

## **Fife Sports and Leisure Trust**

Record of the Meeting of the Board of Directors for Fife Sports and Leisure Trust held on Thursday 21<sup>st</sup> March 2019 at 3.30pm in the Music Institute, Dunfermline

Present: R Campbell (Chair)  
J Hamilton (JH)  
L Erskine (LK)  
D Watt (DW)  
K Caldwell (KC)  
A Suttie (AS)  
E Wallace (EW)  
N Mitchell (NM)  
D Lothian (DL)

In Attendance: W Watson (WW) Chief Operating Officer  
L Turnbull (LT) Human Resources Manager  
V Wyse (VW) Head of Finance & Business Development  
S Aldred (SA) Company Accountant  
S Urquhart (SU) Operations Manager  
M Rae (MR) Safety & Facilities Manager (Item No.11)  
C Bowman (CB) Personal Assistant (Minutes)

### **ACTION**

#### **755. Welcome and Apologies**

The Chair welcomed everyone to the meeting. Apologies were received from Ed Watson (CEO), Carolyn McDonald (CMcD) and Neil Crooks (NC).

#### **756. Declaration of Interests**

There were no conflicts of interest declared.

#### **757. Minute of the Directors' Meeting held on 31<sup>st</sup> January 2019**

The Minute of the Directors' Meeting held on 31<sup>st</sup> January 2019 was approved and the Chair was authorised to sign it.

#### **758. Matters Arising**

There were no matters arising.

#### **759. Minute of the Board Meeting held on 31<sup>st</sup> January 2019**

The Minute of the Board Meeting held on 31<sup>st</sup> January 2019 was approved and the Chair was authorised to sign it.

## **760. Matters Arising**

### **749. Levenmouth Swimming Pool and Sports Centre**

WW reported that the centre is now fully open. The CEO has written to Elected Members within the Leven area inviting them to contact Allan Reid, Area Leisure Manager, if they wish to tour the facility.

## **761. Chairman'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.

The main topic of meetings has been to discuss the Management Fee. Meetings have also take place with Burness Paull, the company solicitors, to seek legal advice on the proposed fee and the conditions attached to it.

The CEO and Chair met with Dr Alaine Sommerville (who has previously supported FSLT with review projects) to discuss the present roles and remits of FSLT's Committees and how to best restructure them to meet the changing needs of the business.

The Chair advised that discussions on other topics would be covered later on in the meeting.

Directors noted the report.

## **762. CEO's Report**

In the absence of the CEO, WW updated Directors on the following topics:

### **1. Fife Council's Communities Programme – FSLT's involvement with the project**

WW advised Directors that Fife Council is planning to review the over-provision of Fife Council facilities which are currently under-used, particularly for sport and leisure activities. The aim is to reduce the opening of a number of different facilities, ie, community centres, halls and community use schools, which are under-utilised and expensive to operate and condense programmes and services into fewer facilities, thus reducing running costs. WW and SU are providing an input to this work and are continuing to liaise with Fife Council and **SportScotland**. It was agreed that a further update would be given to the Board when information is available.

**WW**

## **2. GDPR**

VW reported that she has been working closely with the Data Protection Officer to produce more meaningful data mapping which now requires to be signed-off by the company solicitors. A privacy notice is now live on FSLT's website. Data concerning swimming lessons, special areas for children and photography will be completed by next month. Duty Managers will receive training which will then be rolled out to staff. Staff will be able to report breaches on FSLT's intranet. An update on progress will be reported at the next Audit, Finance and Compliance Committee meeting.

**VW**

## **3. Review of Committee Functions**

VW advised Directors that the EMT had recently met to review the current committee functions and consider a more appropriate structure. The session was facilitated by Dr Alaine Sommerville, following which she produced a report which has been discussed with the Chair. Directors will be given the opportunity to engage with this review and provide comments in due course.

The Chair will discuss this in detail in Agenda Item No.13 (Minute Ref.767)

## **4. Loss of Income Correspondence with Fife Council**

VW referred to the correspondence between FSLT and Fife Council. In summary, Fife Council is not prepared to underwrite the loss of income incurred by FSLT, despite the terms agreed within Clause 5.1 of the Services Agreement between the Council and FSLT. Directors were in full agreement that FSLT should continue to pursue compensation from Fife Council and advice is currently being sought from the company solicitors in this regard. A further report will be given to Directors in due course.

