



**Minutes of Meeting of the Trust Board of Directors at 18.00 hrs on 26<sup>th</sup> June 2019**

**Kilmardinny**

**Present:**

Glen Johnstone	(GJ)	Independent Director
Howard Wilkin	(HW)	Trade Union Director
Iqbal Singh Bedi	(IB)	Independent Director
Jim Gibbons	(JG)	Partner Director
Jim Neill	(JN)	Independent Director
Jimmy Watson	(JW)	Independent Director
Maeve Kilcoyne	(MK)	Company Secretary
Mark Grant	(MG)	General Manager
Sandy Marshall	(SM)	Independent Director (Chair)
Stewart MacDonald	(SMD)	Partner Director
Susan Murray	(SMu)	Partner Director

**Apologies:**

Gillian Renwick	(GR)	Partner Director (Vice Chair)
Sheila Mechan	(SMe)	Partner Director

Item	Subject	Action
1.	<b>Apologies</b> As above	
2	<b>Declaration of Director's interests</b> None	
3.	<b>Minutes of Meeting of 24<sup>th</sup> April and Matters Arising</b> Minutes were proposed by SMu and seconded by JN.	
4.	<b>Board Action Sheet</b>  <ol style="list-style-type: none"> <li>1. Removal of Chewing Gum – work has been completed at KLC and LD.</li> <li>2. MG explained that the flat structure is being reviewed with SM and that it is also on the Risk Register.</li> </ol>	
5.	<b>EDLC – Budget Sensitivity analysis</b>  MG explained that there was 4 examples of budget sensitivity analysis. The base is known and is for financial year - 2019/2020. At this point the model doesn't account for the implications around the Allander Leisure Centre new build. MG said that back in 11/12 there was a management fee from EDC of £5.63 million and now it is significantly less at £5.03 million. This includes a one off payment for 2019/20 so actual fee excluding this is circa £4.8 million.	

	<p>SMD asked about the £200k included in the management fee and MG advised that it was a one off payment and to be used for the purposes outlined in the Council Budget Papers.</p> <p>MG said it was unlikely a three year agreement for the management fee would now happen as Local Authorities are not expecting a similar arrangement from Scottish Government.</p> <p>Payroll is the highest cost and has increased significantly. MG explained that we will be looking at efficiencies including a review of opening hours. JW asked how we would achieve these big efficiencies. MG said that as 65% of costs are employee if we had to save these significant sums it would involve reviewing headcount and service provision.</p> <p>Further, we will continue to update EDC and have conversations during EDLCT's and EDC's Current Cost for Level of Service (CCLS) exercise. It will be highlighted to our external audit that from 20/21 we could have a going concern issue.</p> <p>HW asked how the shutting of Waterside Pavilion will impact and MG explained that pitches aren't significant revenue generating areas.</p> <p>JN asked about the formulae for the funding for the management fee, MG said that if we weren't a charity our costs would be £969,000 higher. He also explained that although our deficit and forecast position is concerning many other Trusts are worse off. SMu also explained that if we weren't a charity we wouldn't be able to attract some of the external funding and vat relief.</p> <p>MG said that the stark reality is that we have been in business for 8 years and we are costing less to the Council than we did 8 years ago. Further, unlike council services we have had no uplift for payroll or other increases. GJ added that at the very least we would want an increase in management fee commensurate with payroll increases.</p> <p>SM confirmed that the Board are satisfied that the simulator can be used to explain EDLCT's position to the Council. GJ said it would be important to include staffing numbers in this also.</p>	
<p><b>6.</b></p>	<p><b>External Audit Plan</b></p> <p>The Board was advised that the auditors would be in week beginning Monday 15<sup>th</sup> July. Audit closure meeting is timetabled for August, Finance and Audit Subcommittee for September and approval and signing of the financial statements on the 23<sup>rd</sup> October.</p>	
<p><b>7.</b></p>	<p><b>Allander Champions Group</b></p> <p>MG said the group had reconvened and met in June at Kilmardinny, previously had met back in January. The group included local councillors, officers etc. Originally the costs were in excess of £50 million, budget is now £33 million.</p> <p>Included in the Group's agenda was an update on feasibility, the revised budget and proposed accommodation schedule. Currently this is a high level approach and we are looking September / October 2020 as an indicative start date on site.</p> <p>IB asked what is it that is holding back the build and MG said they have to work with planning and design consultants. Once complete each phase of the design will have to go in front of Council for approval. SMD asked if this is still a tandem build and MG said yes.</p>	

