



SOUTH LANARKSHIRE LEISURE AND CULTURE LIMITED A Company which is a Scottish charity (Scottish charity number SC032549) incorporated in Scotland under the Companies Acts with company number SC225702.

Minutes of Meeting of the Board of Directors of South Lanarkshire Leisure and Culture Limited ("the Company") held at the Avondale Community Wing, 3pm on Wednesday 21 November 2018.

1. Appointment of Chair

Cllr Peter Craig opened the meeting by advising the Board of an ongoing HR issue. The Board were asked to appreciate the sensitivity and confidentiality of the situation which was being handled by SLC officers and selected Board members.

The Company Secretary advised the Board of the requirement to appoint a new Chair and therefore asked if there were any nominations.

Robert Craig proposed Cllr Peter Craig. As there were no other nominations, Cllr Peter Craig was confirmed as Chair in accordance with the Articles of Association.

The Chair advised the Board that representatives from Shepherd and Wedderburn had been invited to the meeting to assist with discussions on agenda item 12. It was agreed that non-Board members would leave the meeting (3.10pm) and Shepherd and Wedderburn would provide a confidential minute of discussion for Board member consideration only.

The meeting recommenced at 5.15pm when the non-Board members were invited back into the room. At this point, Robert Craig, Paul Manning and the representatives from Shepherd and Wedderburn left the Board meeting.

2. Sederunt

Chair:

Cllr Peter Craig

Board Members:

Angela Beggan, Robert Craig, Margaret Gallacher as substitute for Stephen Smellie, Lorraine Graham, Michael McGlynn, Alan Morrison, Cllr Lynne Nailon, Cllr Graham Scott as substitute for Cllr Gerry Convery, Ronnie Smith, Johan Steele, Paul Manning as substitute for Lindsay Freeland

In Attendance:

Paul Barton (Company Secretary)
Elouisa Crichton (Shepherd and Wedderburn)
George Boyle (Shepherd and Wedderburn)

3. Apologies

Apologies: Cllr Gerry Convery, Lindsay Freeland, Stephen Smellie

4. Declarations of Interest

No interests were declared.

5. Minutes of Previous Meeting

The minutes of the meeting of the Board held on 5 September 2018 were submitted for approval as a correct record.

The Board: approved the minutes.

6. Matters Arising

There were no matters arising.

Monitoring Items:

7. Performance Report – 2nd Quarter 2018/19

The Board were guided through the report for the second Quarter of 2018/19.

- ◆ Attendances for the second quarter were down by 2% compared to this time last year.
- ◆ Although it was a particularly busy quarter for FOI requests, a 100% response rate had been reported.
- ◆ Nine hundred South Lanarkshire school pupils competed in the first Larkhall and Hamilton Trifest.
- ◆ Over 3,000 primary school pupils took part in the Summer Reading Challenge.
- ◆ The Balloon Festival in Strathaven was recorded as the busiest on record attracting around 23,000 visitors.
- ◆ All employee recognition nominations for the quarter are attached to the report as Appendix 1.
- ◆ The Chair praised the Trust staff for the terrific work over the quarter and the success of the events, some of which he was able to attend.
- ◆ Most events have standard displays promoting the services offered by the Trust to encourage business across all services.
- ◆ The option for potential charitable donations to the Trust, perhaps as part of entry fees for events, was discussed. If attaching as part of entry fees, there would need to be careful consideration of who is likely to attend the event. Live Borders have a 'donate' button on their website inviting customers to be a supporter of the Trust. The potential for customers to donate to a particular restoration project, for example, seemed more feasible. Board members were invited to put together a proposal should they wish to have this option considered further.

The Board: noted the report.

8. Audit Committee Update

The Board was provided with a verbal update on business considered by the Audit Committee.

- ◆ The last meeting of the Audit Committee covered the annual accounts.
- ◆ Internal Audit activity is progressing well with one item complete.
- ◆ One outstanding item, IProc, is progressing. Internal Audit are content to take this off the outstanding action list once a project plan has been agreed.
- ◆ The draft procurement strategy has been issued with feedback to Finance Team requested to allow this to be finalised.
- ◆ Two contracts were highlighted as being outwith the suppliers list with management action to reinforce procedures with sites. Learn Online initiative for front line staff to be implemented.

The Board: noted the report.

Items for Decision:

9. Business and Marketing Plans

The Business Plan and Marketing Plan for 2019/20 were presented for Board approval.

- ◆ The Business Plan follows the same style applied for the last two years and will be submitted to SLC once Board approval is given.

