

Fife Sports and Leisure Trust

Minute of the Virtual Meeting of the Board of Directors for Fife Sports and Leisure Trust held on Thursday 18th June 2020 at 3.30pm via Microsoft Teams

Present: R Campbell (Chair)
E Wallace (EW)
D Lothian (DL)
P Gulline (PG)
A Suttie (AS)
K Caldwell (KC)
C McDonald (DMcD)
L Erskine (LE)
D Watt (DW)
P Denton (PD)
B Thomson (BT)

In Attendance: E Walker (CEO) Chief Executive Officer
J Hamilton (JH) Interim Chief Executive Officer
W Watson (WW) Chief Operating Officer
L Turnbull (LT) Human Resources Manager
S Urquhart (SU) Sport & Physical Activity Team Manager
R Adamson (RA) Quality Improvement Manager
V Wyse (VW) Head of Finance & Business Development
S Aldred (SA) Company Accountant
M Rae (MR) Safety and Facilities Manager
C Bowman (CB) Personal Assistant (Minutes)

ACTION

847. Welcome and Apologies

(Due to technical difficulties the Chair joined the meeting later on in the agenda).

JH thanked everyone for attending the meeting which Directors attended via Microsoft "Teams" due to the COVID-19 outbreak and extended a warm welcome to Brian Thomson and Paul Denton who have joined the Board as Directors.

No apologies were received.

848. Declaration of Interests

There were no conflicts of interest declared. Directors were reminded of their obligation to complete a Declaration of Interest form on an annual basis and this will be issued shortly to be completed and returned to the Company Secretary.

CB

849. Minutes of the Meeting Held on 19th March 2020

The Minute was approved and the Chair was authorised to sign it.

850. Matters Arising

818.1 Potential Trust Merger

This item will be on hold until after the pandemic at which time a broader Trust model may be preferred by Fife Council.

851. Chairman's Report

The Chair reported that since the last Board meeting he has met with the ICEO on several occasions to discuss ongoing business and has had one introductory meeting with the CEO since her recent appointment. He has recently Chaired the Appointments Committee at which PD was successfully interviewed for the Independent Director position and advised that a further Appointments Committee is scheduled for 24th June 2020 to interview for the remaining vacant Independent Director position. He further reported that he has been following closely all relevant governing body webinars relating to the issues which the Trust is facing during the pandemic period.

852. CEO's Report

EW introduced herself, having taken up post on 8th June, and looked forward to meeting all Directors on a one-to-one basis in the near future.

852.1 Finance Update – Year End Provisional Out turn

SA advised Directors that the Governance & Compliance Committee meeting planned for earlier in the month did not take place due to lack of quoracy therefore she provided Directors with a summary of the Finance paper contained within the Committee papers.

SA reported that despite another challenging year, income has increased compared to the previous year. Although expenditure has increased it is not at the rate expected due to inflation. The implementation of the savings plan has offset the pay award.

Income is below that projected due to the closure of centres from 19th March 2020. Income received prior to this for the last two weeks in March has been carried forward into the new financial year. Overall there was a shortfall in income against target of £678k.

Overall costs were in line with what was previously reported to the Board and are £456k under budget.

Reserves of £355k are below the recommended policy level and this figure is before adjusting for pensions. The year end pension liability is a reduction of £3m.

SA provided an update on the debt outstanding debt recommending the write-off of £20k debt which is irrecoverable. After providing a detailed explanation of the debt, Directors agreed to write-off this amount.

852.2 Update on Covid-19

SU provided details on the timetable for the return of the centres and the reasons for the phased approach. All dates will be in line with Government advice. However, Following the announcement today from Scotland's First Minister re the opening of sports facilities, the opening dates are now ambitious and may have to be re-considered. Directors were signposted to detailed information within the June Services & Operations Committee papers.

MR updated Directors on the stringent health and safety measures which will be implemented to enable the phased re-opening of centres, including; flow routes, signage, spacing of equipment, audio-activated doors, sanitising stations, control documentation (which is now 89% complete), removal of hairdryers, use of hand dryers and replacement with paper towels, review of air conditioning and air handling systems, pH reduction for more effective chlorination and any further measures as necessary. At this moment it is unclear if face masks and temperature monitoring will be mandatory but will be implemented if necessary.

MR advised that the contract to repair the training pool at Carnegie Leisure Centre has been agreed, subject to Government permission, and work will commence on 13/07/20. This will not interfere with the targeted re-opening of the centre.

EW referred to SU's update and the documentation shared with Directors prior to the Board meeting (FSLT's Covid-19 Finance Impact Paper which FSLT discussed at a meeting with Fife Council on 15/06/20 together with a Minute of that meeting and an agenda item on FC's Policy & Co-Ordination Meeting to be held on 18/06/20).

EW advised Directors that two scenario models based on assumptions are being considered for re-opening and these are still in draft format, dependent upon budget and feedback from Fife Council. Details of the two models were presented with their likely financial and staffing implications.

The CEO referred to the meeting held on 15th June 2020 with FC and discussed the actions agreed at that meeting. Regular meetings are taking place with FC to discuss the proposed models and funding arrangements. It is therefore essential to reduce expenditure, recover income and regain financial stability. Cash flow is essential to remain solvent and will reduce the deficit

FC would normally supply FSLT with a letter of comfort to satisfy the Auditors and Directors, however this will not be sufficient in light of the financial uncertainties during this and the next financial year. It is essential that Directors understand the implications and risk of the financial situation.

Community Leisure UK are working with COSLA to lobby the UK and Scottish Government to support the industry. The CJRS is the only source of funding available to the Trust other than the local authority.

