

SOUTH LANARKSHIRE
Leisure & Culture

BOARD MEETING – 15 NOVEMBER 2023, 10AM

AGENDA

Location: Hamilton Town House

**Agenda
Item**

1. Sederunt
2. Apologies
3. Declarations of Interest
4. Minutes of Previous Meeting
5. Matters Arising
6. Performance Report – 2nd Quarter 2023/24
7. Revenue Budget 2023/24
8. Price Increase and Savings Proposals 2024/25
9. Governance Guide
10. Biggar Public Park Future Update
11. Chief Executives Annual Review
12. SLC Strategic Commissioning Plan – Verbal Update
13. Board and Group Leader Meeting – Verbal Update
14. CLUK – Chairs Meeting – Verbal Update
15. Stakeholder Event – Verbal Update
16. Service Update – Larkhall/Dollan – Verbal Update
17. Action Log – Verbal Update
18. Board Meeting Schedule
19. AOCB
20. Risk Register Implications

Date of Next Meeting – 28 February 2024



South Lanarkshire Leisure and Culture SCIO is Scottish Charitable Incorporated Organisation (Scottish charity number SC023549) responsible for the operation, management and delivery of leisure and cultural activities on behalf of South Lanarkshire Council.

Minutes of Meeting of the Board of Directors of South Lanarkshire Leisure and Culture SCIO held at Hamilton Townhouse on Wednesday 9 August 2023.

1. Board Training – Disciplinary and Appeals Panel Training

Elaine Maxwell, South Lanarkshire Council (SLC) HR Manager presented Disciplinary and Appeals Panel Training.

The presentation slides will be distributed to the Board. Trustees were welcomed to put any questions regarding the training to the Company Secretary who will collate and send to SLC HR for response.

Any Trustees required to hear an appeal will have the opportunity to meet with SLC HR to talk through the process.

2. Sederunt

Chair:

Avril Osborne

Board Members:

Cllr John Anderson, Angela Beggan, Neil Brown, Cllr Maureen Devlin, Chris Goudie, Cllr Ross Lambie (Agenda items 1-5 and 9), Alan Morrison, Cllr Mo Razzaq (Agenda item 1), Stephen Smellie (Agenda items 1-7 and 9)

In Attendance:

Kay Morrison (Chief Executive)

Nick Lansdell (Strategy and Business Development Manager)

David Booth (Executive Director of Community and Enterprise Resources)

Lynne Basch (HR Support Manager) – Agenda item 1

Elaine Maxwell (SLC HR) – Agenda item 1

Margaret Hunter (Business Development) – Agenda item 7

3. Apologies

Cllr Andrea Cowan, Robert Craig, Craig Cunningham, Lisa Maule

4. Declarations of Interest – Annual Return

There were no declarations of interest.

Two resolutions (read motion as resolution) were submitted for Board consideration (attached), one linked to an agenda item at the special meeting and the other to an agenda item at this standard meeting.

The Chair advised that each resolution would be considered at the appropriate agenda item, with discussion on the Board report and the resolution respectively before decisions are taken on the Board report and resolution respectively.

Voting will be in line with the constitution as it stands, and the outcome recorded.

5. Minutes of Previous Meeting

The minutes of the meeting of the Board held on Wednesday 17 May 2023 were submitted for Board approval as a correct record.

- ◆ The minutes were updated to reflect the change in job title from General Manager to Chief Executive.

The Board: approved the minutes.

6. Matters Arising

There were no matters arising.

7. Performance Report – 1st Quarter 2023/24

The Board was guided through the report for the first quarter of 2023/24.

- ◆ The Board were presented with the revised version of the Performance Report for the first quarter of 2023/24.
- ◆ The Company Secretary welcomed feedback from Trustees regarding the content.
- ◆ The response to the new format was positive.
- ◆ Some suggestions received:
 - ◆ Addition of a total budget for the year column in the budgetary position table.
 - ◆ Inclusion of a line graph to demonstrate income against expenditure.

The Board: noted the report.

8. Revenue Budget 2023/24

The Board was presented with a report providing an update on the most recent budget monitoring position as at 30 June 2023.

Recommendation: The Board is asked to note the content of the report.

- ◆ OSCR recommends organisations retain a level of reserves however there is no set minimum. The Company Secretary will monitor this position and report any change to this guidance to the Board, as necessary.

The Board: noted the report.

9. Board Paper Publication

The Board was presented with a report seeking approval to re-establish the publication of South Lanarkshire Leisure and Culture (SLLC) Board papers.

Recommendation: The Board is asked to approve the following recommendations:

- (1) Board papers are aimed to be published online five working days after the date of the Board meeting.
- (2) Summaries of committee business are included in Board papers.
- (3) Confidential Special Board meetings papers continue not to be published due to their confidential nature.
- (4) Briefing Sessions for Board members and elected members out with Board meetings take place when required.

- ◆ Following discussion, the resolution regarding the SLLC scheme of publication was withdrawn.

The Board: approved the recommendations.

10. Code of Conduct

The Board was presented with a report seeking approval of proposals for a new Code of Conduct for South Lanarkshire Leisure and Culture (SLLC) SCIO Board members.

Recommendation: The Board is asked to approve the Code of Conduct.

- ◆ Comment was made regarding including in the Code of Conduct the process to be followed should a trustee be removed from the Board.
- ◆ The Chair advised that the Governance Guide will be presented to the Board at the AGM on 4 October 2023.

The Board: approved the recommendation.

11. SLC Strategic Commissioning Plan

The Board was presented with a report providing an update on the development of the South Lanarkshire Council (SLC) Strategic Commissioning Plan for South Lanarkshire Leisure and Culture (SLLC).

Recommendation: The Board is asked to note the content of the report.

The Board: noted the report.

12. Board and Group Leader Meeting - Verbal

The Board was provided with a verbal update regarding the meeting planned with the South Lanarkshire Leisure and Culture (SLLC) Board and South Lanarkshire Council's (SLC) Political Group Leaders.

- ◆ The purpose of the meeting is to refresh the relationship, building on mutual trust and respect and share thoughts for the future.
- ◆ The overall aim is for a positive engagement between the SLLC and SLC via the Group Leaders and the Board.

The Board: noted the update.

13. AOCB

Recruitment Update

- ◆ Bios and contact details for the Leadership Team will be shared with Elected Members once the full team is in place.

Schedule of Meetings

- ◆ The Board were advised that the Stakeholder event will now take place on 13 October.
- ◆ This will be a show case of the range of services SLLC have to offer with staff presenting in relation to SLLC's four strategic outcomes.
- ◆ Senior council officers, Elected Members and other various stakeholders will be invited.
- ◆ The event has been scheduled to act as a follow on from the publication of the SLLC Annual Report and is expected to become an annual event.

14. Risk Register Implications

Asset Review and Commissioning Plan to be noted in the risk register.

Date of Next Meeting

The next meeting (AGM) is scheduled for 2pm on Wednesday 4 October 2023 at Hamilton Townhouse.

The next standard Board meeting is scheduled for 10am on Wednesday 15 November 2023 at Hamilton Townhouse.

Chair

Motions submitted by Councillor Lambie and Councillor Razzaq for the meeting of the Board of South Lanarkshire Leisure and Culture SCIO on 9 August 2023

1. SLLC Scheme of Publication.

The Board instruct the Chief Executive to prepare a Publication scheme which is 'back to back' with SLC as far as technologically possible, and to include as a minimum:

- Agenda published 5 clear days before a meeting.
- Minutes published within 5 days of conclusion of a meeting. Minutes to include summary of all points of view raised, votes cast, and decisions taken. Not verbatim but a fair and accurate reflection of the discussion.
- If requested by any member of the Board, decisions will be recorded by roll call.

Exceptions to Publication Scheme as set out in Schedule 7A of the Local Government Act 1973 (amended 1994).

2. Sharing of 3rd Party Review of Tribunal with SLC

The Chief Executive of SLC confirmed at a recent Executive Committee that he has reviewed the report, that he has actioned many recommendations, and that the report has changed the relationship between SLC and SLLC.

Elected members who are ultimately held responsible for local governance in South Lanarkshire have no insight into any of the findings and recommendations, which I believe is doing irrevocable harm to the relationship between SLLC and the elected members of SLC.

I request we instruct the Chief Executive to give permission to SLC to share the Review with elected members of SLC.

Board Action Log

Blue – Action is complete
 Red – Action not on track with major issues
 Amber – Action mainly on track with some minor issues
 Green – Action is on track

Board Meeting – 9 August 2023			
Agenda Item	Action	Person(s) Responsible	Comments/Outcome B/R/A/G
Agenda Item 7 Performance Report	Include total budget for the year column in budgetary position table. Consider line graph to demonstrate income against expenditure.	Company Secretary	In progress 15 November Board
Agenda Item 8 Revenue Budget 2023/24	OSCR recommendations regarding reserves will be monitored and an update brought to the Board, as necessary.	Company Secretary	In progress Future Board meeting
Agenda Item 9 Board Paper Publication	August Board papers to be published online no later than five working days after the date of the Board meeting.	Company Secretary	Complete 15 August 2023
Agenda Item 10 Code of Conduct	Governance Guide to be presented to the Board.	Company Secretary	In progress 15 November 2023
Agenda Item 11 SLC Strategic Commissioning Plan	SLLC officers to work with SLC to consider options for budgetary challenges and ensure maintenance of a balanced budget.	Company Secretary	In progress Future Board meetings
Agenda Item 14 Risk Register Implications	Asset Review and Commissioning Plan to be noted in the risk register.	Company Secretary	Complete and will be presented at next Audit Committee.

Previous Actions

Board Meeting – 17 May 2023			
Agenda Item	Action	Person(s) Responsible	Comments/Outcome B/R/A/G
Agenda Item 4 Trustee Briefing Session	Presentations will be distributed to the Board following the meeting.	Company Secretary	Complete Emailed 19 May 2023
Agenda Item 5 Board Paper Publication	Proposal for board paper publication to be brought to Board for approval.	Company Secretary	Complete 9 August 2023 Board
Agenda Item 8 Audit Committee Update	The Board were asked to consider Audit Committee membership and advise Company Secretary on availability to join.	Board	Complete
Agenda Item 9 Financial Position 2022/23	Final 2022/23 financial position will be reported to the Board at the conclusion of the accounts.	Company Secretary	In progress 4 October 2023 (AGM)
Agenda Item 10 Revenue Budget 2023/24	Phased implementation of the under 16's club discount will be monitored and the Board provided with an update.	Company Secretary	Complete 9 August 2023 Board
	Board will be provided with the latest financial position at future meetings.	Company Secretary	Complete 9 August 2023 Board
Agenda Item 11 Recruitment Update	New leadership team bios will be shared with the Board once all employment checks are complete.	Chief Executive	Complete Emailed 3 July 2023

Board Meeting – 1 March 2023			
Agenda Item	Action	Person(s) Responsible	Comments/Outcome B/R/A/G
Agenda Item 6 Health and Safety Update	Health and Safety responsibilities briefing session to be arranged for Board.	Company Secretary	Complete 17 May 2023 Board
Agenda Item 7 Child Protection Policies – Update	Exposure to extreme heat to be added to policy document.	Area Recreation Manager	Complete Policy updated.
Agenda Item 9 Audit Committee Update	Audit Committee Minutes to be included in Board agenda pack.	Company Secretary	Complete 1 March 2023 Board
	Risk Register update added to Board agenda as standing item and will be updated as appropriate.	Company Secretary	Complete 1 March 2023 Board
Agenda Item 10 Revenue Budget 2022/23	Board will be provided with the latest financial position at future meetings.	Company Secretary	Complete 17 May 2023 Board

Board Meeting – 23 November 2022			
Item	Action	Person(s) Responsible	Comments/Outcome B/R/A/G
Agenda Item 9 Revenue Budget 2022/23	Board will be provided with the latest financial position at future meetings.	Company Secretary	Complete 1 March 2023 Board
Agenda Item 10 Budget Projections 2023/24	Savings proposals will be presented to the Board early in the new year.	Company Secretary/Chief Executive	Complete 27 January 2023 Board Drop-in Session 1 February 2023 Special Board
Agenda Item 11 Gift Aid 2021/22 and 2022/23	Profit from SLL Trading Ltd to be donated in full to parent company (SLLC)	Company Secretary/Finance Manager	Complete Actioned
Agenda Item 12 Child Protection Policies – Update	Deferred until next Board meeting.	Company Secretary	Complete 1 March 2023 Board
Agenda Item 13 Health and Safety Annual Update	Deferred until next Board meeting.	Company Secretary	Complete 1 March 2023 Board
Agenda Item 14 Board Meeting Schedule 2023	Dates for August and November to be revisited and new dates proposed.	Company Secretary	Complete 1 March 2023 Board
Agenda Item 15 AOCB SCIO Submission	Resignation documents issued to Board by Shepherd and Wedderburn to allow transition to SCIO Trustees.	Company Secretary/Board	Complete
	Membership applications from SLC and SLC Nominees Ltd were approved.	Board	Complete 23 November 2022 Board
	SLC and SLC Nominees Ltd to be entered into the register of members of the company.	Company Secretary	Complete 23 November 2022 Board
Agenda Item 15 AOCB Health and Safety Policy	Policy updated to reflect new Chair and duly signed.	Chair	Complete 23 November 2022 Board
	Named Board member in policy to be given update on their responsibilities.	Company Secretary	Complete Briefing session 17 May 2023 Board
Agenda Item 15 AOCB Sharing of Board Member Contact Email Addresses	Consent was sought for internal sharing of email addresses.	Company Secretary	Complete Not all Board members happy to share therefore contact will remain via the Company Secretary.