	<p>One major issue discussed was whether the indoor bowling would be provided. The Chief Executive advised the group that this was not ratified as a Council decision. SMD asked would it not be sensible for a decision on the bowling club to be made prior to ALC design being finalised and MG said this will be addressed prior to the final design.</p> <p>JW asked about closure and MG said that he didn't know if this would happen. The challenge is during the two year build we may lose customers and revenue. However during the tandem build the gym should hopefully remain open during most of this two year period.</p> <p>JW asked about factoring in ALC closure in the sensitivity analysis. It was explained that this had been debated at the F&amp;A Subcommittee and it was decided to keep ALC in at this stage.</p> <p>IB asked if it is mainly public sector people in the Champion's group. MG explained that from the public there is Community Councils and representations from larger clubs. IB asked if any of EDLCT directors are on the Group and MG said no. MG said that from EDLCT it is himself and David Kelly the Operations Manager. MG said that he will report information from Allander Champion's Group back to Board and also get someone from the Major Assets Team to report back to the Board once the project design is more complete.</p> <p>JW asked about the building age and MG explained it was built in 1977 and at that point wasn't expected to have 40 plus year lifespan.</p>	
<p><b>8.</b></p>	<p><b>Leisure Centre Opening Hours update</b></p> <p>HW declared an interest and left the meeting for this agenda item.</p> <p>MG said there are new shift patterns and a series of meetings ongoing to agree these patterns. EDLC are keen to implement these changes on an agreed basis with TU's and employees. There had been leisure network enquiries to look at shifts and hopefully over the Summer there will be talks with Trade Unions and negotiations can be concluded.</p> <p>SM mentioned that thought that a 9pm closure on a Sunday is too late.</p> <p>IB asked if there is a revenue implication and MG said we are hoping for increased retention levels of members and also to attract new customers. We will monitor this closely during the 1<sup>st</sup> year.</p> <p>IB asked about changing staff numbers to do with public numbers, MG explained that team leaders are reducing and so there will not always be a team leader in the gym, there will be 74 hours of a team leader to cover an early and a back shift but not all shifts.</p> <p>SM asked if the conversations with the staff were positive. MG said the gym staff conversations had been concluded and we are now meeting with leisure officers and receptionists.</p> <p>JN asked have we looked at who uses the gym at different times to see if client group usage have improved. MG said this will be reviewed.</p>	
<p><b>9.</b></p>	<p><b>Operational Performance Report</b></p> <p>IB asked about 5.4.1 and 2 – clarification that 6,052 is an increase in DD members, MG explained yes although gym numbers are down income from DD is up.</p>	

10.	<p><b>Health for Heroes Programme</b></p> <p>MG explained that this was a request that went to the Chief Executive of the Council and other organisations. MG explained that the request is that EDLC allow for 5 veterans at each leisure facility to have a free gym membership.</p> <p>JW asked what the current policy is and does any other group get free access. JW said the question is who decides who gets the free membership, in principle how will this work/who will get the free membership. MG said he would need to meet and ask these questions about the criteria and any vetting process.</p> <p>SM clarified that MG will look at the operational aspects. SMu asked about the social prescribing that doctors do just now, MG explained that via live active people can get a fifty percent discount in the first year of their membership.</p> <p>JG asked will it be 1 person each year or half a year and MG explained that the detail and allocation of membership will need to be confirmed. JW said the paperwork stated that the veterans are injured, so the recovery of illness would need looked at and SMu added we should perhaps look at what support the veteran's get from the Government.</p> <p>MG rounded up by saying that we need more detail and to look at what is happening with other Trusts. From there we can further consider the request at a future Board.</p> <p>MG said he will arrange to review this with East Renfrewshire Leisure and Captain Thomas Henderson who made the request.</p>	
11.	<p><b>AOCB</b></p> <p>JN said there used to be a sign at the bottom of the road for Kilmardinny and appealed to Councillors on the Board to get signage arrange. SMD said he would look into this.</p>	
12.	<p><b>Date of Next Meeting</b></p> <p>Wednesday 28<sup>th</sup> August, Kirkintilloch Leisure Centre</p>	



Signed .....

Dated 28 August 2019