**CEO**

## **5. Corporate Documentation Reviews**

- **Directors' Handbook**

VW advised Directors that the Directors' Handbook is currently being updated and will shortly be circulated to them for comment.

**VW**

- **Employee Code of Conduct**

VW advised Directors that this document is in the process of being updated to include the new Behaviour Standards.

## **6. Vacant Independent Director Positions**

WW advised Directors that there are now two Independent Director vacancies following the recent resignation of Tom Norris. The Chair suggested that one of the vacancies be advertised as soon as possible with the second vacancy to be filled once the situation with the possible merger with Fife Golf Trust (FGT) is known. At that time it may be beneficial to appoint one of FGT's Directors who has experience of its business. Directors agreed that if an appointment was not made by the end of June then one of the current Directors would be assigned to the Audit, Finance and Compliance Committee.

Directors were in agreement with this suggestion and remitted to the CEO to proceed with advertising the current vacancy.

**CEO**

## **7. FSLT Funding Agreement 2019/20, 202/21, 2021/22 along with Proposals**

WW referred to correspondence with Fife Council confirming the funding agreed in principle for the next three years. In order to assist FSLT in managing its current deficit, the 3% saving will not be applied and in addition the Council will agree to FSLT achieving savings by reducing facility opening hours. The Council will also expect FSLT to look at ways of generating income and proposes that FSLT merge with Fife Golf Trust (FGT) by the end of the 2019/20 financial year.

The Chair advised that he has prepared a letter to Fife Council in which he has requested additional funding be made available to FSLT for the 2019/20 financial year to support cash flow projections. He has also raised concern at the proposal for FSLT to merge with FGT as this cost is not reflected within the Management Fee and indeed the merger may not be in keeping with OSCR regulations. The Chair has requested a joint workshop session with Fife Council Officers along with FSLT's solicitors to discuss these matters further.

Directors approved the content of the letter and remitted to the Chair to submit it to Fife Council. CB to copy letter to Directors for their information.

**Chair/CB**

## **8. Summer free swimming/Quid-a-Kid initiatives – Funded by Fife Council**

WW updated Directors of the funding arrangements for the delivery of the summer free swimming and Quid-a-Kid Initiatives. Although the funding (£100k included in the Management Fee) is significantly less than that received in previous years and will incur a loss of income, FSLT is committed to delivering a revised

programme to encourage young people to participate in sport, health and physical activity.

Directors were advised that summer free swimming will continue to be delivered during the summer holiday period between 9am and 1pm with Quid-a-Kid delivered during all other holiday periods and In-Service days Monday to Friday between 10am and 5pm (with the exception of summer free swimming sessions 9am to 1pm). Children who participate in FSLT's Learn to Swim Programme will be given free access to any swimming pool across Fife during public session times while participating in the programme. Quid-a-Kid dryside will continue to be delivered at weekends throughout the year. The wetside weekend Quid-a-Kid will cease on 31<sup>st</sup> March 2019. It is anticipated that additional income will be generated as a result of the weekend change.

Following consideration of this agenda item Directors endorsed the programme (noting in particular the additional income which could be generated as a result of changes compared to last year) and remitted to the CEO to make the necessary arrangements.

## **9. Corporate Strategy 3<sup>rd</sup> Quarter Update**

**CEO**

Directors noted the report for the third quarter of the year which highlights the progress made so far to deliver the strategic priorities and desired outcomes of the Corporate Strategy.

Directors noted the CEO's report.

### **763. External Audit Plan 2019/20**

VW referred to the external audit plan prepared by Scott-Moncrieff, the company's accountant. There has been no significant change since the previous year.

Directors noted the plan.

### **764. 2019/20 Budget Report**

SA presented the report which set out the draft Revenue Budget for 2019/20 along with the estimated cash flow projections for the year to 31<sup>st</sup> March 2020.