South Lanarkshire
Leisure and Culture

Quarterly Report

Quarter 2
July to September 2023



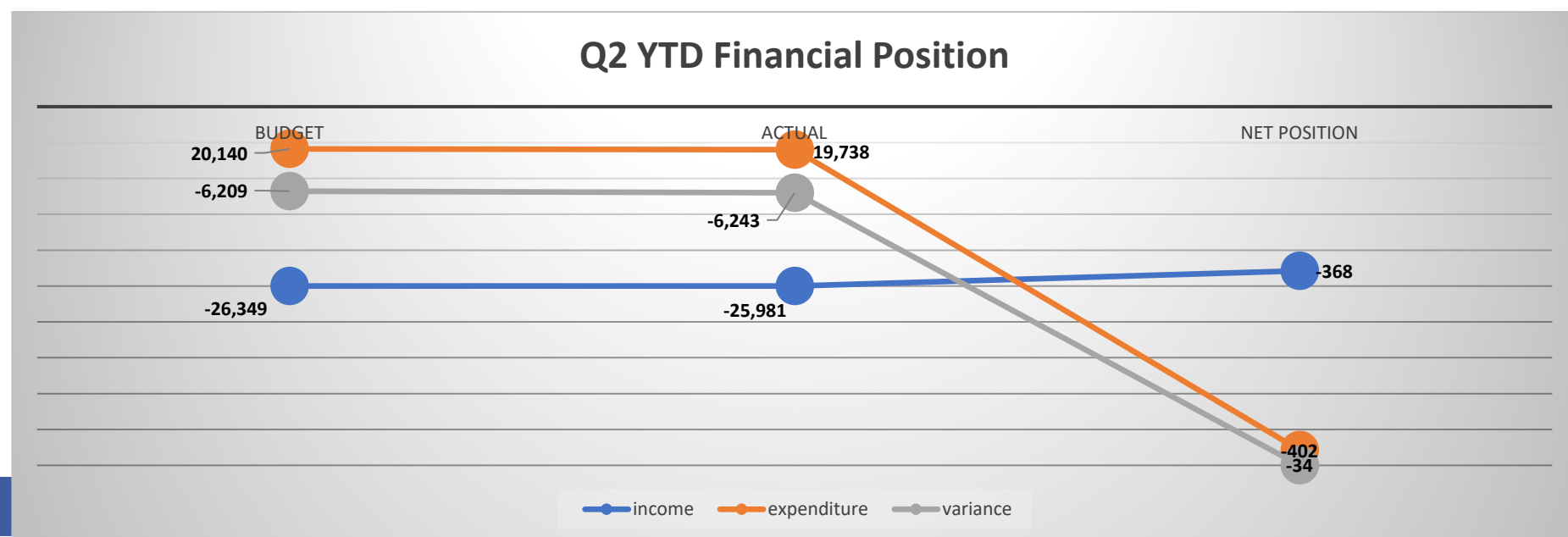
SOUTH LANARKSHIRE
Leisure & Culture

1. Business Perspective

Budgetary position

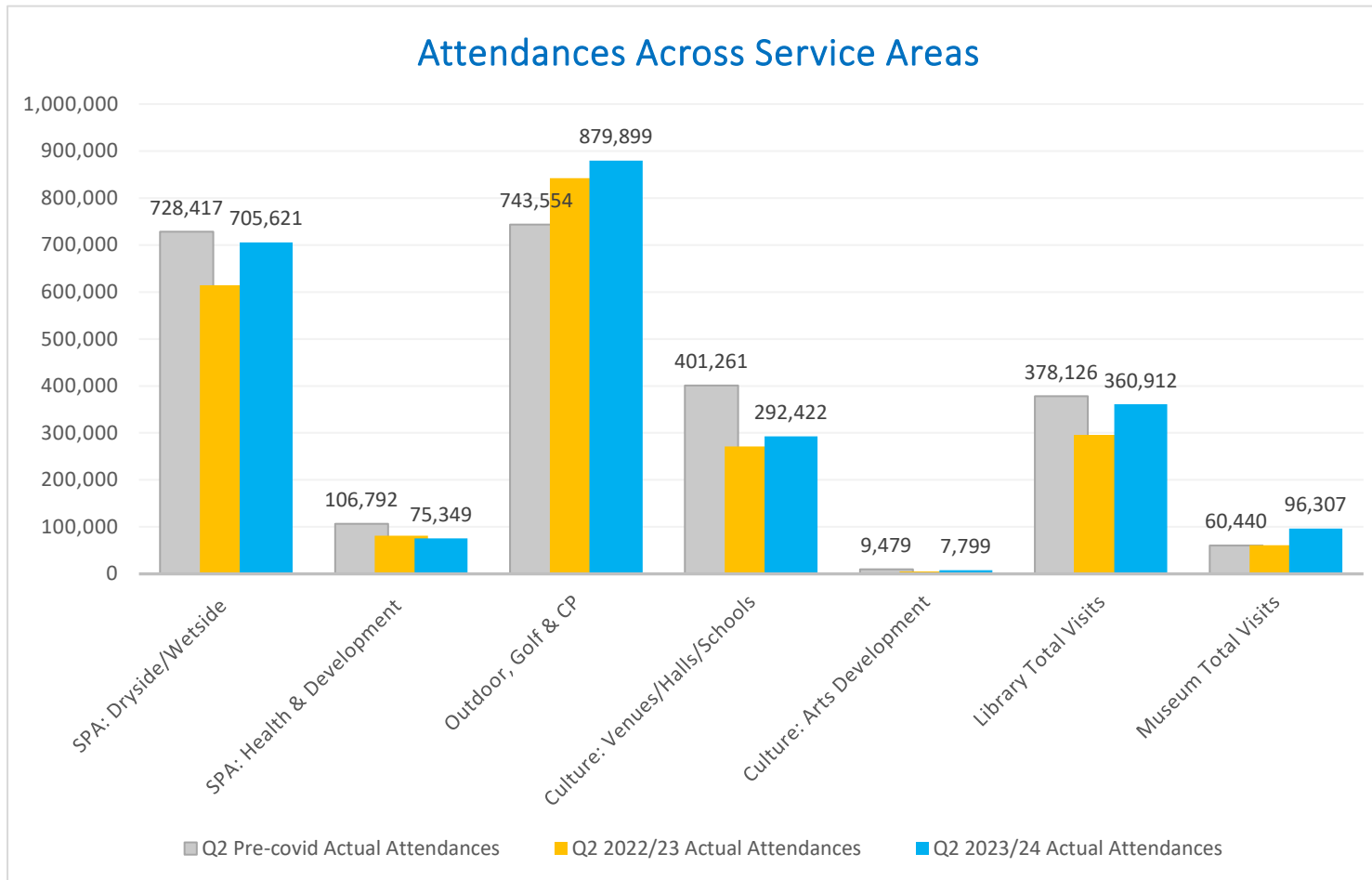
The £368K shortfall in income against budget has been partially offset by £402K of expenditure underspends against budget, resulting in a favorable net position of £34K. This is a £159K improvement on the August position due to £167K improvement in the level of year to date expenditure underspends across all services offset by an £8K increase in the year to date income under recovery. It should be noted that included in the above, there are £20K of utility costs relating to Halls and £13K dual-use schools which were handed back to SLC at 31/3/23 which we are waiting on confirmation of the ability to recharge to SLC.

Measure: FINANCE	Budget (£K): Q2	Actual (£K): Q2	Variance (£K):	% +/-
Income (YTD)	(26,349)	(25,981)	(368)	(1.4%)
Expenditure (YTD)	20,140	19,738	402	2.0%
Net Position (YTD)	(6,209)	(6,243)	34	0.55%



Q2 Attendances - year on year comparison

The table below provides a comparison of Q2 performance against both 2022/23 and 2019/20 (pre-covid) attendances.

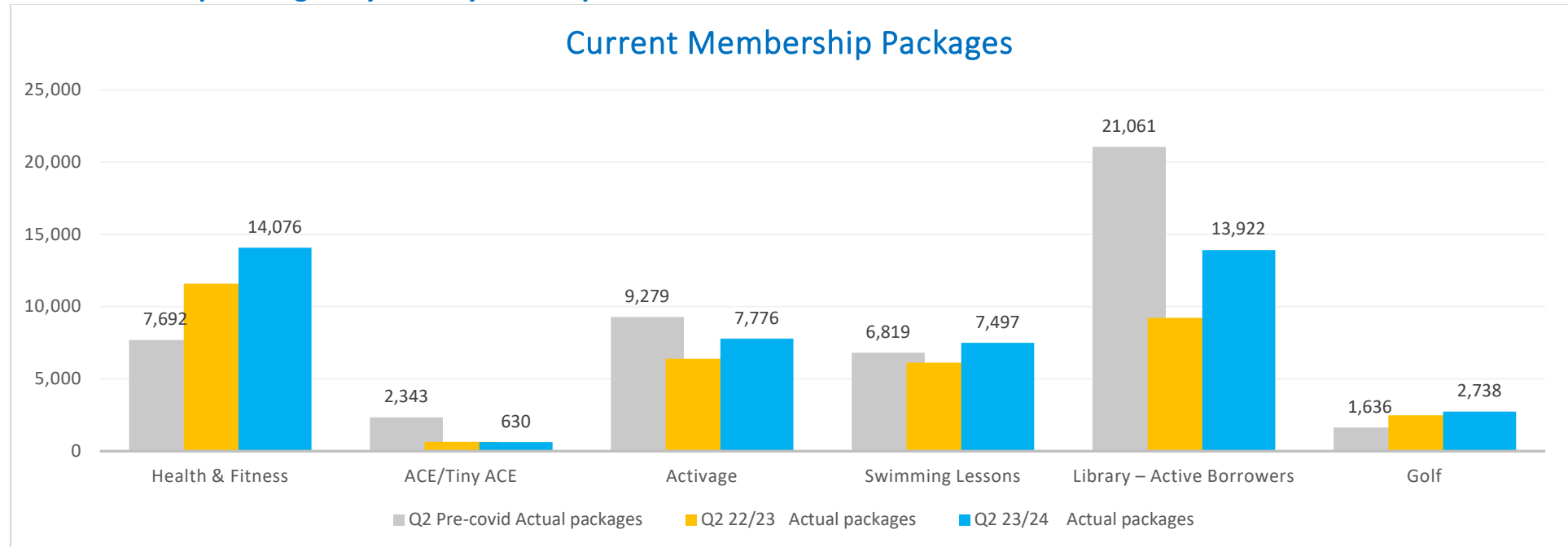


Notes:

- Sport and Physical Activities (SPA) – wetside attendances are almost 4% above pre-covid levels, with dryside attendances just under 12% below.
- Cultural facilities – although venues have surpassed pre covid attendances by 9%, halls remain 46% and schools lets 20% below pre covid levels showing a possible shift in customer use. Arts Development also remain 51% below pre-covid levels.
- Library physical visits are down 38% on pre covid levels, however virtual visitors continue to grow, up 48%, highlighting a significant and consistent change in customer behaviour.
- Both physical and virtual visits to museums have exceeded pre covid attendances figures by 58% overall in Q2.

Measure: ATTENDANCES	Q2 Pre-covid Actual Attendances	Q2 2022/23 Actual Attendances	Q2 2023/24 Actual Attendances	% +/- Q2 Current Year vs Q2 Previous Year
SPA: Dryside/Wetside	728,417	614,090	705,621	15%↑
SPA: Health & Development	106,792	81,256	75,349	7%↓
Outdoor, Golf & CP	743,554	842,430	879,897	4%↑
Culture: Venues/Halls/Schools	401,261	271,262	292,422	8%↑
Culture: Arts Development	9,479	5,153	7,799	51%↑
Libraries:				
Physical visits	279,345	149,915	172,903	15%↑
Virtual visits	<u>98,781</u>	<u>146,500</u>	<u>188,009</u>	28%↑
Total	378,126	296,415	360,912	22%↑
Museums:				
Physical visits	48,607	54,504	81,906	50%↑
Virtual visits	<u>11,833</u>	<u>6,536</u>	<u>14,401</u>	120%↑
Total	60,440	61,040	96,307	58%↑

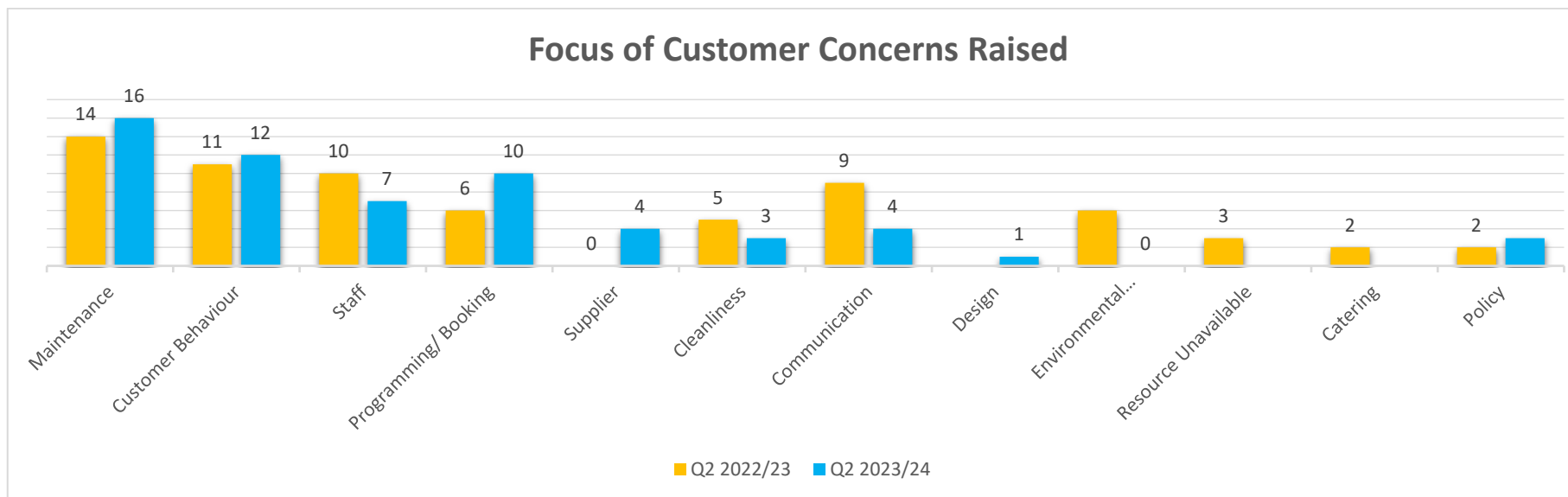
Q2 Membership Packages – year on year comparison



Notes:

- Health and fitness memberships (includes Juniors – 2,790) has increased by 21% against Q2 2022/23 and exceeded pre covid packages by 83%.
- Junior packages are working well and continue to grow, up 26% on the same period last year.
- The average retention period of cancelled members (1533) in Q2 is 10 months.
- Library: Active Borrowers continues to rebuild and represents members who have used the service recently.
- Golf memberships exceeded pre-covid figures by 67%

Customer Focus



Notes:

- Quarter 2 saw 68 recorded customer concerns across our services
- 53 were handled by the SPA service (78%), 8 by Outdoor (11%), 3 by Culture (4%), 2 by Libraries (3%), and 3 by HQ (4%)
- 61 complaints (90%) were closed off, all of which were fully resolved at the frontline resolution stage
- 56 issues were closed off on time, equating to 92% completed within timescales
- 7 remain open awaiting conclusion from relevant manager.

Measure: CUSTOMERS	Quarter 2 2022/23	Quarter 2 2023/24	% +/- Q2 Current Year vs Q2 Previous Year
Complaints	71	68	4%↓

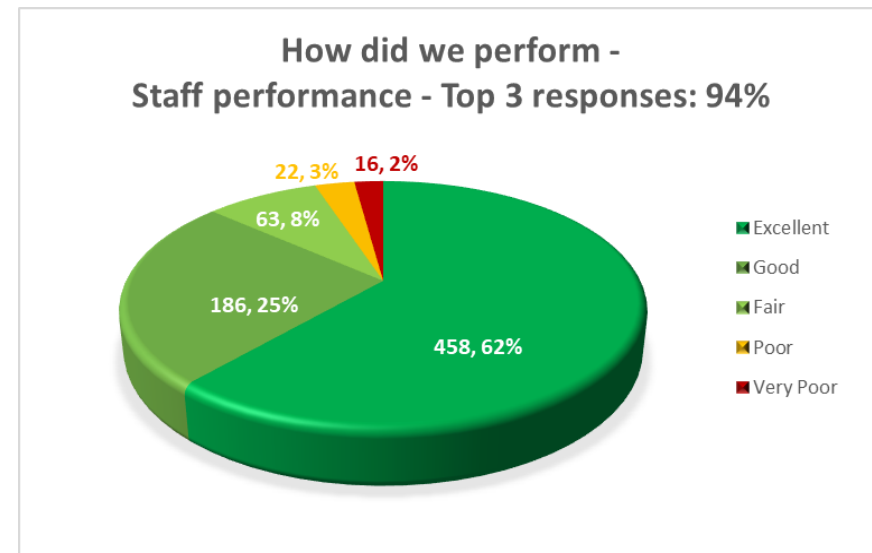
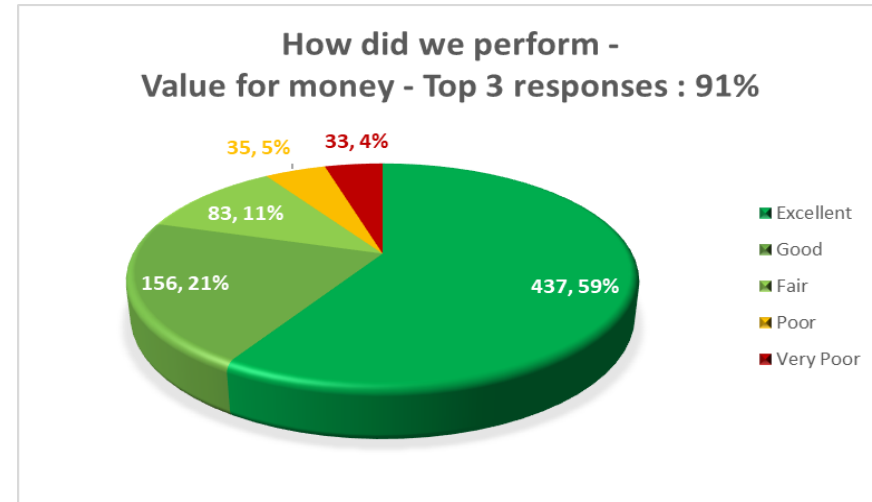
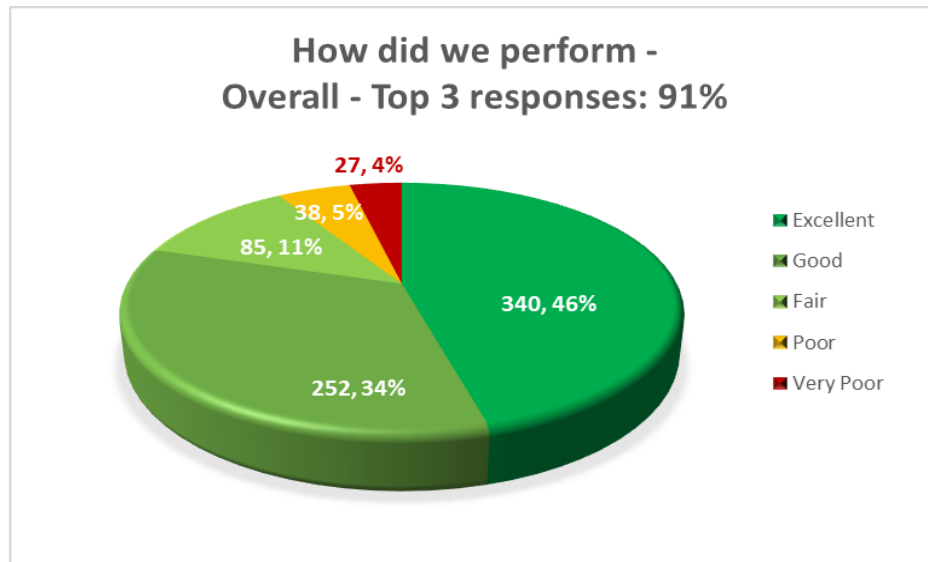
Customer Satisfaction

Overall Satisfaction

Throughout September we directed our survey towards our Outdoor and Country Parks service users, however all customers were able to take part. Over 750 customers completed the short survey based on the same core questions from our annual survey reported in quarter one, this equates to over 5% of our membership with a return rate of over 10%.

Results of this specific survey have followed a similar trend returning excellent performance through very challenging times and again an overall satisfaction rate of 91% which was supported by more specific aspects of service delivery - Staff Performance 94%, Cleanliness 91%, Value of Money 91%, and Quality of equipment/services 84% as outlined in the graphs below.

What customers said about our performance overall:

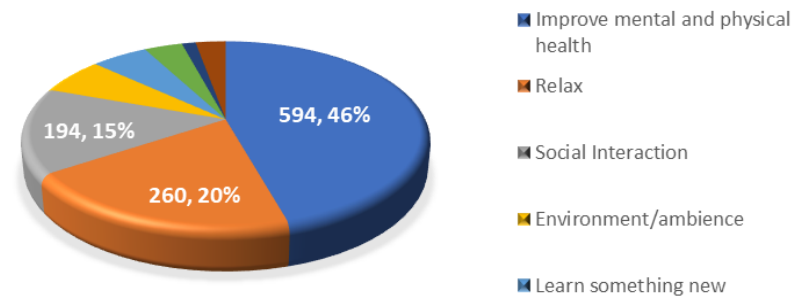


Health & Wellbeing

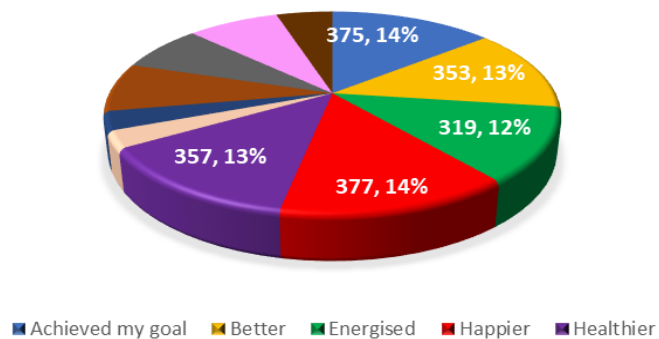
We wanted to identify the reason why customers visited our sites, and customers have responded with a resounding 82% saying it's about improving their health and a place to relax and socialise, reinforcing our determination to develop more health improvement programmes.