This has been recognised nationally by COSLA and an Impact Modelling Group has been established to look at the impact of sport and leisure across Scotland. Paul Vaughan, FC's Head of Communities and Neighbourhoods, is part of the group as strategic lead and he is aware that there is a recognised gap and a huge risk to the industry.

FC has indicated that FSLT's position will be discussed at a meeting of its Policy and Co-ordination Committee meeting and have asked FSLT to present its final and best model. It is hoped that a funding decision will be made at that meeting.

852.3 Strategy Areas Update

EW advised Directors that the EMT continues to work on the main strategic issues focusing on recovery post-Covid and some staff are being brought off furlough to assist with this.

852.3.1 Growing the Business

SU reported that in order to maximise recovery, three groups have been established to assist with the recovery period – Safety & Facilities, Operations and Design & Marketing. Recovery plans include set objectives, performance and measures for each function with set phases and timelines. Examples of the recovery plans for the keys business functions are now established for the Learn to Swim Programme, the gym, Leisure Active membership and health classes. Each venue will have a recovery plan for re-opening. Key members of staff will be brought out of furlough to start drive the recovery plans for re-opening.

852.3.2 Improving the Customer Experience

SU reminded Directors that it was reported at the March Board meeting that FSLT had 3 engagement processes to improve the customer experience – Customer satisfaction, Every visit you make counts and customer engagement – engaging with the community to make facilities the best possible within budget. These campaigns are currently on hold and will be resume post-Covid-19. A report on the recent customer survey will be presented to the Board in the near future.

852.3.3 Being a great employer and a great place to work

LT provided an overview of the recent employee survey conducted to gauge the readiness and confidence of staff to return to work and to ascertain if there were any barriers to their return which could be mitigated. The survey is still live (ending 22/06/20) and so far there has been a 74% response rate and responses quite positive. A number of staff have identified that they are shielding or have child or adult caring responsibilities and the majority of staff are comfortable and keen to return to work. Staff are keen to receive health and safety guidance on their return and these issues are already implemented and are covered in Item No.852.2. Directors will be provided with a full report once the survey is complete together with a list of actions to address staff concerns.

852.3.4 Being great at what we do – “Lean Processes”

RA reported that all FSLT policies have now been reviewed and the next step is to baseline all known processes and procedures and ensure they are fit for purpose. Five main processes have been identified which require to be leaned and RA described the lean process in order to achieve this. Progress will be reported back to the Board.

852.3.5 Making a Difference, Corporate & Social Responsibility

VW explained that FSLT mainly meets its social responsibilities via green initiatives and is pro-active in discussions with FC to achieve this. The Trust is always keen to deliver on its charitable outcomes, however this has been affected by the pandemic situation and the main focus will be on the health agenda post-Covid-19. In considering the corporate responsibilities the G&C Committee remitted to the EMT to review all policies and procedures and this is documented within the G&C Committee business report which lists all the policies. 31 were updated with minor changes and 8 are outstanding. The next step in the process is to filter this to records management to identify the relevant policies, procedures and forms and guidelines. The project will then go on to document retention and revision of the document retention protocol.

852.4 EMT Transformation Plan

RA provided Directors with an update of the 16 ongoing work streams taking place within the business. 11 of the work streams are now complete with the top 5 projects on target for completion.

The Oracle Financials project is ready to go live on 1st July 2020. The LIMS upgrade project is undergoing testing and is on track to go live on 1st January 2021. Training for the HR Oracle project has been delayed due to the pandemic and FC is to arrange online training in the very near future. A baseline has been established for all FSLT policies and the transfer to Sharepoint is due to start by the end of July. FC's Business Technology Service are to give a presentation to the EMT on 16th July 2020. Training on GDPR will be completed once staff are back in headquarters.

RA

853. Committee Business Report

JH advised Directors that the Strategy Committee met on 21st April 2020 with Ed Wallace taking the Chair in place of JH whilst he was in the post of ICEO. At that meeting CMcD intimated that she would be interested in Chairing the Committee at a later date when her other work commitments permit. JH will remain as Chair until the Committee structure is reviewed by the CEO.

Recent meetings of the Services & Operations Committee and the Governance & Compliance Committee did not take place due to lack of quoracy, however the reports from both meetings were included within the Board papers issued to Directors.

EW will re-visit the composition of the Committee now that PD and BT have joined the Board and discuss further with Directors.

EW

854. Policies for Noting and Approving

Directors were asked to approve the minor changes in the Directors' Handbook contained within the Governance & Compliance Committee papers. Directors agreed and it was remitted to VW to issue this to Directors.

VW

The Chair stressed that it was important that Directors were aware and understood the company risks involved in their position on the Board. EW/VW will ask the Company Solicitors to arrange an update session for Directors on corporate governance and their responsibilities.

**EW/
VW**

855. Any Other Business

855.1 Re-Appointment of Jeph Hamilton

The Chair asked Directors to approve Jeph Hamilton's re-appointment to the Board in the position of Vice Chair as agreed at the Board update meeting on 2nd June 2020.

Directors were in agreement and it was remitted to the Company Secretary to complete the necessary paperwork and update the Companies House record.

VW

855.2 Bank Account Signatory

RC proposed that EW be approved signatory for the Company bank account. JH seconded the proposal and it was remitted to the Company Secretary to complete the necessary paperwork.

VW

855.3 Thank You

The Chair expressed his gratitude and thanks to the CEO and the team for all their hard work during such a difficult period and thanked JH for his term as ICEO.

856. Date of Next Meeting

A Board Update meeting will take place on Tuesday 14th July 2020 commencing at 3.30pm via Microsoft Teams prior to the full Board Meeting already scheduled for 24th September 2020.

Signed _____
Chair

Date _____