEO updated Directors on the following topics:

1. Corporate Strategy – Q2 Report

The CEO reported on the work undertaken in the second quarter to deliver the strategic priorities and desired outcomes of the Corporate Strategy.

2. Capital Project Proposal

The CEO advised Directors of a capital project programme prepared by Fife Council. Directors were advised of the content in relation to sport and leisure facilities over the next ten years.

3. Levenmouth Swimming Pool and Sports Centre

The CEO reported that Phase 1 was completed on 25th January 2019 with Phase 2 on schedule to be completed by 8th March, with a planned full re-opening on 16th March. Directors were reminded of the invitation to tour the facility on 18th February prior to its opening to the public. The CEO will advise Directors of the revised time slots.

CEO

4. Sport and Physical Activity Team

SU advised Directors that the structure for the new Sport and Physical Activity Services Team was now in place. It was reported that although overall attendances are down by 4.69% compared to the previous year, this can be attributed to the closure of Levenmouth Swimming Pool and Sports Centre and increased external competition. Attendances at health and wellbeing activities have seen an increase of over 3%.

SU advised that gym refurbishments at Kirkcaldy Leisure Centre and Michael Woods Sports and Leisure Centre will take place in June/July of this year. The upgrade project completed at the end of 2018 at Dalgety Bay Sports and Leisure Centre has gleaned more attendances and 70 additional Leisure Active members.

Directors were updated on the Mystery Shopper initiative and quality assurance assessments carried out by Visit Scotland which has resulted in Carnegie Leisure Centre being awarded a 4-Star rating and Waterstone Crook Sports Centre gaining 3-Star status.

It was reported that a number of companies have signed up to on-site advertising, which is encouraging, particularly in terms of the current financial climate. The CEO agreed to send Directors a copy of the on-site advertising brochure. Directors were also advised of other income generating initiatives which are planned for 2019.

CEO

WW reported on the progress with the Leisure Information Management System (LIMS) – an initiative in partnership with Fife Council – which when implemented will bring about greater business benefits to FSLT.

5. Scottish Government Funding (East Region Type 2 Diabetes Early Adopter funding)

The CEO advised Directors of FSLT's successful bid in securing £68K funding to work in partnership with Fife Social Care Dietetic department to deliver a referral weight management programme aimed at diabetes prevention.

6. Health and Safety

The CEO advised that there were no health and safety issues of significant note to report.

Directors noted the CEO's report.

750. GDPR Action Plan

The CEO introduced Lorna Miller, external Data Protection Officer and gave a brief introduction to the work which LM had currently been undertaking for FSLT.

LM provided Directors with a summary of her role in assisting FSLT and gave an overview of the GDPR Action Plan along with an example of a data protection assessment. Both were considered by the Audit, Finance and Compliance Committee (AF&C) at its meeting on 22nd January 2019.

LM reported that an Implementation Group will be established, Chaired by the Head of Finance and Business Development, with a remit to oversee the delivery of the Action Plan. The timeline for completing the plan is December 2019, although the date could be challenging due to the work involved. LM informed Directors that further policies and procedures which are affected by GDPR and DPA regulations will be submitted to future meetings of the Audit Finance and Compliance Committee for review prior to agreement by the Board of Directors. Staff training will also be a critical milestone.

The Chair requested that GDPR training be delivered to Directors at their next Board Development Day and that LM provide risk updates at future Board meetings to ensure that the plan remained on schedule.

Directors noted the content of the Action Plan.

751. Management Fee Report

The CEO presented the report which updated Directors on the ongoing negotiations with Fife Council for a sustainable funding package for the financial years 2019/22 and beyond.

The CEO referred to the presentation given to Directors at a Board meeting in November 2018 by SU regarding a proposal for FSLT to achieve a sustainable future. Following that meeting it was remitted to the CEO to take the proposal forward to Fife Council as part of negotiations for a sustainable funding package and also to seek further advice from the Company solicitors in relation to the Services Agreement and the implementation process for any changes. The CEO reported that the above had been actioned.

The CEO highlighted elements of the report which were of significance to Directors and which were critical in terms of the ongoing negotiations. Directors were advised that a Redesign of Services Plan had been prepared in order to deal with the funding package which is currently being discussed with Fife Council. Directors were advised of the content of the Plan, the timeline for implementing any changes and the need for the plan to remain under constant review.

Directors were advised that FSLT's funding position will not be fully known until Fife Council sets its budget on 21st February 2019. NC advised that the Administration had received funding recommendations from the Council's Executive Director for Communities which were being considered positively by members of the Administration. Directors agreed that any proposed reduction in service provision should be synchronised with the eventual funding deal, ie Management Fee and that a Change Control request requires to be submitted to Fife Council at an early stage.

The CEO confirmed that it was still his intention to secure a three year funding deal and that financial forecasting in relation to this time period was continuing to be developed in conjunction with the Redesign of Services Plan.

Directors were also advised of the Council's intention to discuss with FSLT a range of potential delivery models as part of a wider communities' integration review being undertaken by the local authority. This would include FSLT taking on the activities of Fife Golf Trust. It was agreed that the CEO would provide the Board with regular updates on this matter.

CEO

Stephen Phillips addressed the meeting and spoke in relation to the Services Agreement and the responsibility of Directors in managing the affairs of the company. The matter of an alternative backup strategy to the Redesign of Services Plan was discussed. SP reiterated to Directors that if the Council does not agree to an appropriate package of service reductions reflective of the Management Fee, and Directors did not act on this, then they would potentially be falling foul of the Wrongful Trading Act and could be held personally responsible if the company ran into trouble. Ultimately, if there was no agreement with Fife Council to reduce

services then Directors would need to decide on an appropriate course of action while taking due consideration of implications and risks.

The Chair advised there may be a requirement to arrange a special meeting of the Board once the outcome of the Council's budget position becomes clearer.

Following consideration of the report Directors:

- (a) Noted and commented on its content.
- (b) Agreed the Redesign of Services Plan (noting that further changes may be required). **CEO**
- (c) Remitted to the CEO to secure a written undertaking from Fife Council on the Management Fee which will be provided to fulfil the Services Agreement. **CEO**
- (d) Remitted to the CEO in the event of an unsuccessful agreement with Fife Council to implement the back-up plan. **CEO**
- (e) Remitted to the CEO to call a special meeting of the Board if required prior to the next scheduled Board meeting. **CEO**

752. Finance Report

SA presented the report which was considered by the Audit, Finance and Compliance Committee at a meeting on 22nd January 2019. The report included the management accounts for the period to 31st December 2018, revenue projections, the cash flow forecast for the year to 31st March 2019 and a statement of outstanding debts as at 11th January 2019.

SA reported a slight improvement in the projections for 2018/19 and confirmed that work is ongoing to identify areas of expenditure which can be further reduced by the end of the year. Directors were advised of a new debt collection service (via Fife Council) and SA provided explanations to Directors' questions in relation to the information provided within the report appendices.

Following consideration of the report Directors noted the position.

753. Committee Business Report

The CEO presented the report which contained the Minute of the last Audit, Finance and Compliance Committee meeting.

Directors noted the content of the report.

754. Date and Venue of Next Meeting

The next meeting of the Board will take place on Thursday 21st March 2019 in the Music Institute, Dunfermline commencing at 3.30pm unless there is a requirement to hold a special Board meeting to discuss the Management Fee.

Signed _____
Chair

Date _____