How customers thought their visit had impacted their health and wellbeing:

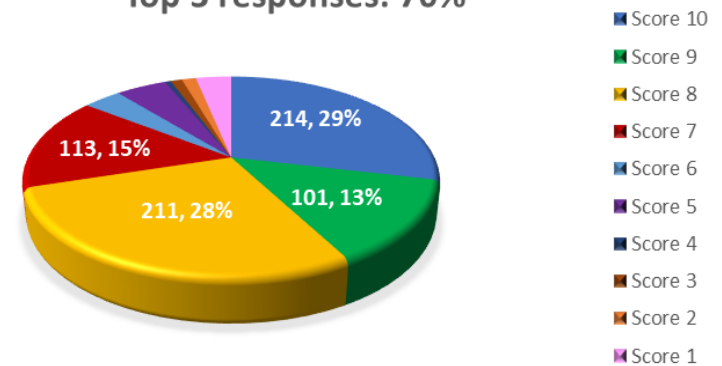
What was the reason for your visit? Top 3 responses: 82%



Following your visit, how did you feel? Top 5 responses: 66%



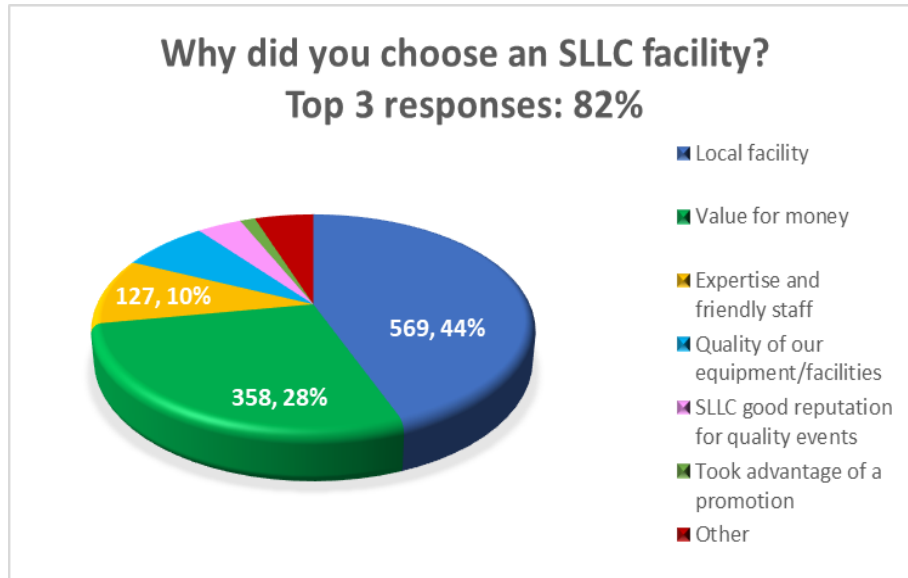
Did your visit have a positive impact on your health and wellbeing (on a scale of 1-10)? Top 3 responses: 70%



Why customers chose SLLC:

Communication

Top method customers used to communicate with us - word of mouth 46%, 87% of respondents found our website and social media pages easy to navigate.



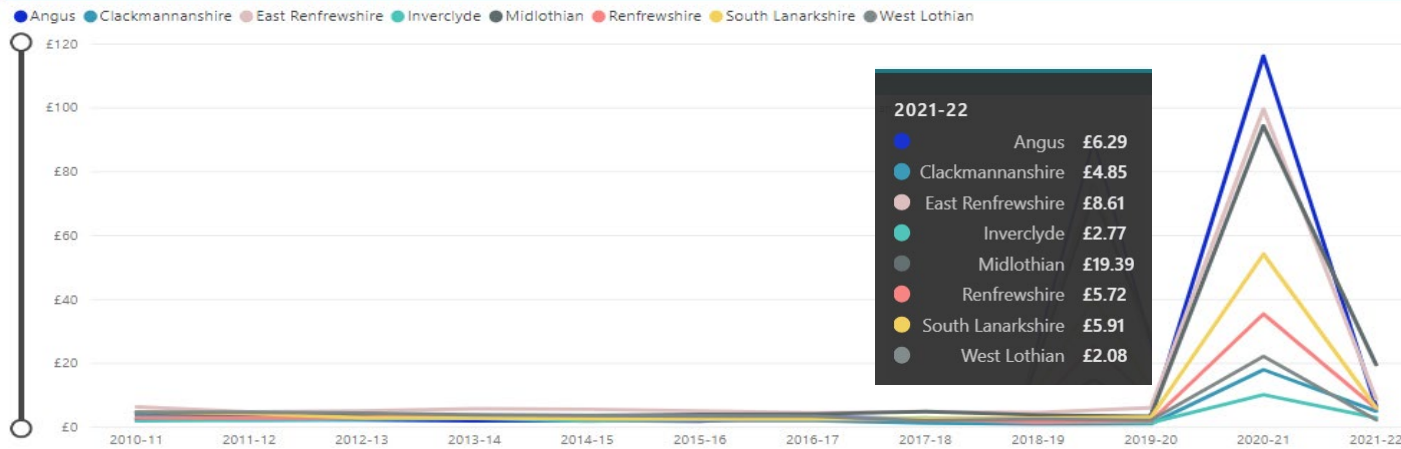
Safety

As you would expect health and safety is a key priority for SLLC. During quarter 2 there was an injury to a staff member while operating a pool hoist, one customer accidentally fell and gashed their head requiring stitches, with another receiving a puncture wound from a protruding hinge due to a missing locker door, and finally three customers received sporting injuries whilst playing football.

Measure: HEALTH & SAFETY	Quarter 2: 2022/23	Quarter 2: 2023/24	% +/- Q2 Current Year Vs Q2 Previous Year
Accidents/Incidents to staff	11	13	18%↑
Accidents/Incidents to customers	36	34	6%↓

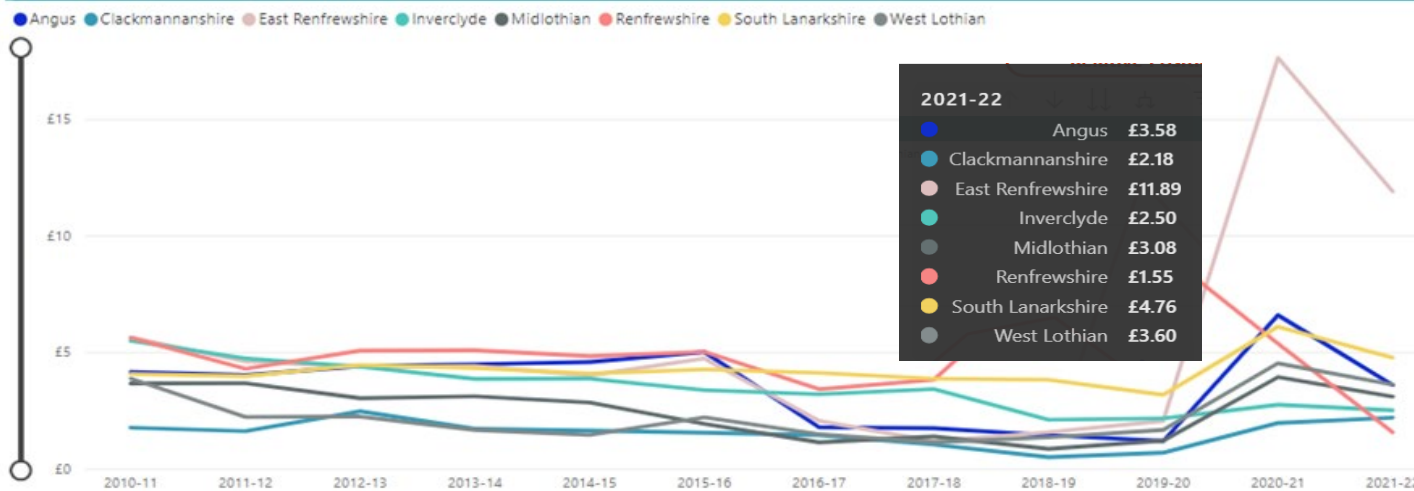
Comparison of Performance with other Local Authorities: How SLLC Compares – Local Government Benchmarking Forum (LGBF)

C&L01 - Cost per attendance at Sports facilities



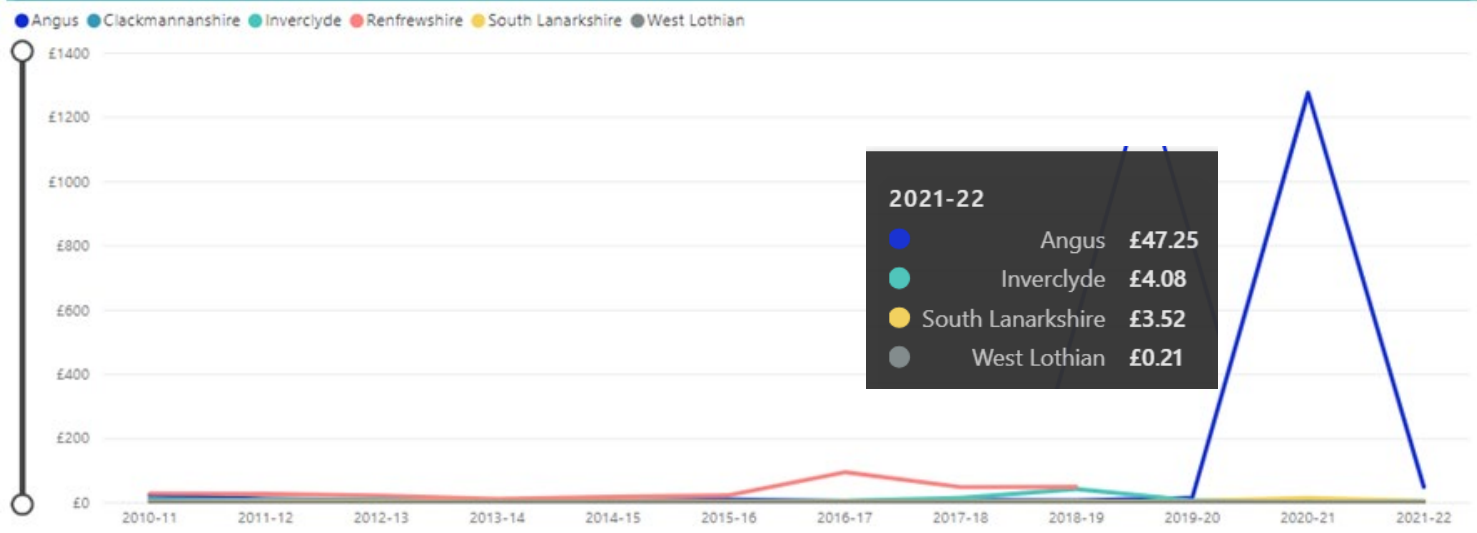
- SLC - cost per visit £5.91
- Scottish Average – cost per visit £6.44
- Rank position 18th of 32 local authorities
- Rank position in family group 4th of 8 local authorities

C&L02 - Cost per Library Visit



- SLC - cost per visit £4.76
- Scottish Average – cost per visit £2.90
- Rank position 19th of 32 local authorities
- Rank position in family group 7th of 8 local authorities

C&L03 - Cost per Museum Visit



- SLC - cost per visit £3.52
- Scottish Average – cost per visit £4.75
- Rank position 11th of 32 local authorities
- Rank position in family group 2nd of 4 local authorities

2. Performance against SLLC Strategy 2022 - 2027

Objectives to meet Strategy Outcomes

Health and Wellbeing – We will help the people of South Lanarkshire to live healthier, happier lives with a focus on physical and mental wellbeing

2023 (Year 2) – Priorities, Activities and Achievements

Key Priorities	Priority 1 (HWB1) Participate in a whole system approach to health and wellbeing along with our partners including the NHS, the Health and Social Care Partnership and others, to improve health and wellbeing for individuals and communities within South Lanarkshire	Priority 2 (HWB2) Encourage and support the inactive to be active with focus on positive physical health and wellbeing outcomes	Priority 3 (HWB3) Support positive mental health and deliver on health and wellbeing outcomes	Priority 4 (HWB4) Provide early intervention and prevention initiatives to address health and wellbeing matters at their root cause
Comments from Chair of Health and Wellbeing Group	<p>We look to introduce our Partnership and Programme working group which will facilitate cross service approach to expanding our social prescribing framework and offering.</p> <p>Our website will be developed to offer a one stop shop for self-referral as we recognise the resource that is required and the need for increasing awareness and the pathways we have available.</p> <p>We will also strengthen skills and confidence of SLLC staff in supporting health and wellbeing objectives for our customers.</p> <p>We also aim to engage with our users and non-users to allow us to address Health and Wellbeing issues at their root cause.</p>			

Health and Wellbeing successes

Suicide Prevention Week

SLLC supported Suicide Prevention Week in September by delivering key messages around suicide prevention, mental health and wellbeing. An SLLC organised football tournament at the John Cumming Stadium gathered local people together in enjoyable physical activity whilst suicide prevention messages were available via free information handouts and leaflets. The majority of the 120 plus attendees were male, this being the main target group in terms of suicide prevention.

Staff wellbeing

This quarter saw PAM Occupational Health Service unveiled as the new staff support occupational health provider. We also saw a number of staff bulletins issued under the Healthy Working Lives banner on issues such as high blood pressure, fall prevention, financial wellbeing, cold and flu awareness as well as the aforementioned Suicide Prevention Week and specifically World Suicide Day.

**Connected and Engaged – We will enable people to connect with each other and with their community through the services we provide
2023 (Year 2) – Priorities, Activities and Achievements**

Key Priorities	Priority 1 (CE1) Reach out to people where they are, by providing services to all communities across South Lanarkshire	Priority 2 (CE2) Support communities to develop and build their capacity and, where appropriate, explore options for asset transfer of our resources	Priority 3 (CE3) Develop alternative delivery methods and grow our digital offerings such as online classes and access to e-books	Priority 4 (CE4) Help tackle isolation by providing initiatives that bring people together
Comments from Chair of Connected and Engaged Group	<p>SLLC has been reaching out by attending and contributing to multiple community events - from ‘Mud Madness’ with just under 1,000 attendees, to our ‘great yarn’ project in East Kilbride Arts Centre.</p> <p>The Arts Development and sports teams have consulted with over 70 community groups on capacity building, governance and funding. This quarter also sees 1,066 active volunteers with the Sports Development team and we continue to work closely with SLC on several potential Community Asset Transfers (CAT).</p> <p>SLLC has further developed, and is close to launching, the SLLC app which will transform the way we engage with current and new customers.</p> <p>SLLC continues to grow its partnerships via Arts Development with Clyde Gateway and are currently delivering a programme of Boogie Beats on Tour to all nursery schools within the Rutherglen and Cambuslang areas, interacting with over 300 preschool children per week. Ashley Rafferty, Head of Establishment at Glenburgh Nursery Centre said –</p> <p><i>We loved the Boogie Beats workshops - the children were really well engaged in it, Fiona was fantastic and the interactions really developed their learning. Fiona was well organised, and very easy to work with and always had a cheery smile to share. The children would be excited for Boogie Beats days and Fiona was able to manage our vast range of children, with a high number of ASN - it was a very inclusive course. Children have been already asking when the next time ‘all Fiona’s cool stuff’ is coming back! We would love the opportunity to work with you again should the opportunity arise.</i></p>			

Connected and Engaged successes

Strathaven Hot Air Balloon Festival

Once again, Strathaven Park was proud to host the annual Hot Air Balloon Festival. This event was run over three days with a turnout of approx. 35,000 attendees, providing a space for our communities and visitors to connect and engage. Over the weekend there were a variety of additional attractions within the park as well as the hot air balloons on site. There were funfair rides, arts and crafts stalls, classic car displays along with musical entertainment on stage throughout the weekend. This unique free community led event provided a spectacular display of 30 hot air balloon flights taking place.

Cameronians regimental collection

The Museum Service welcomed a PhD student from the National University of Singapore. His request was granted to spend a day researching our Cameronians regimental collection and resources for his thesis on the influence of the Highland bagpipes throughout Asia from the second half of the 19th century until 1947. The visit highlights the international appeal of our collections and heritage

Developing a Young Workforce (DYW)

Our National Treasure, Sir Harry Lauder Learning & Engagement programme began in August. As Sir Harry was a massive star of the stage, we wanted to inspire our young people to the possibilities of a career in the creative industries through Developing a Young Workforce (DYW).

Working in partnership with Ambassador Theatre Group Creative Learning Team we were able to offer up to thirty S5 and S6 pupils from St John Ogilvie High School and Holy Cross High School the rare opportunity to a DYW Creative Industries taster day at Kings Theatre and Theatre Royal with the illustrious National Theatre (NT). NT hosted our event as part of their current acclaimed national touring production of 'Ocean at the End of the Lane'.

The Creative Industries taster day was of particular interest to music and drama students, as well as those studying technical disciplines, offering an insight behind the scenes to many of the professions involved with bringing a production together through to touring, as well as the roles of those working within Theatres. Students also had the opportunity to watch the matinee performance.