- ◆ The Marketing Plan will be adopted once Board approved however further endorsement from SLC is not required for this plan which concentrates primarily on sales due to the size of the team involved.
- ◆ Alliance Leisure are employed to sell SLLC's fitness product focussing purely on direct debit sales therefore it would not be appropriate to incorporate this into SLLC plans. They have produced a sales plan on behalf of the Trust including a sales calendar. As a direct result of the contract with Alliance there has been a 1,500% return on Facebook boosts, something that would not have been achieved without their expert social media guidance.
- ◆ The Who We Are and What We Do 2018/20 supporting document is in its second year and therefore there is no update to this document at this time.
- ◆ The purpose of the Business Plan is to demonstrate the Trusts priorities and outcome delivery plan, identifying where priorities fit wider SLLC objectives.
- ◆ The Business Plan highlights partnership working with Community and Enterprise Resources where the Trust apply outcomes in accordance with SLC's plan.
- ◆ Suggestion was made that the Business Plan and Marketing Plan could be combined into one strategic document.
- ◆ In order to meet timescales for Committee presentation, the Business Plan is produced prior to publication of budgets for the forthcoming financial year therefore there can be no reference to the savings figures required of the Trust.

The Board: approved the report.

10. Festive Opening 2018/19

The proposed Festive Opening Hours for 2018/19 were presented for Board approval.

- ◆ Festive closures were proposed for the period 17 December 2018 to 6 January 2019. The closures are based on typical low usage at this time of year, however at least one facility per service will be open in each geographical area.

The Board: approved the report.

11. Board Meetings 2019

The proposed schedule of Board Meetings for 2019 was presented for Board approval.

- ◆ Taking the SLC meeting diary into consideration, quarterly meetings have been scheduled for 6 March, 22 May, 4 September and 27 November.

The Board: approved the report.

Items for Discussion:

12. Review of Governance

A minute of the discussion on this agenda item, taken by Shepherd and Wedderburn, will be issued to the Chair who will in turn issue to Board members.

Items for Noting:

13. Financial Update

The Board was presented with a report to highlight the financial position following the second quarter and compare to the issues highlighted in the Financial Strategy report in May 2018.

- ◆ In the second quarter, the predicted shortfall continues to grow at £0.5m-£0.6m for the year as a result of failure to meet income targets. Essential spend has been applied since 1 April which is having an effect on keeping facilities in the condition expected.
- ◆ Helpful meetings continue to take place with SLC's Head of Finance.
- ◆ The use of SLLC's general reserves to relieve this year's funding pressure would be unwise and the recommendation is that this should remain intact. The Repairs and

Renewals Fund is the only way of replacing equipment and it would be imprudent to ask the Board to access this. The reduction in funds available has been noted as a growing concern.

- ◆ The use of the remainder of a bequest fund for East Kilbride Library towards running costs is being considered once proposed works in the library are committed.
- ◆ SLC are to propose to Councillors that £400k is set aside to support the Trust to fill the gap. The position will be monitored based on where the outturn is towards the end of the year.
- ◆ SLC have been clear they will not leave the Trust in a position where the deficit is unmanageable.
- ◆ Savings for 2019/20 are still at discussion stage with Community and Enterprise with all parties working towards deliverable savings. The proposed savings package will be communicated to the Board with due consideration given to the timescales involved in completing this exercise.
- ◆ The usual presentation of savings to the Members Seminar didn't happen this year however the Chair will be brought up to date with the process for SLLC.
- ◆ There is a potential need to have a meeting of the Board before the scheduled meeting in March.
- ◆ In terms of whether or not SLLC can be considered a going concern, it is recognised that as the Trust is an ALEO, SLC have committed in a financial agreement to provide support should the Trust become insolvent.
- ◆ Essential spend remains in place with all requests reviewed by SLLC SMT. Where a closure is highlighted as a possibility, spend is approved however if deemed to be a minor inconvenience, the Trust are not in the financial position to go ahead with the spend. This is monitored to ensure small issues don't become big ones. There is no question that users will be seeing the results of the essential spend.
- ◆ Access to the Property Investment Fund (PIF) should ensure the Trust are not in a position where facilities would close although it is recognised that there is a huge demand on the PIF across SLC.
- ◆ Through this standing agenda item, the Board will continue to be informed of the financial position of the Trust and the support received from SLC.

The Board: approved the report.

14. AOCB

OSCR

- ◆ A short life working group is to be formed to draft the official response to OSCR for Board approval. This will consist of the Company Secretary, the Chair and SLC representation.
- ◆ The first part of the request from OSCR is straightforward and can be answered within the set timescale of 3 December however the second part of the request requires more time and Board liaison and therefore the request to OSCR for an extension to 18 December was agreed.

Date of Next Meeting

The next meeting is scheduled for 3pm on Wednesday 6 March 2019, venue to be confirmed.

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Chair