SA reminded Directors of the agreed Management Fee payable by Fife Council to FSLT and the conditions attached to that funding. In addition to this fee and in order to ease the cash flow situation for the current financial year, FSLT had requested one-off funding of £384k from the Council in order to phase in the reduction in services as outlined in FSLT's Redesign of Services Plan which included the closure of one centre. However, given that the Council has rejected

the closure of a facility, a revised profile of savings and a case for financial support of £278k is to be re-submitted by VW to the Council this week for consideration and the CEO will update Directors once the outcome is known. WW confirmed that even with the additional funding the company cannot sustain any planned maintenance closure of any facility in the next year.

**VW  
CEO**

WW commented that the income target set for 2019/20 would be extremely challenging.

SU advised Directors that staff are aware that changes are ahead but not the details. Once the Change Controls are signed off by the Council, staff will be informed immediately followed by information being cascaded to Elected Members, then customers.

Directors were advised that no estimates have been included in future years' budgets to allow for the possible merger with the Golf Trust. Budgets will be reviewed on an ongoing basis to identify further savings/areas of income generation, particularly to offset the Council's rejection of savings which could be achieved by a centre closure.

SA advised Directors that the cash flow projections will be kept under close review and Directors will be kept updated on any movement. VW will report back to the Audit, Finance and Compliance Committee with further updates. NM raised concern that the level of Reserves is already under target and that the majority of it is in fixed assets which cannot be easily used to alleviate potential cash flow issues which in turn poses a risk to the company. VW assured Directors that once the Change Controls are signed off and the phased funding is available, this would help with the cash flow situation.

**VW**

Directors approved the Draft Revenue Budget for 2019/20.

## **765. Health and Safety Report**

MR presented the report which provided Directors with key information pertaining to Health and Safety performance during the current financial year. The report updated Directors of ongoing work within various teams and working groups and made reference to the Health and Safety Priority Action Plan which addresses higher associated risks and the timeline for their completion. The report highlighted the ongoing health and safety improvements being carried out by Fife Council at several centres and provided details of reportable incidents by staff and customers and details of safety training courses made available to staff. It also drew attention to Directors' responsibility to carry out health and safety visits to centres.

**Directors**

MR referred to the company's Health and Safety Policy, currently under review by the Executive Management, and appraised Directors' on the "Do Not Attempt Cardio Pulmonary Resuscitation Policy"

contained within it. Following consideration of the policy it was agreed that EW will meet MR to discuss the streamlining the policy and Directors will be updated of any changes.

**EW/MR**

#### **766. Board Training Day – Itinerary Report**

The Chair presented the report which set out a proposal to deliver a Board Training Day with the morning session being facilitated by Stephen Phillips, Partner, Burness Paull LLP, to include OSCR guidelines, governance issues and the Committees structure. The Chair advised Directors that recent Committee meetings had not taken place due to lack of quoracy therefore it was now necessary to revisit the Committees' terms of reference. He reminded Directors of the dates of the forthcoming Committee meetings.

The Chair suggested that the afternoon session include, among other topics, a brief training session on GDPR delivered by the Data Protection Officer.

Directors agreed the proposed itinerary and remitted to the CEO to make the necessary arrangements.

**CEO**

#### **767. Committee Business Report**

WW reported that there had been no further meetings of the Committees since the last Board meeting due to non-quoracy.

Had the Human Resources Committee meeting gone ahead, it would have considered a report regarding Amendments to Managing Change-Related Documentation relating to the following:

##### **(a) Changes to the Flexible Retirement (Guiding Principles)**

The proposal is that employees on flexible retirement (a 20% reduction in hours) will be expected to fully retire within 2 years of being granted flexible retirement

##### **(b) Changes to the Redeployment Procedure**

Employees who are redeployed will be offered a similar number of hours but not necessarily the same shift pattern.

##### **(c) Changes to Excess Mileage Claims**

It is proposed that where an employee is relocated to another base they will be reimbursed travel expenses at 100% for a period of 18 months which is similar to the current graded approach but simpler to administer.

Directors were advised and the changes are necessary in advance of Managing Change projects which are due to commence shortly before the delivery of the Redesign of Services Programme. Following consideration of the report Directors approved the recommendations and remitted to the CEO to implement the necessary changes.

**CEO**

**768. Date of Next Meeting**

Thursday 20<sup>th</sup> June 2019 commencing at 3.30pm in the Corporate Training Room, Cowdenbeath Leisure Centre.

Signed \_\_\_\_\_  
Chair

Date \_\_\_\_\_