**Equality and Inclusion – We will provide accessible wellbeing and learning services through targeted interventions
2023 (Year 2) – Priorities, Activities and Achievements**

Key Priorities	Priority 1 (EI1) Ensure equality of opportunity by making sure that our services are accessible to all	Priority 2 (EI2) Target our programmes and interventions to ensure we reach those most in need of our services	Priority 3 (EI3) Enable access to learning and information across our communities and support community learning	Priority 4 (EI4) Provide welcoming inviting spaces where customers receive a warm reception
<p>Comments from Chair of Equality and Inclusion Group</p>	<p>E&I1 - Data has now been gathered on the pre and post covid uptake of our Activage membership. Additionally, the group has identified training as a requirement for front of house staff to ensure understanding of the Activage membership and the benefits of it to our ageing population. The group are engaging with 3rd sector partners to understand barriers to access and specifically any financial barriers faced through current payment options. A few actions will be discussed at the still to be established SLLC Marketing Group.</p> <p>E&I2 - Audit of current good practice completed and now focusing on quantifying beneficiaries of our targeted work. This will then inform areas for sharing and scaling up good practice as well as accessing additional resources.</p> <p>E&I3 - Our focus is on Active IT. A report is being produced which details the barriers to use and assists in informing a future delivery model. The group have agreed to look at the rural study work taking place across SLLC and connect to this priority area (Supporting Families project). Additionally, our wider learning offer is being reviewed to understand if there is a need for rural courses/classes and gender specific classes.</p> <p>E&I4 - Some actions within this priority area are complete. The HR Working Group have been efficient in providing updates on statistical information from our Learn on Line programmes linked to E&I and this has allowed the group to amend our initial target which was too ambitious given current uptake and timescales.</p>			

Equality and Inclusion successes

Visibility Scotland

Following a request by Visibility Scotland, the Town House Hamilton recently staged an audio described performance of 'The Snail and the Whale'. After sourcing the necessary equipment and with the support of the HTH technical staff, front of house team and the cast of the show, thirty visually impaired children thoroughly enjoyed the performance, with the audio describer giving the children a head start on knowing what was happening on stage. Feedback from the group included *'today was fantastic, the staff were just wonderful, thank you so much!'*

Musical Memories Dementia Choir (Hamilton)

The Musical Memories Dementia Choir is an independent, volunteer-run choir for people with dementia and their carers, which meets at St John's Church, Hamilton on a weekly basis. During this summer, however, their usual home, in the church hall, closed to the public. Low Parks Museum were pleased to be able to support the group by providing a summer home from home, in the auspicious surroundings of our eighteenth century Assembly Room. With a baby-grand on site and fabulous acoustics, the choir could continue meeting throughout the holiday period, while enjoying the facilities provided in our fully accessible venue. The Museum also provided group members with the chance to extend their time together and we were pleased that so many took the opportunity to spend time in our Mezzanine Café following their musical meetings. Following further discussion, this seasonal support is set to continue indefinitely, and we look forward to welcoming the choir back next summer.

Supporting Families Rock Up & Ride

Supporting Families is a multi-agency partnership project focused on improving whole family wellbeing for families from our most disadvantaged communities including providing health and wellbeing interventions and afterschool provision for children. This summer SLLC, as a main partner, arranged for Supporting Families children to attend free cycling sessions and access free cycling equipment. The scheme, provided by Scottish Cycling, is known as Rock Up & Ride, where children aged 5-14 can attend four hours' worth of cycling sessions to gain skills, knowledge and confidence on two wheels. On completion of the four hours, the children are eligible to receive a free bike and safety equipment including a helmet, reflectors and a lock. By the end of the programme 17 of the 22 children who attended had completed the sessions and received a new bike and equipment and continued to develop their confidence and cycling skills over progressive sessions. We also used this programme as an opportunity to signpost our families to other activities in the local community.

Parent testimonial: *'The children learn to cycle and enjoyed it at the same time. After they learnt, they were all the time on the bike. They were excited to show their cycling to their dad and friends. For me it was good to see them cycling, because I was feeling guilty that I could not give them one to one time so they could learn. I enjoyed to bike with the baby as well.'*

Organisational Sustainability – We will develop a business model that allows sustainable provision of quality services in priority 2023 (Year 2) – Priorities, Activities and Achievements

Key Priorities	Priority 1 (OS1) Develop a financially sustainable business model which optimises income and utilises diverse funding streams	Priority 2 (OS2) Develop our people ensuring staff remain highly skilled and are supported to deliver the best standard of customer service	Priority 3 (OS3) Review our facilities to ensure we have financially sustainable spaces to enable quality service provision	Priority 4 (OS4) Reduce waste and energy usage and seek new ways to be more energy efficient across our services
	<p>The SLLC Estates Review group, which is part of the Organisational Sustainability Working group, has completed a review of facilities and identified venue that may provide future options for co-location. This work is running in parallel to the Council led Asset Review.</p> <p>Initial work has commenced to develop a financial 5-year plan that we will use to inform operational and venue related planning to allow us to develop scenarios and understand the financial impact of potential operational decisions.</p> <p>The Workforce Plan is being reviewed and business cross over is being examined. A PESTEL analysis will be carried out as part of this process.</p> <p>A review of the SLLC induction processes has been undertaken and our HR section is working with service areas to ensure there is consistency within facility induction along with a robust recording system in place.</p>			

Capital Projects

None to report this quarter

5. Emerging Challenges

The following challenges remain

- Inflation remains high and it is anticipated to fall in future quarters however prices will continue to increase.
- Utilities have been pre-purchased however it is anticipated that costs are likely to remain high.
- The employment market remains competitive

Some of our older facilities require investment to bring to modern standards or to halt any further deterioration

6. What we did well

Swimming Lessons: Dollan Aqua Centre

A huge thank you to your Swim Coaches; both my children have been on the crash course throughout the summer and the coaches have been outstanding, they are very knowledgeable, kind, caring and go above and beyond to teach children how to swim, they are both very caring and my children have loved every minute of their lessons and it's given them so much confidence to get into the water now and swim on their own.

Wedding: Rutherglen Town Hall

The entire experience was wonderful due to the efforts of the staff who made the day. Every part of the day was first class, including the meal and service. Please accept my heartfelt thanks for the exceptional staff who made the day.

Carlisle Leisure Centre:

Lovely young lady on reception today, friendly, approachable lovely mannerisms, smile, and kind words for everyone. Clearly knows her customers.

Customer Recognition

Borrow Box: Hamilton Town House

Having mentioned I was having trouble reading due to issues with my sight your staff took the time to set up Borrow Box for me and explained how it works. Thank you, staff totally exceeded my expectations.

Chatelherault Country Park:

My amazing visit to your country park this morning! Not only was the park and facilities clean and well maintained but your staff are the real reason I'm emailing today. I am a new mum and after a rough night with my teething baby I needed out of the house. I was made to feel so very welcomed by all your staff. I left the park overwhelmed by all the kindness of staff; it does go to show that you never truly know the impact you have on the days of others.

Libraries: Online Access:

A quick word of appreciation for this vital service; after my laptop broke and I couldn't afford to replace it, I now do 90% of my online business and leisure using library facilities, without these I'd be virtually stranded.



Report

Report to:	Board of Trustees
Date of Meeting:	15 November 2023
Report by:	Ross McKie, Head of Corporate Services

Subject:	Revenue Budget 2023/24
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1. Background

1.1. The purpose of the report is to:

- ◆ Update the Board on the most recent 2023/24 budget monitoring position as at 30 September 2023.
- ◆ Provide an update on the draft outturn position for 2023/24.

2. Recommendations

2.1. The Board is asked to approve the following recommendation:

- (1) That the content of the report be noted.

3. Background

- 3.1. This report follows a previous report to the Board on 9 August 2023 regarding the 2023/24 budget which indicated a balanced budget for the year, highlighting significant risks and items that were unquantifiable at that time. This report provides an update on the 2023/24 budget monitoring position as at 30 September 2023 following a robust review of income and expenditure to date across all service areas.
- 3.2. South Lanarkshire Leisure and Culture (SLLC) still faces pressures resulting from changes to the funding model which have led to the transfer of some additional liabilities from South Lanarkshire Council (SLC or the Council) to SLLC as an alternative to the Council seeking savings from SLLC in previous years. These include:
- ◆ Utilities – increases in utility costs are now met by SLLC where they were previously met by SLC.
 - ◆ Pay Award – The exact figure for this year has yet to be determined and is dependent upon Trade Union and COSLA agreement.
 - ◆ Apprenticeship levy.
- 3.3. Additional utility costs due to industry price increases have been provided for in the Outturn.
- 3.4. The ongoing repercussions of the pandemic continue to have a negative impact on business recovery with income not yet at pre-Covid levels. This is exacerbated by the increased cost of living, resulting in less expendable household income and abnormal inflationary pressures increasing the cost of service provision.

- 3.5. The decision taken by SLC to phase the implementation of the concessionary rates for under 16's sports clubs over three financial years, as reported at the Board meeting on 17 May 2023, creates an additional financial pressure in the region of £0.150m - £0.300m. When taking this decision the Council noted there would be 'no detriment' to SLLC services. We will continue to monitor the situation of the coming months as discussions with the Council to seek a resolution continue.

4. Position at 30 September 2023

- 4.1. The current position is an underspend position of £0.034m. This reflects significant underspends in employee costs of £0.801m driven by vacancies but offset by overspends in IT and irrecoverable VAT (£0.263m), insurance and central administration (£0.174m) and finally under recoveries in income (£0.368m), primarily attributable to Sport and Physical Activity and the ACE programme.
- 4.2. Monthly finances continue to be closely monitored with remedial action being taken as required to manage budgets as effectively as possible.
- 4.3. Work has been undertaken by the Finance Team to more accurately reflect specific income and expenditure being incurred and to enable more accurate forecasting. This exercise was completed in conjunction with the development of the draft financial outturn for 2023/24, both of which have informed the work by the Leadership Team to model the budgetary requirements for 2024/25 and 2025/26, including expected pressures and savings. From this process a new base budget will be established which is more reflective of service costs and income.
- 4.4. Prior to the potential impact of the 2023/24 pay award, the draft outturn projection for 2023/24 is an overspend of (£0.373m). This assumes that SLC will provide the full £1.5m of one-off funding intimated for 23/24.
- 4.5. Within this position, SLLC had provided for a level of pay award, however based on the latest proposals, this overspend could rise to circa £1.506m subject to final settlement. As mentioned in Section 3.2, this highlights the significant pressure that self-funding pay awards exerts on SLLC, of which there is no control over the level of pay award set or means to receive additional government funding which the Council has access to.
- 4.6. At present, any underspend in employee costs would effectively be used to fund the pay award costs in 2023/24 with the remaining outturn overspend mainly comprising of an under recovery in income of (£0.748m), including the aforementioned loss of concessions income and overspends within supplies and services related to IT and irrecoverable VAT (£0.470m), administration costs related to central costs and insurance (£0.232m).
- 4.7. As reported as part of the final 2022/23 accounts position, the balance on general reserves was £0.806m. The outturn projection is currently £0.373m, rising to £1.506m based on pay award projections. To offset this budget gap will require the full use of reserves reducing the gap to £0.700m. Further mitigations are detailed in the next section.

5. Next Steps

- 5.1. Continued monthly monitoring will be undertaken with the draft outturn position refined and potential corrective actions identified by the SLLC leadership team for implementation in order to mitigate as much as possible, the overall overspend forecast for 2023/24.
- 5.2. Potential actions being considered to close the gap from the projected outturn position to breakeven include:
- ◆ The loss of income from the change in the concession policy – estimated to be in the region of £0.150m-£0.300m.

- ◆ As highlighted at the board Q&A session on the 25 October, an option is being explored, subject to relevant legislative checks, to transfer utilities costs to SLC for buildings which SLLC operate. This is similar to other local authority and trust arrangements with this practice currently expanding across Scotland. This is expected to create an overall reduction in costs of £0.025m per month although the initial start date and overall costs of aforementioned legal check have yet to be fully quantified.
- ◆ Reducing further non-salary related expenditure to essential only items and any steps that can be taken to increase income prior to the end of the financial year.
- ◆ The utilisation of reserves (£0.806m) is a likely scenario at present but it is hoped this can be minimised wherever possible.

5.3. It should be noted that without the additional pay award funding pressure as highlighted in Section 4.4, the above mitigations could potentially be sufficient to achieve a breakeven position by financial year end.

5.4. Staff will continue to liaise closely with SLC officers and an updated position will be presented at the January Board meeting.

6. Employee Implications

6.1. There are no employee implications arising from this report.

7. Financial Implications

7.1. The report highlights the risk of SLLC ending the year with a funding gap.

8. Other Implications

8.1. There are no other implications in terms of risk and sustainability.

9. Equality Impact Assessment and Consultation Arrangements

9.1. There is no requirement to carry out an impact assessment or consultation in terms of the proposals contained within this report.

Ross McKie
Head of Corporate Services

15 November 2023

Links to SLLC Objectives

- ◆ Organisational Sustainability
- ◆ Health and Wellbeing
- ◆ Connected and Engaged
- ◆ Equality and Inclusion

Previous References

- ◆ None

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers, if any, or want further information, please contact:

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 E-mail: ross.mckie@southlanarkshireleisure.co.uk

Appendix 1

South Lanarkshire Leisure and Culture - 2023/24 Forecast Outturn Report

	23/24 Budget (£m)	23/24 Base Outturn (£m)	2023/24 Revised Outturn (£m)	Variance (£m)	Notes
Employee Costs	26.599	25.355	26.488	0.111	a.
Property Costs	8.712	8.490	8.490	0.222	b.
Supplies and Services	2.615	3.085	3.085	-0.470	c.
Transport and Plant	0.126	0.128	0.128	-0.002	
Administration	1.439	1.671	1.671	-0.232	d.
Payments to Other Bodies	0.384	0.530	0.530	-0.146	e.
Payments to Contractor	0.676	0.673	0.673	0.003	
Financing Charges	0.195	0.338	0.338	-0.143	f.
Trade Expenditure	0.611	0.712	0.712	-0.101	
Gross Expenditure	41.358	40.983	42.115	-0.758	
Income	-39.804	-39.414	-39.414	-0.390	g.
Trade Income	-1.554	-1.195	-1.195	-0.358	h.
Net Expenditure	0.000	0.373	1.506	-1.506	

Notes

- Underspend - Base outturn adjusted for Pay Award Estimate (£1.038m) and Management Team Costs not in Original Outturn (£0.095m). Underspend in vacancies offsetting costs for pay award.
- Underspend - Gas offset by overspend in Electricity.
- Overspend - IT and Irrecoverable VAT.
- Overspend - Central Costs and Insurance.
- Overspend - Licences & professional fees.
- Overspend - Bank Charges and Interest.
- Under Recovery - ACE memberships, various other income lines offsetting.
- Under Recovery - Vending Machine and Bar Income Primarily.

Potential Outturn Actions to Address Overspend

	£(m)
Discussions with SLC regarding additional funding from SLC as a result of the delay in implementing the change in concession policy	£0.150m - £0.300m
Restructuring Utilities Payments so these are paid by SLC, creating overall cost reduction.	TBC
Reducing further non-salary related expenditure to essential only items and any steps that can be taken to increase income prior to the end of the financial year.	TBC
Utilisation of reserves	£0.806m
Total Value of Potential Outturn Actions	£0.956m - £1.106m



Report

Report to:	Board of Trustees
Date of Meeting:	15 November 2023
Report by:	Kay Morrison, Chief Executive

Subject:	Price increase and savings proposals 2024/25
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1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ Present proposals to balance the projected £6.591m budget gap for 2024/25.

2. Recommendations

2.1. The Board is asked to approve the following recommendations:

- (1) That the projected budget gap as outlined at 3.4 for 2024/25 is noted.
- (2) That South Lanarkshire Council's budget option that the Management fee provided to SLLC to operate Leisure and Culture services on its behalf is reduced by £1.5m is noted.
- (3) That the one-off mitigations as outlined at 4.2 and 4.3 are noted.
- (4) That the options to increase income as outlined 4.4 – 4.12 are noted.
- (5) That the recommendation to South Lanarkshire Council (SLC or the Council) as outlined at 4.8, to increase the Activage charge from £80 to £120 is approved.
- (6) That proposals to reduce expenditure as outlined 5.1 – 5.21 are noted.
- (7) That the criteria developed to assess the facilities currently operated by SLLC as outlined at 5.17 are approved.
- (8) That the Board consider whether any of the options outlined in the report present a sufficiently high enough risk as to jeopardise the future sustainability of services.
- (9) That the communication and consultation plans are approved (appendix 5 and 6).
- (10) That the Board note that detailed proposals will come forward in February for Board approval.

3. Background

- 3.1. This report follows a Board briefing session which was held on 25 October 23 to indicate the projected financial position and provide an update on the development of options available to the Board to balance the budget for the 2024/25 financial year.
- 3.2. Leisure and Cultural Trusts and SCIOs across Scotland continue to face increased pressure on their budgets and the majority are considering, or have implemented, price increases, and many have had, and are continuing to explore, a reduction in the scope of their services.
- 3.3. South Lanarkshire Leisure and Culture (SLLC) continues to experience extraordinary financial pressures due to high levels of inflation on areas including pay, utilities and contracts. The continuing cost of living crisis continues to impact on the capacity of SLLC to generate income from service users.
- 3.4. The assumptions on which the budget forecasts are based, contain a number of challenges in that there is a degree of uncertainty around future inflationary pressures, utility costs and

future pay awards. The anticipated ongoing budget pressures for 2024/25 are detailed below.

Table 1: Base Gap Estimate

Category	Option A – Current
Base Budget Gap	
23/24 Outturn projection (aided by vacancies)	£1.506m
Employee costs (vacancies filled to meet standard operational staffing levels)	£2.039m
Pay Award	£0.792m
Utilities	£0.714m
South Lanarkshire Council one off Funding for 23/24 Removed	£1.500m
RPI Inflation	£0.040m
SLLC Budget Gap	£6.591m
South Lanarkshire Council budget option reduction in Management Fee if agreed	
	£1.500m
Total Budget gap	£8.091m

An additional financial pressure as a result of SLC decision to phase concession price increases over 3 years is included in the outturn projection.

- 3.5. Taking all of the above into account, the projected budget gap for SLLC for 2024/25 is £6.591m.
- 3.6. A core element of the SLLC budget is the management fee it receives from SLC for the operation of leisure and culture services on behalf of the Council. The management fee amount has not risen over the last 2 years, resulting in a real term reduction and increased financial pressures required to be covered by SLLC as operational costs have increased over that time.
- 3.7. It is understood that SLC is also facing significant financial pressures and savings options to be presented by Council Officers for consideration include the option of a reduction of £1.5m to the SLLC management fee. That being the case, the projected gap of £6.591m for 2024/25 would increase accordingly with further action required in order to balance the budget. If a £1.500m management fee reduction were to be implemented, the projected gap would rise to £8.091m (circa 20% of the overall SLLC budget).
- 3.8. The nature of the Council funding arrangements, due to the timing of its own settlement information from the Scottish Government means that decisions regarding Council budget are typically not taken until February of each year which presents challenges regarding SLLC's ability to undertake long term financial planning and a short window in which to implement any savings proposals in time for the start of the new financial year. Appreciating that SLLC does not have other strands of funding to pull upon or sufficient level of reserves.
- 3.9. In light of the significant financial challenges, officers aim to develop proposals that maintain as high a level of service as possible while ensuring the sustainability of the services in the longer term.
- 3.10. SLLC currently holds reserves of £0.806m which is lower than the OSCR recommendations that they should be available to sustain the organisation for three months.
- 3.11. In developing the savings proposals for 2024/25, SLLC officers have worked with Council colleagues and kept the Council Chief Executive, Depute Chief Executive and Director of Community and Enterprise Resources aware throughout. This is with the understanding that the independent SCIO status and relationship between the Council and SLLC requires the

Board to take the decisions on the options presented for consideration including price increases, efficiencies and rationalisation and to make recommendations to the Council in respect of concessions.

4. Options

- 4.1. SLLC has a range of options available to close the anticipated budget gap. In presenting these areas in detail below, it is recognised that there is a potential interdependence across the areas as decisions in one area may have financial consequences in another area or across other areas.

One-off mitigations (£2.581m) Appendix 1

- 4.2. **Reduced pension contributions (£2.281m)** – A potential one-off mitigation to the 2024/25 budget position is in relation to employer pension contributions. SLLC at present contribute 19.3% of an employee's salary to the pension scheme if opted into the pension scheme. The Pension fund has highlighted that it is overprovided and intends to ease this by reducing the amount employers are required to contribute over the next two years from the 19.3% to 6.5%. This creates a one-off benefit in the region of £2.281m in employee costs in 24/25 and £0.069m in 25/26. The pensions contribution then returns to closer to normal levels of 17.5% from 2026/27.
- 4.3. **Utilities VAT (£0.250m - £0.300m)** – An additional mitigation being explored involves the restructuring of utility payments so that the Council would pay these bills, rather than SLLC, creating an overall reduction in costs through the removal of VAT. A legal review of this process to ensure it is correct in terms of financial and charities regulations has been conducted. In order to implement this change in approach there will be one-off legal fees incurred for the required variation of leases which could be circa £50,000. It has been estimated that the financial benefit could be circa £0.025m per calendar month or £0.300m annually. Discussions between both organisations are ongoing with agreement from both required.

Increased income generation Appendix 2

- 4.4. **Commercial price increases (£0.841m)** – Price increases across all services have the potential to immediately increase revenue, however the pressures on disposable income faced by customers may have an adverse effect on income potential and it is important to strike the right balance to maximise income. As price increases will only apply to services that remain following any agreed savings proposals, the £0.841m projected additional income could be less due to the impact of the other measures, whether they be service reductions or efficiencies, and the financial modelling accommodates this with corresponding reduction to accommodate the rationalisation or efficiencies actions.
- 4.5. In 2023/24 prices were increased by 7% with the exception of fitness memberships. For 2024/25 each individual price has been considered and assessed in relation to performance against current income targets and benchmarking with other providers.
- 4.6. As a result, price increases would vary across different products and service areas with the average price increase circa 4%. However there are exceptions where price increases would be larger, for example, entry to Calderglen Zoo increasing from £2 to £4 for an adult and £1 to £2 for a child and increasing the fitness membership from £25 to £27. Compared to neighbouring authorities across the central belt our fitness membership remains extremely competitive and well below the average price, pitch prices overall sit approximately in the middle of the price range and while our swimming lesson membership is at the top of the price range demand remains high and oversubscribed indicating healthy market tolerance.
- 4.7. **Introduction of ticket booking fee (£25,000)**. SLLC do not currently charge a booking fee. The introduction of a booking fee for activities such as events at cultural venues, provides the opportunity to further increase income. Booking fees are typically charged by other Leisure and Culture Trusts such as GlasgowLife and are generally charged at around £1.50 to £1.75 per transaction. It is proposed that SLLC further explores the introduction of a booking fee.

Concession Recommendations – Activage (SLC decision) (£0.287m) Appendix 2

- 4.8. Concession levels continue to be agreed by SLC and are out with the locus of the Board. However, the Board are asked to agree a potential recommendation to SLC regarding changes to the Activage scheme.
- 4.9. Recommendations regarding increases to concession rates were provided to SLC last year, with the exception of Activage. This is a universal product that provides South Lanarkshire residents aged 60+ access to leisure facilities including swimming and health suites, East Kilbride Ice Rink, cultural and libraries activities, golf courses and more (Appendix 4).
- 4.10. The cost of the membership for residents aged 60+ is £80.25 for the full year to be paid in one or two instalments at set points in the year.
- 4.11. It is proposed that the Board recommend to SLC, an increase to Activage from £80.25 to £120 - an increase of £39.75 over the year. This would be accompanied by the introduction of the facility to spread the cost over the year, at £10 per month to ease the transition to the new offer.
- 4.12. Following approval of the recommendation by the Board, a report will be submitted to SLC for decision.
- 4.13. As previously agreed by the Board, an annual review of commercial pricing will be conducted and proposals for adjustments in line with market tolerances and other relevant factors will be brought to the Board as required throughout the year.

5. Reduced expenditure

- 5.1 **Service efficiencies** – Service efficiencies have been made each year for the last ten years including reductions in management and support posts and reductions in central support budgets as these are often perceived as ‘easy’ savings with no impact on the delivery of services. However, it is prudent to note that such reductions have limited the opportunities to increase income generation, secure additional funding and sponsorship, develop new products and offers and to complete key projects within required time scales. As a result of a decade of efficiencies, few options remain for further efficiencies without undermining the sustainability of the services and the opportunities to retain existing customers and grow successful areas of the business.
- 5.2 Options for efficiencies allow for £0.461m of savings and centre around reducing services or the support to services and include the following:
 - ◆ Removal of management posts from the structure (£0.150m)
 - ◆ Reduction in library book fund and call off service (£0.093m)
 - ◆ Removal of Grant Funding for Community Managed Halls (£0.028m)
 - ◆ Removal of budget in relation to the ACE Programme (£0.185m)
 - ◆ Reduction in outdoor operations costs (£0.005m)

Reducing operational staffing levels – Additionally there is the option to reduce the operational staffing levels in line with current vacant posts across the organisation (with the exception of posts which are required for legislative or health and safety reasons).

- 5.3 Presently SLLC has a number of vacancies across all sites. These have arisen due to a challenging employment marketplace and a current hold on some recruitment to help balance the budget for the current year. The current level of service provision is reflective of holding some vacancies and replacing some vacancies on a temporary basis via a mix of the deployment of casual staff and additional overtime hours for existing staff. The budget value of the number of vacancies outlined in table 1 (£2.039m) remains an estimate at this stage with further work required to finalise, therefore savings associated with this are estimated within a range for the purposes of this report.
- 5.4 The current reduced staffing contingent has led to unplanned reductions in service such as halls having to be closed more often and unable to accept bookings when requested, leisure centres closing much earlier than scheduled and parts of buildings out of operation due to insufficient staffing levels and staff being taken from one facility and moved to another, prioritising one facility over another. This has resulted in customer and Councillor complaints, an inconsistent service provision and a detrimental impact on income.
- 5.5 This option has the potential to generate efficiency savings, noting that any current service reductions or restrictions resulting from reduced staffing levels would not be reversed and would become the standard level of service provision. Essentially, the remaining facilities will have less capacity at a time when they are expected to be in higher demand due to the likely requirement to reduce the number of operating locations, as outlined in the risk register (Appendix 7).
- 5.6 Staff continue to manage the current situation to the best of their ability through the use of casual staff and offering overtime as an incentive for existing staff to undertake additional work, to cover the gaps in operations. It is prudent to note that removal of the vacant posts would also mean removal of the budget for that post and any gaps currently covered by the use of casual staff and overtime payments will be removed, resulting in a lower level of service provision than customers are currently experiencing.
- 5.7 **Reduction in the core business support budget** – Beyond the base costs associated directly with the running of a facility, a number of core business operation costs exist which cover the whole of SLLC. The total combined budget from these areas is around £8.8m however a significant proportion of those budgets are uncontrollable or unavoidable. These budgets have been reduced in recent years with examples including a reduction of marketing, staffing and associated budgets, a reduction in senior manager posts from eight to five, reduced central budgets, and reduction in the book fund.
- 5.8 The core business operation budget is central to the successful operation of the business. It enables the operation of the buildings and includes essential expenditure in a number of areas including; insurance, health and safety, finance, IT, marketing, customer services (Appendix 3).
- 5.9 There may be scope for further reductions in some controllable elements of this budget in future years, beyond what is already included in section 5.2 of the report. Further savings may be realised following other service reductions outlined in the report, as the business is realigned and able to make use of the Council's transition fund to introduce systems that support the streamlining of some operations. These savings are anticipated to be achievable for the 2025/26 financial year.
- 5.10 **Transformational Working groups** were established in partnership with the Council last year to explore other potential areas for efficiency. Efficiencies identified by the groups will continue to be incorporated into the budget projections throughout the year.

Table 2: Summary of Budget Solution Options

Options for Meeting Budget Gap	
Current Savings from Core Business Operation Budget	-£0.461m
Vacancy Potential - Current Venue Operating Model	£0-£2.039
Any further Savings Potential	TBC
Utilities	-£0.300m
Pension Contributions	-£2.281m
Introduction of Booking Fee	-£0.025m
Commercial Price Increases	-£0.841m
Activage Price Increase	-£0.287m*
Rationalisation of Service up to -	£1.857m- £3.896m
Total Options	-£8.091m
Revised Budget Gap Including Options	
	£0.000m

*Requires SLC approval.

Rationalisation of services (£1.857m to £3.896m)

- 5.11 Both South Lanarkshire Council and SLLC recognise that there are challenges regarding the estate. These include an historic under investment in facilities and the significant pressure on limited budgets for repairs and maintenance which have led to a portfolio of deteriorating buildings, some of which have had to close due to failure, while others are temporarily closed for long periods of time for major repairs or areas of the building are not operational. These challenges impact the ability of SLLC to provide a consistent service at an acceptable standard to customers, increase income generation and retain existing customers.
- 5.12 It is understood that SLC's capital budget is also significantly reduced with no certainty of future investment or replacement of deteriorating buildings and a large amount of investment required to achieve the net zero targets set for Local Authorities.
- 5.13 In recognition of the above, South Lanarkshire Council has commenced a review of its assets, including those operated by SLLC, and SLLC officers have been supporting the process as required. The financial pressures experienced by both SLC and SLLC this year are however significantly greater than when the asset review process commenced earlier in 2023/24 and the outcome of this review is unlikely to generate the scale of savings that need to be considered in setting the 2024/25 budget. It is understood that the formal asset review is not anticipated to be finalised or any decisions taken regarding those outcomes, until after the Council budget has been set for 2024/25.
- 5.14 That being the case, in order to adhere to the financial responsibilities that SLLC carries, SLLC now has to consider the assets it operates in light of the financial pressures it faces as well as the potential budget option from SLC to further reduce the management fee by £1.5m.
- 5.15 The Council has agreed a Transformation Fund for investment in SLLC facilities. This capital investment will initiate a Leisure and Culture Transformation Fund of approximately £13m. The fund will help modernise the leisure and culture estate, optimise use of retained assets and assist in the transition towards net zero.
- 5.16 Rationalising services involves a reduction in the number of operating locations for SLLC services. Two modelling options will be considered, correlating to two different budget levels.
- 5.17 The first will model what the rationalisation of facilities would look like if SLLC were required to balance the budget for 2024/25 based on the existing pressures only (£6.591m, circa 16% of the total budget for SLLC). The second will model what the rationalisation of facilities

would look like if South Lanarkshire Council decide to reduce the management fee it provides to SLLC by £1.5m (£8.091m, circa 20% of the total budget for SLLC).

- 5.18 In setting out the approach to rationalisation, officers have considered three weighted key criteria in order of priority shown below:
- ◆ Strategic importance (40%)
 - ◆ Which buildings can we offer more services from than others (Hub).
 - ◆ Which services provide positive financial pay back to the business.
 - ◆ Ability to deliver a high number and wide range of services to the community, more flexible use of space, higher volume of users. Multiple offering simultaneously.
 - ◆ Geographic spread/Reach (35%)
 - ◆ Distribution of facilities across the four areas of South Lanarkshire.
 - ◆ Core provision of Wet side, Dry side, Cultural Venues, Libraries in each of the four areas.
 - ◆ Alternative facilities and services nearby.
 - ◆ Financial impact (25%)
 - ◆ Cost to operate vs level of usage (cost per visit).
- 5.19 These criteria enable officers to objectively develop modelling based on how well each facility meets each of the criteria. The rationalising of services modelling is aligned to SLLC's strategic objectives which are reflective of the Council Plan and the national health objectives.
- 5.20 It looks at our capacity to offer an attractive and affordable provision enabling residents to live healthier, happier and more connected lives. It incorporates the service or venues of strategic importance to the business. It also considers requirement for the provision of adequate library facilities (Local Government (Scotland) Act 1973).
- 5.21 In some instances alternative provision will be available within a reasonable distance of impacted facilities or the facility could be operated independently as part of a Community Asset Transfer. Additionally, the reprovision of services to alternative locations is being actively considered in light of any service reductions however, it is unlikely that all activities will be able to be re-provided due to the financial constraints.
- 5.22 Action will be required in respect of the rates levy for any facilities which are handed back to the Council as after an additional period the property will no longer qualify for empty property relief on rates. SLLC officers have commenced discussion with the Council on this issue to ensure that rates will not impact the effectiveness of the savings proposals and that, should the proposals be agreed by the Board, the Council is able to take action to avoid a new rates liability.
- 6. Next Steps**
- 6.1. A communications plan has been developed as outlined in Appendix 5 addressing communications to staff, stakeholders and customers.
- 6.2. Consultation will take place from 24 November to 20 December 2023 as outlined in Appendix 6. Following consultation final proposals will be brought to the Board at its meeting in February 2024.
- 6.3. We currently await dates to provide briefing sessions for Councillors which we understand will take place before SLLC's public consultation commences.
- 6.4. As previously agreed by the Board, an annual review of commercial pricing will be conducted and proposals for adjustments in line with market tolerances and other relevant factors will be brought to the Board as required throughout the year.

- 6.5. A risk register has been compiled noting the key risks associated with the proposals and will continue to be developed throughout the process (Appendix 7).
- 6.6. Net Zero offers the opportunity to contribute positively to the climate challenge and may in itself result in long term savings. SLLC officers will continue to engage with the Council to explore Net Zero investment to progress a transition to Net-Zero, energy efficient and climate resilient buildings.

7. Employee Implications

- 7.1. Both the service efficiencies and rationalisation of services require a reduction in staffing levels. However exact figures will only be known when proposals are further developed.
- 7.2. The aim would be to redeploy affected staff into existing vacancies or arising vacancies that result from natural turnover. SLLC officers have commenced discussion with the Council regarding opportunities for redeployment to Council services where that may also be required, in line with the current agreement between the two organisations. The scale of efficiencies and service reductions mean that it will be significantly more challenging to effect redeployment to the same timescales as in 2023/24.
- 7.3. Trade Union consultation will be undertaken and along with staff consultation, would be conducted in line with existing policy and procedures. During the period prior to Board decision, we will continue to engage with Trade Unions and provide communications to our staff in line with the communications plan.

8. Financial Implications

- 8.1. The implication of the above report is that SLLC would be unable to operate with a balanced budget for 2024/25 without additional investment or reducing service provision in some capacity. Should the Council decide to reduce the management fee by £1.5m, this will require a higher level of savings to be met. Achievement of full savings will be dependent on the ability to re-deploy staff and withdraw from some operating sites, any delay in this will have a budgetary impact.

9. Other Implications

- 9.1. There are no other implications in terms of risk and sustainability.

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. Initial consultation has taken place with the Council and a public consultation will take place with our customers, stakeholders and staff from 24 November. An initial Equalities Impact Assessment has been conducted in relation to the proposals and will be further developed with a final assessment included in future reports.

Nick Lansdell

Head of Strategy and Governance

15 November 2023

Links to SLLC Strategic Objectives

- ◆ Organisational Sustainability
- ◆ Health and Wellbeing
- ◆ Connected and Engaged
- ◆ Equality and Inclusion

Previous References

- ◆ None

List of Background Papers

- ◆ Local Government (Scotland) Act 1973).

Contact for Further Information

If you would like to inspect the background papers, if any, or want further information, please contact:

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Ext: 8454319 (Tel: 01698 454319)
E-mail: nick.lansdell@southlanarkshireleisure.co.uk

Appendix 1 – Summary of savings proposals

Total savings proposals for SLLC decision

	£(m)
Base Budget Gap	
23/24 Outturn Projection	£1.506m
Pay Award and Utilities	£1.506m
One off Funding for 23/24 Removed	£1.500m
RPI Inflation	£0.040m
Employee Cost Budget Reinstated for Redeployment	£2.039m
Base Budget Gap	£6.591m
Management Fee Reduction Proposed	£1.500m
Total Gap (Including Management Fee Reduction)	£8.091m
Options for Meeting Budget Gap	
Current Savings from Core Business Operation Budget	-£0.461m
Vacancy Potential - Current Venue Operating Model	£0-£2.039m
Any further Savings Potential	TBC
Utilities	-£0.300m
Pension Contributions	-£2.281m
Introduction of Booking Fee	-£0.025m
Commercial Price Increases	-£0.841m
Activage Price Increase	-£0.287m
Rationalisation of Service up to -	-£1.857m- £3.896m
Total Options	-£8.091m
Revised Budget Gap Including Options	£0.000m

Appendix 2 – Commercial price increases

Increase average of 4%
£1.128m (reducing in line with other savings proposals)

Individual price increases for classes based on 4% increase: A 4% rise with prices rounded to the nearest 5 pence. Outliers are detailed separately in the report and below.

	2023/24 (7%)	2024/25
Pay to play gym (adult)	£7.25	£7.50
Pay to play fitness class (adult)	£6.70	£6.90
Swim (adult)*	£4.55	£4.70
Swimming lesson (child) membership	£29.60	£30.50
Swimming lesson 1:1	£21.95	£23.50
Pitch – grass (11's Grade – B)	£59.95	£62.30
Pitch synthetic 11's	£74.90	£77.90
Pitch synthetic 7's	£53.50	£55.60
Badminton court	£12.25	£12.90
Adult dressmaking class (2 hours)	£12.25	£13.00
Adult class concession	£9.00	£9.70
Adult guitar class (1 hour)	£8.05	£8.40
Adult dance class (1 hour)	£5.85	£6.15
Adult photography class (1.5 hour)	£8.10	£8.50
Adult stained glass class (3 hours)	£23.20	£24.30
Adult art class concession	£17.60	£18.50
Children's art class	£5.85	£6.15
Children's art class concession	£2.90	£4.60

	Current price	2024/25 price
Activage	£80.25	£120.00
Booking Fee	£0.00	% of charge up to max £1.50
General Membership Fee	£25.00	£27.00
Calderglen Zoo entry	£2 (Adult) £1 (Child) Under 3 Free	£4 (Adult) £2 (Child) Under 3 Free

Appendix 3 – Core business operation budget expenditure

Area	Description	2024/25 Budget	2024/25 Savings	2024/25 Budget Revised
ACE	This is overall gross and net cost of operating the ACE programme. There is no specific employee budget but a number of FTE work here which is supported by income. Subject to reduction of £0.188m for 24/25 savings, removal and remodelling of ACE.	£234,650	-£184,650	£50,000
Halls Coordination and Programming	Overall halls management and booking function. Area based officers providing support & coordination of halls provision.	£386,710	£0	£386,710
Community Managed Halls and Grants	This is grant funding provided to a variety of Community Managed Hall Committees	£28,000	-£28,000	£0
Library Coordination and Content Provision	This includes bibliography, library support (including book fund), service development areas and book delivery.	£1,065,790	-£93,010	£972,780
Museums - Development, Storage and Collections	This includes museum development, storage and collections costs. Required for the preservation of cultural and heritage assets of the Council.	£305,830	£0	£305,830
Outdoor Coordination and Content Creation	This includes management, development and delivery of outdoor activities including general costs not specific to one venue, country park or golf course. It also includes letting activities for minor pitches within the 4 geographical areas.	£814,780	-£5,000	£809,780
Leisure Sites Coordination and Overall Structural Management	This includes health and safety, overall management and coordination of SPA services. A significant proportion of this cost also relates to overall contribution to active schools which is significantly funded by Sport Scotland likewise with funding from HSCP. Supports recruitment and retention of circa 1000 volunteers.	£814,310	£0	£814,310
Venues Product Development and Coordination	This relates primarily to the development and delivery of arts and culture programmes delivered in venues including voluntary arts.	£157,610	£0	£157,610
School Lettings	This is primarily made of the costs which SLLC pays for janitorial services for lets, offset by the income received in letting operations.	£227,350	£0	£227,350
Business Essential Costs and Operations	Required for successful business operation. Insurance payments, VAT, renewal of gym kit, pension costs, IT, corporate services and business development staff costs, Payments to SLC, rent, bank charges, Marketing, depreciation, Equipment interest etc.	£5,358,540	-£150,000	£5,208,540
Overall Total		£9,393,570	-£460,660	£8,932,910

Appendix 4 – Activage scheme benefits

Activage members get access to:

- ◆ 9 swimming pools
- ◆ 16 fitness gyms
- ◆ 9 health suites
- ◆ Racquet sports
- ◆ Fitness classes
- ◆ East Kilbride Ice Rink
- ◆ Libraries activities
- ◆ Cultural activities
- ◆ Golf courses (conditions apply)

In addition, there are a number of bespoke services and classes which are specifically designed for older adults:

- ◆ Active Mondays: John Wright Sports Centre
- ◆ Active Tuesdays: Alistair McCoist Complex
- ◆ Active Wednesdays: Larkhall Leisure Centre
- ◆ Active Thursdays: Carluke Leisure Centre

Benefits

- ◆ Active Days are inclusive sessions allowing people to try a variety of different leisure and culture activities such as specially designed fitness sessions, music recitals, tea dances, walking football, Aquafit, free course of swimming lessons, personalised fitness programme. Attending the activities also provides the chance to have a cup of tea/coffee and a chat.
- ◆ Sign up at one of our five cultural venues and benefit from a one off offer of £20 off a ticket to a performance of your choice.
- ◆ Six free rounds of golf per year at any of our six golf courses, Monday-Thursday.
- ◆ Free one hour introductory session on how to research your family history.
- ◆ Access to library digital sessions, including how to access useful Apps, iPad basics or 3D printing workshops.
- ◆ Buy one coffee and get one free during specified times at:
 - ◆ East Kilbride Arts Centre Mon-Fri 9:00am-4:00pm
 - ◆ Rutherglen Town Hall Mon-Fri 9:00am-4:00pm
 - ◆ Chatelherault Country Park 3:00pm-4:30pm, plus receive 20% off at retail shop
 - ◆ Low Parks Museum Mon-Fri 1:00pm-2:30pm, plus receive 20% off at retail shop
- ◆ Free pay to play with bowls hire at HPSG, Brancumhall and Strathaven Park, Tue-Thu
- ◆ Free tennis court hire HPSG and Strathaven Park (anytime – max 1 hour play)
- ◆ Free putting at Strathaven Park, 11am onwards Free pitch and putt at Brancumhall Golf Development Centre

Appendix 5 – Communications Plan

SLLC Communications Timeline – November 2023 to January 2024

Date	Activity	Comments/Actions
Wednesday 15 November	Board meeting	Draft savings report tabled. Related media holding statement shared.
Thursday 16 November – Monday 20 November	Briefing to Elected Members	Update offered following the board meeting and before staff communications.
Monday 20 November	Extended Management Team meeting	Update on draft savings report and ask EMT to disseminate messaging to staff the day after.
Tuesday 21 November	Staff meetings	Update given to their teams by the Extended Management Team.
Friday 24 November – Wednesday 20 December	SLLC consultation can go live	<p>Communication to all stakeholders and the public. Distributed to key partners community councils, sports councils, clubs, residents, elected members and staff.</p> <p>Posters and flyers with links to the consultation placed in all our venues and details on the website and social media.</p> <p>Hard copy means of participating in the survey to be made available.</p> <p>Approved media statement available for use.</p>
Monday 15 January	Extended Management Team	Update on the consultation and any other further developments.
Wednesday 28 February	Board meeting <ul style="list-style-type: none"> Detailed proposals tabled 	Requirement for open and detailed comms to staff, elected members, stakeholders and media.
October – January and beyond	We need to be ready to react to ongoing FOI enquiries and contact from the media and others.	Liaise with SLC media team. Approved media holding statement available for use.

Appendix 6 – Consultation Plan

<p>Wednesday 22 November – Wednesday 20 December</p>	<p>Public consultation can be live and to run for a period of four weeks, This will be informed by the style and approach of the SLC initial consultation which ran until 10 November.</p>	<p>Posters and flyers with links to the consultation placed in all our venues and details on the website and social media. Hard copy/on-site means of participating in the survey to be made available.</p>
<p>Wednesday 22 November – Wednesday 20 December</p>	<p>Consultation with stakeholders. Distributed to key partners (including SportsScotland, Creative Scotland, SLIC, NHS), community councils, sports councils, clubs.</p>	<p>Email consultation with key contacts within partnership organisations eliciting views on our service provision and the importance placed on SLCC as a vehicle for programme delivery.</p>
<p>Wednesday 22 November – Wednesday 20 December</p>	<p>Consultation with representatives of Community Managed Halls committees over proposal to withdraw grant payments.</p>	<p>Face to face meetings offered to the chairs and Vice chairs/Board secretary from each committee in order to better understand the legacy grant payments and potential for increased ownership of the halls.</p>

Appendix 7 – Risk Register

No	Risk	Risk Description	Risk level (Low/med/high)	Controls	Comments
1	Staffing - redeployment	Availability for redeployment options Implementation Timescales	High	Switch 2 Build in budgetary contingency	Savings and redeployment and SLC capacity for accommodating redeployments. Risk depends on scale of FTE to be redeployed. Level of contingency to be developed and modelled into scenario planning.
2	Staffing - pay	Uncertainty around pay awards for 23/24 and 24/25 and level of any SLC funding	High	Build into modelling	Build in reasonable estimates based on current COSLA proposals Further discussions with SLC required to agree how to support robust financial planning regarding pay awards in future years.
3	Staffing – removal of vacancies (while maintaining facilities)	Budget removals means that over-time/casuals cannot provide service continuity resulting in additional service reductions compared with current service levels Increased pressure on existing staffing who report being stretched and under increasing pressure. Some facilities will remain closed through current circumstances rather than the result of a considered decision using agreed criteria as vacancies cannot be filled. Income will reduce due to the reduction in times that facilities are available to be used (with reduced accessibility for customers at peak time and proposed	High	Identifying alternative options through modelling	

		<p>price increases will have a reduced impact on business sustainability due to a reduction in customer numbers.</p> <p>Programming will be likely reduced (e.g. Bookbug, sessions, after-school activity).</p> <p>Less relocation options for those customers impacted by reduced services where a facility is no longer available.</p> <p>Negative public reaction may be more damaging than service reduction proposals due to impacting a wider number of facilities and services.</p>			
4	Price changes	Membership drop off/ phasing of income	Medium	Investment in estate and equipment	High level of marketing and promotion required to help mitigate drop off.
5	Reputational risk	SLLC/SLC timelines and comms	High	Communications Plan	
6	Financial risk	Unable to balance budget	Medium	<p>Savings, efficiencies and pricing proposals.</p> <p>Ongoing budget monitoring</p>	Further discussions with SLC required to agree how to support robust financial planning regarding pay awards in future years.



Report

Report to:	Board of Trustees
Date of Meeting:	15 November 2023
Report by:	Nick Lansdell, Head of Strategy and Governance

Subject:	South Lanarkshire Leisure and Culture SCIO (SLLC) Governance Guide for Trustees
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1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ Ask the Board to agree the South Lanarkshire Leisure and Culture SCIO (SLLC) Governance Guide for Trustees.

2. Recommendations

2.1. The Board is asked to approve the following recommendation:

- (1) that the Governance Guide for Trustees is approved.

3. Background

3.1. In addition to the Constitution, it is good practice for a charity to have an information pack for Trustees providing an overview of the governance of the organisation.

3.2. The SLLC Governance Guide for Trustees (Appendix 1) sets out the operation and conduct of the Board including appointment and responsibilities of Trustees, training and development, procedures for meetings, committees, risk management and the code of conduct.

3.3. The Governance Guide refers to the Constitution of SLLC but does not supersede the Constitution itself which retains its primacy. The guide covers:

- ◆ Background of South Lanarkshire Leisure and Culture and South Lanarkshire
- ◆ Key Facts
- ◆ Role and Responsibilities of Trustees and Chair
- ◆ Role and Responsibilities of Chief Executive
- ◆ Appointment of Trustees
- ◆ Training and Development
- ◆ Procedures for Board Meetings
- ◆ Committees
- ◆ Risk Management
- ◆ Code of Conduct
- ◆ Key References

4. Next Steps

- 4.1. Following approval by the Board of the Governance Guide, the document will be designed into a corporate document for Trustees reference and for use for the induction of any new Trustees.
- 4.2. It is anticipated that all Trustees will actively participate in committees. Trustees will be invited to sit on committees by the Chair and this process will consider the skills of individual Trustees based on the existing skills matrix to ensure that committee membership best utilises Trustees skills. Committee membership will also reflect the overall composition of the Board by ensuring there is a distribution of both independent and elected member Trustees across the committees.
- 4.3. Whilst Committees will provide scrutiny, assurance and advice to the Board, decisions will continue to be made at Board level except where the Board itself has delegated tasks to a committee.

5. Employee Implications

- 5.1. There are no employee implications arising from this report.

6. Financial Implications

- 6.1. As outlined in the report.

7. Other Implications

- 7.1. There are no other implications in terms of risk or sustainability.

8. Equality Impact Assessment and Consultation Arrangements

- 8.1. There is no requirement to carry out an impact assessment or consultation in terms of the proposals contained within this report.

Nick Lansdell
Head of Strategy and Governance

15 November 2023

Links to SLLC Objectives

- ◆ Organisational Sustainability
- ◆ Health and Wellbeing
- ◆ Connected and Engaged
- ◆ Equality and Inclusion

Previous References

- ◆ None

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers, if any, or want further information, please contact:

Nick Lansdell, Head of Strategy and Governance
Ext: 8454319 (Tel: 01698 454319)
E-mail: nick.lansdell@southlanarkshireleisure.co.uk

Governance Guide

Approved by Board of SLIC November 2023

Review date 2027

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Introduction

Being a Trustee is a governance role and your responsibility is to ensure the effective governance and financial management of South Lanarkshire Leisure and Culture SCIO (Scottish Charitable Incorporated Organisation - referred to as SLLC or the SCIO). The role entails monitoring and advising on strategy, resources, performance and risk at Board and Committee level and, at Board level, approving strategy and resource. You are required to perform specific duties and have a general responsibility on public service delivery for all customers.

Our Vision is: Healthier, happier, more connected lives.

Our Mission is: Improve health and wellbeing by offering attractive, affordable activities delivered with warmth, friendliness and individual pride.

Our Values are:

Do the right thing Even when no one's looking.

Be a great team Work together, share ideas, share mistakes, share successes.

Own it Be accountable for outcomes good and bad. Don't pass the buck.

Be positive Be hospitable. Make people feel good.

This Governance Guide for Trustees explains the operation and conduct of the Board including appointment and responsibilities of Trustees, training and development, procedures for meetings, committees, risk management and sets out the code of conduct.

The Governance Guide refers to the Constitution of SLLC but does not supersede the Constitution itself which retains its primacy. [{insert link to Constitution}](#)

Background of South Lanarkshire Leisure and Culture

SLLC is currently a charity responsible for the delivery of leisure and cultural activities on behalf of South Lanarkshire Council. It is registered and approved as a SCIO by the Office of the Scottish Charity Regulator (OSCR)

It includes SLL Trading Limited (South Lanarkshire Leisure trading company) - a wholly owned subsidiary of the SCIO.

Membership of SLLC comprises South Lanarkshire Council and South Lanarkshire Council Nominees Limited.

The Board comprises of 14 Trustees of which five are representatives of South Lanarkshire Council with the remainder being independent Trustees including one Trade Union representative. The Chair is an independent Trustee and the Vice Chair is a South Lanarkshire Council Representative Trustee.

The SCIO's purposes are:

- To advance the arts, heritage, culture and science
- To advance public participation in sport
- To provide recreational facilities, and organise recreational activities with such facilities/activities being made available to members of the public at large with the object of improving their conditions of life
- To advance education
- To advance health
- To advance citizenship and/or community development (which may include the promotion of civic responsibility, volunteering, the voluntary sector and/or the effectiveness or efficiency of charities) To relieve those in need by reason of age, ill health, disability, financial hardship or other disadvantage
- To promote, establish, operate and/or support other similar schemes and projects which further charitable purposes

SLLC currently, in 2023, employs over 1,100 members of staff and has an operating budget of around £40million per annum, delivering services in five main areas:

- Sport and Physical Activity (incorporating Development Services and Active Schools)
- Cultural Services (incorporating Arts Development)
- Libraries Service
- Outdoor Recreation and Outdoor Learning and Adventure Service
- Country Parks, Golf and Museum Service

About South Lanarkshire Leisure and Culture

In 2023 the activities undertaken by SLLC are wide ranging and include the management of:

18 indoor leisure facilities including 18 fitness gyms, 9 swimming pools and health suites, sports halls, an ice rink, two athletics tracks and outdoor 5-a-side football pitches: Development Services including Active Schools, Health, Sports Development and Play Development. Five cultural venues namely, The Town House - Hamilton, Rutherglen Town Hall, East Kilbride Village Theatre, East Kilbride Arts Centre, Lanark Memorial Hall. Management and overview of 55 halls and integrated community facilities and the provision of community letting within primary and secondary schools. Arts Development section which delivers arts related projects, courses, classes and festivals. 22 public libraries and home delivery and online library service. Outdoor facilities including over 120 sports pitches, an indoor synthetic pitch, 12 bowling clubs, a water sports centre, an Outdoor Resource Base and activity programme and seasonal activities such as tennis and putting. Six golf courses and two Country Parks and associated attractions including approximately 200 hectares of woodland trails and grazing rights at each park, a children's zoo and an 18th century Georgian hunting lodge.

Key Information **[infographic]**

South Lanarkshire Leisure and Culture SCIO operate: 18 Indoor leisure facilities 120 Sports pitches 6 Golf courses 12 Bowling greens 9 Swimming pools 2 Country parks 2 Outdoor learning facilities 5 Cultural venues 55 Halls 22 Public libraries 150,000 Museum objects.

About South Lanarkshire (statistics) [infographic]

MAP of South Lanarkshire

Key Facts

Population 320,530

Percentage of population under 16 17.4%

Percentage of population aged 16 to 64 63.1%

Age bands over 65

Unemployment rate 3.0% (annual average for 2019)

Information on SIMD

Key health indicators – e.g. mental health etc

Roles and Responsibilities of all Trustees

The role of Trustees is to provide SLLC with strategic vision, to ensure financial stewardship and to ensure that it delivers its functions in accordance with policies and priorities and that it ensures adequate risk management and audit arrangements. The Board principally focuses on strategy, performance, resources, and in particular financial resources.

All Trustees should be ready to provide comprehensive scrutiny of agenda papers, challenge constructively, share collective responsibility and support decisions once taken by the Board. They must also respect the confidentiality of sensitive information and any debate of a confidential nature must not be reported outside the Boardroom.

Each of the Trustees has a duty, in exercising functions as a charity Trustee, to:

- act in the interests of the SCIO.
- seek, in good faith, to ensure that the SCIO acts in a manner which is in accordance with its purposes.
- act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person.

The responsibilities of Trustees include attending meetings of the Board (which are intended to be held quarterly, although additional meetings of the Board may be called) and serving on any committee(s) of the Board if requested to do so by the Board. You shall also be required to devote such time as may be considered reasonably necessary to discharge these duties.

The main aspects of the Trustees role are to:

- Share insights and expertise, and bring specialist knowledge and experience
- Support the organisation on strategy and major decision-making to deliver all activities effectively.
- Promote values for the whole organisation and demonstrate the values of good governance
- Undertake legal obligations and contribute to discussions and decision-making
- Contribute to our public charitable objectives.
- Work collaboratively with the other Trustees and partners within the organisation.
- Undertake learning and development sessions to support you in the role of the Trustee
- Attend a minimum of 4 meetings a year within South Lanarkshire
- Volunteer to participate in sub committees and SLLC events
- Adhere to the 9 general principles of public life. These are selflessness, integrity, objectivity, accountability, openness, honesty, leadership, duty and respect.
- Support the decision of the Board, irrespective of personal and conflicting views or pressures from external sources.

Additional aspects of the Chair Role

The Chair is an appointment by the SCIO, in partnership with SLC as the member. The Chair is an independent Trustee and is politically impartial. The Chair has additional responsibilities to those of Board Trustees, particularly leadership, supporting the Chief Executive and a diverse leadership team and the conduct of Board business. The Chair sets, on behalf of the Board, the annual objectives for the Chief Executive. In this way, line management is effected in line with Local Government guidance for Chief Executives. The Chair will act effectively as the principle ambassador for SLLC.

Relationship between Chair, Board and Chief Executive

The relationship between the Board and its Chief Executive is routinely executed via the Chair/ Chief Executive relationship. It is the responsibility of each to work on the basis of open communication, trust and respect, and with a focus on the strategic direction, resource management and risk oversight of the SCIO.

Based on best practice, the performance of the Chief Executive is reviewed annually, and sits alongside the routine and ongoing discussion between the Chair and the Chief Executive, which in turn is based on common understanding of the strategic, financial direction of the service and with clear understanding of the risks the service faces.

As such, the appraisal is simply one dimension of a continual process. On confirmation that the process of the annual appraisal has been completed, and annual objectives for the time ahead set, it is the responsibility of the Board Trustees to note the objectives and to discuss whether and how they can enhance support for the Chief Executive in their role.

Role and Responsibilities of Chief Executive

The Chief Executive is appointed by the Board to lead, advise and recommend on strategy, resources and risk. In doing so they will develop and implement the organisation's strategy and the day-to-day operations of the organisation. The Chief Executive leads and manages a portfolio of services within SLLC, leading and directing a wider Leadership Team responsible to them for multi-functional services to drive forward improvements and ensure operations are conducted effectively through annual action planning. The Chief Executive has delegated authority within an approved scheme for matters including HR, finance, procurement, business development and operations. The Chief Executive is responsible for the development and implementation of policies and strategic initiatives to ensure an integrated approach to the management of SLLC affairs.

Main aspects of the Chief Executive role are to:

- To lead in the operational delivery, target setting, and continuous improvement aligned to the delivery of the organisations' strategic initiatives, aims and objectives
- To be responsible for the strategic management of resources and policy planning
- To act as the primary interface with the Board in ensuring the effective delivery of services, consistent with the priorities, values and objectives of SLLC
- To develop, implement and maintain effective management information, performance monitoring and review mechanisms to ensure that resources are effectively developed, and targets are met
- To provide advice and guidance on policy and strategic issues
- To liaise and where appropriate develop partnerships with other bodies, organisations and individuals as necessary

Appointment of Trustees

Upon appointment, Trustees are issued a letter with their terms and conditions appointment details and length of appointment. If a Trustee is uncertain about any aspect, they should seek advice from the Chief Executive of SLLC.

Fees: Trustees are not entitled to any remuneration in respect of their appointment. For the avoidance of doubt, no additional fee shall be paid for serving on the Board or on any committees of the Board.

Service is not pensionable: The role of Trustee is not pensionable.

Compliance with applicable rules, code: Trustees must always comply with the Charities and Trustee Investment (Scotland) Act 2005. They will always comply with the Companies Act 2006 and any other relevant law, rules or regulations, in each case to the extent applicable in respect of their appointment as a director of the trading company.

Confidential Information: Given the nature of the SCIO's activities and the involvement which a Trustee has in the business and affairs of the SCIO, they will have direct access to information, much of which may be confidential and the disclosure of which could be extremely damaging to the business of the organisation.

Except in the proper performance of their duties as a Trustee, they must not, either whilst they remain a Trustee, without prior written consent of the Board, use for their own benefit or for the benefit of any other person, company or other undertaking (other than the Company) or, except to the extent required by law or a court of competent jurisdiction, directly or indirectly divulge or disclose to any person (other than any person employed by the SCIO whose province it is to know the same) any Confidential Information which has come or may come to their knowledge whilst they remain a Trustee or previously or otherwise. Whilst they are a Trustee, they will use all reasonable endeavours to prevent the publication, divulgence or disclosure by third parties of any Confidential Information. For the purpose of this letter "Confidential Information" means:

- trade secrets and information relating to the business, employees, finances, dealings, transactions and affairs of the Company which is for the time being confidential to the Company
- analyses made or views taken by the Company in respect of the businesses, finances, dealings, transactions and affairs of the Company or third parties, and
- information in respect of which the SCIO is bound by an obligation of confidentiality to a third party,
- but excluding from the foregoing definition of "Confidential Information" any information which may (otherwise than through your default) become available to, or within the knowledge of, the public generally

No directorships, etc. with competitors: A Trustee will not, without the prior consent of the Board (which will not be unreasonably withheld), during the continuance of their appointment as a Trustee, be employed by or provide services to or act as a director or other officer of any person, company or other undertaking which carries out business in direct competition with that of the Company.

Training and Development

Training and development opportunities are provided for Trustees as required. Initial training is provided when a new Board convenes and covers the following duties:

- Overview of constitutional structure
- Key elements of constitution (purposes/Trustee appointment etc)
- Charity Trustee duties in charity law
- Director duties in Companies law (trading company)
- Governance Principles (managing conflicts of interest; independence; risk management)
- Relevant issues for charity Trustees from other areas of the law

Further training will be provided to carry out Trustee duties, particularly covering areas, e.g. roles and responsibilities, financial management, etc.

Training remains mandatory for Trustees and its importance has been highlighted by the OSCR. Trustees who are unable to attend training will be required to attend at an alternative time and a record of training maintained to reflect attendance. In exceptional circumstances and at the discretion of the Board Secretary, training materials will be circulated to any Trustee who has not been able to attend a training session.

Procedure for Board meetings

The Board meets a minimum of four times a year to consider SCIO business and may refer decision-making on certain business items to Committees. Additional meetings should be convened as deemed necessary.

The Chair will plan and agree agendas in conjunction with the Chief Executive and the Board Secretary. The Chair leads, influence and conduct Trustee meetings. Each meeting will have an agenda and require preparation beforehand. Each item will require either noting, discussing, monitoring or making a decision. Following this process, the Board will either approve recommendations, not approve recommendations or note reports.

Where any Trustee wishes a resolution is to be considered at a Board meeting the resolution can be submitted to the Board Secretary no later than three days in advance of the Board meeting and subsequent to receipt of Board papers. At this point the Board Secretary will confer with the Chair on the competence of the resolution and will seek to circulate the resolution to Trustees in advance of the Board meeting. In exceptional circumstances the Board Secretary and Chair will consider a request for an urgent item to be placed on the agenda.

As detailed in the Constitution for full Board meetings valid decisions require a quorum of 5 Trustees to be present. This quorum should comprise at least one Trustee who is appointed by virtue of being an elected member and at least three Trustees who are appointed as independent trustees. Trustees are not entitled to appoint substitutes to vote in their place at Board meetings.

Whilst free and frank discussion and the airing of different viewpoints is encouraged as part of the healthy operation of the Board, the general principle of agreeing decisions collectively is encouraged and the Chair will aim to promote universal agreement from the Board.

Where clear difference in viewpoints exists, the Chair may call a vote, or alternatively a Trustee may request a vote. Where a vote is to take place, each Trustee will have one vote which must be given personally. Where an equal number of votes occurs the Chair has a second (casting) vote. The minute of the meeting will record where a decision has been approved by Trustees and whether this was following a vote however full details of votes cast are not recorded in the minute.

A Trustee must not vote at a Board meeting on any resolution which relates to a matter in which they have a personal interest or duty which conflicts (or may conflict) with the interests of the SCIO. In such instances a Trustee must withdraw from the meeting while an item of that nature is being dealt with (see Conflict of Interest section for further information).

Board papers are aimed to be published online five working days after the date of the Board meeting, with any longer time periods being the exception.

Special Board meetings

Special Board meeting may be convened from time to time in exceptional circumstances.

Business that is regarded as confidential will typically, but not exclusively, relate to matters whereby there is risk of:

- prejudice to the effective conduct of public affairs
- endangering health and safety
- breach of confidence

- breach of legal privilege
- prejudice to commercial interest
- breaching some other law, such as disclosing personal information in contravention of the UK General Data Protection Regulations (UK GDPR) or the Data Protection Act 2018 (DPA 2018).

Due to the confidential nature of business conducted at Special Board meetings these papers are not published except by a subsequent decision of a Special Board meeting.

Other Board meetings

Briefing session for Trustees may be held outwith Board meetings when required. These meetings are less formal and are not minuted.

Committees

SLLC will delegate the process of monitoring and assurance to Committees, seeking advice from Committees, but retaining decision making in relation to finance, resources, including financial resources and risk.

The SLLC Board may delegate any of their powers to committees. The rules of procedure for each committee, and the provisions relating to membership of each committee, shall be set by the Board and any delegated powers may be revoked or altered by the Board at any time. Committees are obligated under the Constitution to report regularly to the Board.

Whilst Committees will provide scrutiny, assurance and advice to the Board decisions will continue to be made at Board level except where the Board itself has expressly delegated tasks to a committee – for example the Performance Finance and Audit Committee will agree audit and external audit plans and have oversight of risk policy.

Where a meeting is not quorate business can be discussed but will require to be taken to the board for decisions.

It is anticipated that all Trustees will actively participate in committees.

Currently the Board operates with three sub-committee as follows:

- Nominations Committee
- Performance, Finance and Audit
- Policy and Strategy Committee

Only members of the committee have the right to attend committee meetings. However, the Chair of the SCIO, Vice-Chair of the SCIO and Chief Executive may attend committees ex-officio at any time. Other individuals such as the Company Secretary, SLC Internal Audit Manager and representatives from the Finance Section and other areas of the SCIO may be invited to attend all or part of any meeting as and when appropriate.

Trustees will be invited to sit on committees by the Chair who will bring their final recommendations to Board for approval. This process will consider the skills of individual Trustees including by reference to the existing skills matrix to ensure that committee membership best utilises Trustees skills. Committee membership will also reflect the overall composition of the Board by ensuring there is a distribution of both independent and elected member Trustees across the committees.

Performance, Finance and Audit Committee

Function of Committee

The functions of the Performance, Finance and Audit Committee are:

- **Financial reporting:** The Committee shall consider the integrity of the financial statements of the SCIO including its annual financial report. The Committee shall also receive summary financial statements and be advised of significant financial returns to regulators such as Companies House and OSCR.
- **Internal controls and risk management systems:** The Committee shall keep under review the effectiveness of the SCIO's internal controls and risk management systems, consider major risk exposures and steps taken by management to control these.
- **Whistleblowing and fraud:** The Committee shall keep under review the SCIO's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters that relate to whistle blowing. All arrangements will allow independent investigation and appropriate follow up action.
- **Internal audit:** The Committee shall review and agree the content and scope of plans, review progress with findings and recommendations and receive reports as appropriate pertaining to the provision of the internal audit function by SLC.
- **External Audit:** The Committee shall consider and make recommendations to the Board, in relation to the appointment, re-appointment and removal of the SCIO's external auditor. The Committee shall receive reports on selection process for new auditors. If an auditor resigns the Committee shall review the issues leading to this and make recommendation on whether any action is required.
- **Performance:** The Committee shall oversee performance against targets. Support continuous improvement in performance.
- **Health and Safety:** The Committee shall consider and monitor measures for safeguarding the health, safety and welfare at work and consult with the appointed competent safety representatives for the purpose of promoting and developing such measures and to make recommendations to the Board who are ultimately responsible for Health & safety.
- **Policy adult and child protection:** The Committee shall have oversight of internal and inter-agency policies in respect of adult and child protection.
- **People governance:** The Committee shall support a culture of the highest standards of staff management In line with policies and procedures including staffing policy and strategy procedures.
- **Reporting responsibilities:** The Committee Chair shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action is needed.
- **Other matters:** The Committee shall take on any other matters that the Trustees wishes to delegate to the Committee for further consideration or scrutiny.

Membership and attendees

Committee membership will be agreed by the Board. Membership of the Committee will comprise:

- Six (6) Trustees of which no less than two (2) are to be appointed to the Board as an elected member and no less than four (4) are appointed to the Board as independent members.

Officers who will support the Committee include:

- Head of Strategy & Governance/ Company Secretary
- Head of Corporate Services

Chair and Vice Chair

The Chair and Vice Chair will be appointed on recommendation to the Board and will be an independent Trustee and Vice-Chair a Trustee who is an elected member. Chair and Vice-Chair shall retire in line with their Board retirement.

Meetings

Meetings will be held quarterly (approximately two weeks in advance of Full Board Meetings) or more frequently where circumstances warrant it. A yearly programme of dates will be prepared, agreed and circulated in advance.

Quorum

The quorum of the Committee shall be at least three (3) Trustees.

Policy and Strategy Committee

Function of Committee

The functions of the Policy and Strategy Committee are:

- **Policy and Strategy:** The Committee shall review 5-year strategy and objectives in the context of available anticipated resources and overall performance in a strategic context. The Committee shall also consider any proposals considered by the SLLC Board to amend or modify existing policies including terms and conditions of employment. This will be conducted in partnership with the Council and consulting Trade Union partners where required.
- **Commissioning:** The Committee shall consider the submissions of the SLC commissioning intentions and will advise the Board and SLC on the financial consequences and thereafter on delivery and the alignment of resources.
- **Other matters:** The Committee shall take on any other matters that the Trustees wishes to delegate to the Committee for further consideration or scrutiny.

Membership

Committee membership will be agreed by the Board. Membership of the Committee will comprise:

- Six (6) Trustees of which no less than two (2) are to be appointed to the Board as an elected member and no less than four (4) are appointed to the Board as independent members.

Officers who will support the Committee include:

- Head of Strategy and Governance/Board Secretary
- Head of Corporate Services

Chair and Vice Chair

The Chair and Vice Chair will be appointed on recommendation to the Board and will be an independent Trustee and Vice-Chair a Trustee who is an elected member. Chair and Vice-Chair shall retire in line with their Board retirement.

Meetings

Meetings will be held twice a year, more frequently where circumstances warrant it. A yearly programme of dates will be prepared, agreed and circulated in advance.

Quorum

The quorum of the Sub Committee shall be at least three (3) Trustees.

Nominations Committee

Function of Committee

The functions of the Nominations Committee are:

- **Appointments:** The Committee shall be responsible for recommending to the Council appropriate individuals for appointment as independent charity Trustees. The Committee shall also be responsible for the recruitment and appointment of the Chief Executive.
- **Skills Matrix:** The Committee shall set an appropriate skills matrix to guide it in selecting and evaluating appropriate Board candidates, and should review and adjust that skills matrix from time to time.
- **Succession Plan:** The Committee shall develop a succession plan for the Board in line with the Constitution, considering both the requirements for Board composition and the length of service of Trustees.
- **Identify Nominees for Independent Trustees:** The Committee shall seek nominations for Trustees falling within the remit of the Nominations Committee via an open recruitment process.
- **Consider notes of interest:** The Committee shall consider all expressions of interest from prospective Trustees.
- **Maintain a Register:** The Committee shall maintain a register of suitable candidates for future reference.
- **Chief Executive:** The Committee shall be responsible for the recruitment and appointment of the Chief Executive with support of an SLC Officer.
- **Other matters:** The Committee shall take on any other matters that the Trustees wishes to delegate to the Committee for further consideration or scrutiny.

Membership

Committee membership will be agreed by the Board. Membership of the Committee will comprise:

- Five (5) Trustees which will include the Chair of the SCIO and a minimum of two (2) Trustees whom must be a charity Trustee appointed as elected members.

Officers who will support the Committee include:

- The Chief Executive and Head of Strategy and Governance/Board Secretary will advise the nomination committee.
- The Chief Executive will support the recruitment process for any incoming Board Chair.

Chair

The Chair shall be the chair of the SCIO.

Meetings

Meetings will be held at least annually or more frequently where circumstances warrant it. A yearly programme of dates will be prepared, agreed and circulated in advance. Meetings will be held as required.

Quorum

The quorum of the Nominations Committee shall be at least three (3) Trustees.

Risk Management

SLLC is committed to providing a high quality service in an environment which is safe for customers and staff and is underpinned by the public service values of accountability, probity and openness.

Robust risk management and internal control are an essential part of good governance and are integral to the delivery of this commitment. The fundamental aim of the SCIO's risk management approach is to ensure that all key risks which could introduce uncertainty to the achievement of its strategic objectives are identified, analysed, evaluated, managed and mitigated, and monitored. The Board has a role to manage risk intelligently, instilling risk awareness across the SCIO. To that end the SCIO has in place a risk management strategy which comprises:

- Annual identification and review of the business risks the SCIO may face
- The maintenance and development of a risk register detailing the systems and controls required to manage and mitigate the risks identified

Through a process of prioritisation and assessment, the SCIO is able to focus on the business risks most likely to have the highest impact on its operations should they materialise. The risk register is reviewed by the Finance and Performance Sub Committee and focuses on financial, reputational and operational continuity risks.

The Finance and Performance Sub Committee meets prior to each Board meeting. The Committee has responsibility for overseeing the effective management of organisational risk and reviews risk management practice on an on-going basis in addition to an annual review of the risk register.

The Council's Internal Audit department, also carries out regular cyclical reviews, focusing on areas of perceived risk which are designed to report on the effectiveness of the risk management process.

Code of Conduct

Behaviours and Values

We ask all Trustees to share SLLC's vision of 'Healthier, happier, more connected lives' and to achieve excellence in all that you do, sharing insights, expertise, ideas, and successes.

You will:

- Promote values for the whole organisation and demonstrate the values of good governance through behaviour including the Values of the SCIO namely:

Do the right thing - Even when no one's looking.

Be a great team - Work together. Share ideas. Share mistakes. Share successes.

Own it - Be accountable for outcomes good and bad. Don't pass the buck.

Be positive - Be hospitable. Make people feel good.

- Support the organisation on strategy and major decision-making to deliver all activities effectively
- Support the Chair in their efforts to lead the organisation
- Support the Chief Executive and their team in the effective leadership of the SCIO
- Be fully prepared and contribute to meeting goals at Board meetings (minimum 4 times a year)
- Participate in induction, training and development activities for Board Members

Principles

In addition to having a duty to act in the best interest of the SCIO and in accordance with the core functions and duties of the organisation, Trustees are also asked to adhere to general key principles:

- **Duty:** To uphold the law and act in accordance with the law and in the best interest of SLLC and in accordance with the core functions and duties of the organisation
- **Selflessness:** Take decisions solely in term of the SCIO interest and not act to gain financial or other material benefit for yourself, family or friends.
- **Integrity:** You must not place yourself under any financial, or other, obligation to any individual or organisation that might reasonably be thought to influence you in the performance of your duties.
- **Objectivity:** You must make decisions solely on merit and in a way that is consistent with the functions of SLLC when carrying out business including making appointments, awarding contracts or recommending individuals for rewards and benefits
- **Accountability and Stewardship:** You are accountable for your decisions and actions. You have a duty to consider issues on their merits, taking account of the views of others and must ensure that the SCIO uses its resources prudently and in accordance with the law
- **Openness:** You have a duty to be as open as possible about your decisions and actions
- **Honesty:** You have a duty to act honestly. You must declare any private interests relating to your duties and take steps to resolve any conflicts arising in a way that protects the SCIO interest

- **Leadership:** You have a duty to promote and support these principles by leadership and example, and to maintain and strengthen the public's trust and confidence in the integrity of the SCIO and its members in conducting business
- **Respect:** You must respect fellow members of the Board and employees of SLLC and the role they play, always treating them with courtesy. Similarly, you must respect members of the public when performing duties

Conduct at meetings

In addition to following the procedures for Board meetings as detailed in the Constitution and this Governance Guide, Trustees are asked to:

- Follow the Policies, Procedures and Practices relating to governance at Board level and be held to the same standards for these as the employees
- On occasions where a vote may be required, vote on agreed items during the meeting and accept a majority vote on any issue as decisive and final (where a vote is evenly split the Chair has a casting vote)
- Respect the authority of the Chair and their role as meeting leader
- Maintain confidentiality unless authorised by the Chair or the Board to speak of it

Confidentiality

The responsibilities of Trustees currently falls within scope of both charity and company legislation.

The clear guidance from OSCR is that, in line with their statutory duties, our Trustees must act always in the best interests of the charity. A breach can include financial forecasts, price sensitive and strategic matters: it is a disclosure to any other person, without authority and generally used in circumstances where information is not, as yet, in the public domain, and is not trivial, and it would cause harm.

The sharing of information from a meeting that is held in confidence could be as viewed as contrary to the best interest of the SCIO and therefore held as being in breach of these responsibilities.

Throughout Trustees must act in accordance with a charity's constitution and make decisions based only on the SCIO's interests and not his or her own, or those of any body to which he or she might also have a duty.

It is worth considering in the event that a disclosure was made, following a confidential meeting, that there would be a likely breach of trust that would inhibit the functioning of any future meetings held in similar circumstances.

Conflict of Interest

As a Board Trustee, you must put the interests of the SCIO before your own interests or those of any other person or organisation including those responsible for your appointment. Where you cannot do that, there may be a conflict of interest. A conflict of interest is any situation in which a Trustees personal interests, or interests that they owe to another body, may (or may appear to) influence or affect the director's decision making.

The term 'conflict of interest' can cover a range of situations and may also be called a 'conflict of roles' or 'conflict of duty. Examples of what may construe a conflict of interest include:

- Where a Trustee could gain financial benefit from a decision the charity has to make
- A Trustee is discussing a contract or business arrangement with an organisation their family have links to
- A Board Trustee is also an employee of a company that the charity is doing business with an employee, or potential employee, of the charity is connected to one of the charity Trustees
- Being a Trustee of two or more charities that are competing for the same grant(s) or funding
- Being a Trustee of a charity where you are also a service user or customer, in which case this should be declared
- A Board Trustee applying for a job in the charity

An interest held by an individual who is "connected" with the charity Trustee under section 68(2) of the Charities and Trustee Investment (Scotland) Act 2005 (husband/wife, partner, child, parent, brother/sister etc) shall be deemed to be held by that charity Trustee.

A Trustee will be deemed to have a personal interest in relation to a particular matter if a body in relation to which they are an employee, director, member of the management committee, officer or elected representative has an interest in that matter.

However, any Trustee appointed by virtue of being an elected members or officers of the Council (in line with the Constitution) shall be entitled to vote in relation to a particular matter notwithstanding that the Council has an interest in that matter. In such instances the Trustee shall comply with the provisions of Constitution and in the instance that a personal interest or duty which conflicts (or may conflict) with the interests of the SCIO exists the Trustee must withdraw from the meeting while an item of that nature is being dealt with.

In circumstances giving rise to the possibility of a conflict of interest between the SCIO and any other party the Trustee must:

- Act in accordance with a charity's constitution and make decisions based only on the SCIO's interests and not his or her own, or those of any body to which he or she might also have a duty
- Ensure that the SCIO complies with any direction, requirement, notice or duty imposed under or by virtue of the Charities and Trustee Investment (Scotland) Act 2005.

Each Trustee shall comply with the Code of Conduct (incorporating detailed rules on conflict of interest) prescribed by the Board.

Breach of Code or Leaving the Board

Any substantial breach of any part of this Code of Conduct may result in removal from the Board of Trustees.

In the event of resignation notification should be made to the Chair in writing.

Further detail regarding the serving of Trustees and their appointment and resignation is contained within the Constitution.

Key References / Documentation

SLLC operate their services for customer and staff with several corporate policies including:

- Finance
- Health and Safety
- Human Resources
- Information Governance
- IT
- Marketing

All our policies can be issued on request to assist Board Trustees in their role.

Constitution

Useful guides/website links:

A guide for Board Members of Public Bodies in Scotland (April 2015)

Audit Scotland - Gives independent assurance to the people of Scotland that public money is spent properly, efficiently and effectively.

Chartered Institute of Public Finance and Accountancy - Public financial management.

Ethical Standards Commissioner - Encourages fairness, good conduct and transparency in public life in Scotland.

Government Legislation - For all UK Legislation such as Companies Act 1985, Human Rights Act, Bribery Act 2010, etc.

Health and Safety Executive - The National regulator for Health and Safety in the workplace.

Information Commissioner's Office - The UK's independent authority set up to uphold information rights in the public interest, promoting openness by public bodies and data privacy for individuals.

Organisation Scottish Charity Regulator - Independent Regulator and registrar for Scotland's charities, provides guidance and support to charities.

Scotland's National Performance Framework - Scotland's National Performance Framework and how Scotland is performing against it.

Scottish Public Services Ombudsman - For final stages of complaints about public service organisations in Scotland.

The Improvement Service - The 'go to' organisation for Local Government improvement in Scotland

The Scottish Government

The Scottish Parliament

The Standards Commission for Scotland - Independent public body, responsible for encouraging high standards of behaviour by councillors and those appointed to Boards of devolved public bodies.



Report

Report to:	Board of Trustees
Date of Meeting:	15 November 2023
Report by:	David Carter, Head of Operations and Estates

Subject:	Biggar Public Park Future Update
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1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ Provide an update on the current contractual status of Biggar Public Park.

2. Recommendations

2.1. The Board is asked to approve the following recommendations:

- (1) That the caravan park will cease trading, for at least a year, from March 2024 is noted.
- (2) That South Lanarkshire Council's (SLC or the Council) undertaking of community engagement to further explore the opportunities for Biggar Public Park is noted.

3. Background

- 3.1. Biggar Park is located south of Biggar Town and was originally set out as a traditional park providing open space for recreation in 1906. Over the years the park has developed to facilitate a wide variety of formal and informal recreation activity.
- 3.2. The park is owned by South Lanarkshire Council and operationally is managed by South Lanarkshire Leisure and Culture (SLLC). The Council has an existing contract whereby the providers are responsible for the day-to-day management and operational programming of activities.
- 3.3. The current contract commenced in 2009 for a ten-year period (1 April 2009 to 31 March 2019), with the Council having options for five one-year extension periods. The contract shall end on 31 March 2024.
- 3.4. The current contract includes the provision of an onsite dwelling house and entails the provision of:
 - ◆ 83 caravan pitches
 - ◆ 6 camping pitches
 - ◆ 18-hole golf course
 - ◆ 2 tennis court
 - ◆ bowling and putting
 - ◆ boating pond
 - ◆ catering outlet
 - ◆ retail outlet

- 3.5. The facilities on site are in very poor condition. The infrastructure is at the end of its useful life. In particular, the utilities and the shower blocks require significant and urgent investment.
- 3.6. The Council currently leases the clubhouse to the Trustees of Biggar Golf Club (the Golf Club) who have exclusive use of the golf course on eight occasions per year. This lease of the clubhouse runs to 30 March 2032.
- 3.7. The golf course was operated by the Franchisee on behalf of SLLC with them retaining four percent of the revenue per year.
- 3.8. The Council are conducting a commercial options appraisal with an external agency.

4. Next Steps

- 4.1. SLLC officers will work closely with Council officers during the period of transition.
- 4.2. Options for the continued operation of the golf course will be considered by SLLC, pending the outcome of the Council led Asset Review.
- 4.3. Options for the interim period of operation of the golf course will reviewed and presented to the Board before the next financial year.

5. Employee Implications

- 5.1. Additional staffing may be required to sustain the service. An initial review for the interim operations has been conducted and peak/seasonal operations are being considered with a view to utilise digital sales platforms to reduce the reliance on staffing.

6. Financial Implications

- 6.1. The financial position is being assessed to establish additional costs that may be incurred by SLLC once the franchise ends in terms of operating the golf course and retaining the associated revenue.

7. Other Implications

- 7.1. There is a risk of reputational loss to SLLC given the potential temporary closure of the golf course. Community engagement will be important to limit this if an interim solution is not implemented.

8. Equality Impact Assessment and Consultation Arrangements

- 8.1. The Council will be engaging in community consultation on the available options. The Council's contractor recommended SLC produce a robust development plan.

Nick Lansdell
Head of Strategy and Governance

15 November 2023

Links to SLLC Objectives

- ◆ Organisational Sustainability
- ◆ Health and Wellbeing
- ◆ Connected and Engaged
- ◆ Equality and Inclusion

Previous References

- ◆ None

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers, if any, or want further information, please contact:

David Carter, Head of Operations and Estates

Ext: 8454158 (Tel: 01698 454158)

E-mail: david.carter@southlanarkshireleisure.co.uk



Report

Report to:	Board of Trustees
Date of Meeting:	15 November 2023
Report by:	Dr Avril Osborne, Chair

Subject:	SLLC Chief Executive's Annual Review
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1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ Update the Board on the South Lanarkshire Leisure and Culture's (SLLC) Chief Executives annual review.

2. Recommendation(s)

2.1. The Board is asked to approve the following recommendations:

- (1) That the completion of Chief Executive's Annual Review for 2023/24 is noted.
- (2) That the Chief Executive's annual objectives, as agreed by the Chair, are noted.
- (3) That the responsibility of the Board Trustees to note the objectives and to discuss whether and how they can enhance support for the Chief Executive in their role is noted.

3. Background

3.1. All SLLC employees have an annual review (Performance Appraisal). In the case of the Chief Executive, this is carried out by the Chair of SLLC and was completed on 29 August 2023.

3.2. As detailed in the Governance Guide for Trustees, which is being presented to Board on 15 November 2023, the Chair sets, on behalf of the Board, the annual objectives for the Chief Executive. In this way, line management is effected in line with Local Government guidance for Chief Executives.

3.3. The objectives for the Chief Executive, as agreed with the Chair, for 2023 are:

- ◆ Support new Leadership Team as they join the organisation and develop and implement remaining levels of new staffing structure.
- ◆ Achieve a balanced budget for 2023/24 and develop proposals for Board approval to ensure likewise for 2024/25. Navigate significant service reductions and requirements for investment to sustain the business.
- ◆ Work with colleagues in South Lanarkshire Council (SLC or the Council) to support the development of a commissioning plan from the Council to SLLC.
- ◆ Continue to build relationships with local Councillors and Board members.
- ◆ Implementation of the actions required to achieve our strategic outcomes.

3.4. On confirmation that the process of the annual appraisal has been completed, and annual objectives for the time ahead set, it is the responsibility of Board Trustees to note the objectives and to discuss whether and how they can enhance support for the Chief Executive in their role.

4. Next Steps

- 4.1. The Chair will continue to meet regularly with the Chief Executive and will provide monitoring on the progress of objectives. A mid-year review will take place after six months and an end of year review at the end of the 12 month period.

5. Employee Implications

- 5.1. There are no employee implications arising from this report.

6. Financial Implications

- 6.1. There are no financial implications arising from this report.

7. Other Implications

- 7.1. There are no other implications in terms of risk and sustainability.

8. Equality Impact Assessment and Consultation Arrangements

- 8.1. There is no requirement to carry out an impact assessment or consultation in terms of the proposals contained within this report.

Nick Lansdell

Head of Strategy and Governance

15 November 2023

Links to SLLC Strategic Objectives

- ◆ Health and Wellbeing
- ◆ Connected and Engaged
- ◆ Equality and Inclusion
- ◆ Organisational Sustainability

Previous References

- ◆ None

List of Background Papers

- ◆ None

Contact for Further Information

If you would like to inspect the background papers, if any, or want further information, please contact:

Nick Lansdell, Head of Strategy and Governance

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Report

Report to:	Board of Trustees
Date of Meeting:	15 November 2023
Report by:	Nick Lansdell, Head of Strategy and Governance

Subject:	Board Meeting Schedule 2024
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1. Purpose of Report

1.1. The purpose of the report is to:

- ◆ Advise the Board on a proposed schedule of Board meetings for the calendar year 2024.

2. Recommendation(s)

2.1. The Board is asked to approve the following recommendation:

- (1) That the proposed schedule of meetings for 2024, as detailed in paragraph 4.2, be approved.

3. Background

3.1. At the November meeting each year, the Board considers and approves the schedule of meetings for the next calendar year.

4. Proposal

4.1. The pattern of quarterly Board meetings is firmly established with meetings generally held in the months of February/March, May, August/September and November each year.

4.2. The following dates are proposed for 2024:

- ◆ Wednesday 28 February, 10am
- ◆ Wednesday 29 May, 3pm
- ◆ Thursday 4 September, 3pm
- ◆ Wednesday 13 November including the AGM, 2pm

4.3. These dates have been checked with the current South Lanarkshire Council meeting diary and do not clash with known meetings although it should be noted that there is an Executive Committee meeting on the morning of Wednesday 13 November.

4.4. Provision will be made for hybrid or fully online meetings in line with the requirements of the Board.

4.5. There may be the requirement for additional Board meetings. In such circumstances Board members will be given as much advanced notice as possible.

5. Employee Implications

5.1. There are no employee implications arising from this report.

6. Financial Implications

6.1. There are no financial implications arising from this report.

7. Other Implications

7.1. There are no other implications in terms of risk and sustainability.

8. Equality Impact Assessment and Consultation Arrangements

8.1. There is no requirement to carry out an impact assessment or consultation in terms of the proposals contained within this report.

Nick Lansdell

Head of Strategy and Governance

15 November 2023

Links to SLLC Objectives

- ◆ Organisational Sustainability
- ◆ Health and Wellbeing
- ◆ Connected and Engaged
- ◆ Equality and Inclusion

Previous References

- ◆ None

List of Background Papers

- ◆ Report to Board 23 November 2022, agenda item 14 'Board Meetings 2023'

Contact for Further Information

If you would like to inspect the background papers, if any, or want further information, please contact:

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