

EAST AYRSHIRE LEISURE TRUST BOARD OF TRUSTEES

MINUTES OF MEETING HELD ON TUESDAY 1 MARCH 2016 AT 1800 HOURS IN THE RECEPTION ROOM, GRAND HALL, LONDON ROAD, KILMARNOCK

PRESENT: Councillors Douglas Reid (Chair), Eòghann MacColl, Iain Linton, Hugh Ross and Neil McGhee; and Independent Trustees Robin Hume; Jean Brown, Jackie Livingston, Elizabeth Young and June Minnery.

ATTENDING: John Griffiths, Chief Executive; Adam Geary, Cultural and Countryside Manager; Chris Murphy, Sport and Community Venues Manager; and Jackie Biggart, Central Support Manager, all East Ayrshire Leisure Trust; Chris McAleavey, Depute Chief Executive: Safer Communities, Ex Officio Trustee; Lorraine Russell, Senior Accountant; and Gillian Hamilton, Democratic Services Officer, all East Ayrshire Council.

APOLOGIES: Independent Trustee Edward Rutherford; and Joe McLachlan, Corporate Accounting Manager, East Ayrshire Council.

CHAIR: Councillor Douglas Reid, Chair.

DECLARATIONS OF INTEREST

1. No declarations of interest were intimated.

PREVIOUS MINUTES

2. There were submitted and approved as a correct record, the Minutes of the Board meeting held on 8 December 2015 (circulated).

MINUTES OF PERFORMANCE AND AUDIT SUB-COMMITTEE MEETING HELD ON 9 FEBRUARY 2016

3. There were submitted and approved as a correct record, the Minutes of the Performance and Audit Sub-Committee meeting held on 9 February 2016 (circulated).

3.1 Matters Arising

It was noted:-

- (i) that an access issue, now resolved, had prevented the installation of the new staff welfare facilities at Annanhill Golf Club during February. The staff welfare facilities would now arrive and be installed on 3 March 2016;
- (ii) a special meeting of the Performance and Audit Sub-Committee, to review performance reporting, the internal audit programme and the risk register, would be held on 14 March 2016. Trustees who were not Sub-Committee members were also invited to attend and participate in the special meeting;
- (iii) all snagging works were now completed at Cumnock Town Hall. The facility would be fully functional once staff training in the new sound and lighting equipment had been carried out; and
- (iv) the Chief Executive had responded separately to Trustees on all other matters raised at the above meetings, and/or they were covered below.

EAST AYRSHIRE LEISURE PERFORMS OCTOBER TO DECEMBER 2015

4. There was submitted a report dated 16 February 2016 (circulated) by the Chief Executive which provided the Board with a detailed summary of the performance of Trust services for the period October to December 2015 and highlighted the significant aspects of performance for Trustees' consideration.

It was agreed:-

- (i) to approve the East Ayrshire Leisure Performs report for October to December 2015, and that Trustees would contact the Chief Executive separately on any issues in the report requiring clarification and/or further information;
- (ii) to note, in relation to external funding for projects, that the revised senior management structure proposed under the report below on delivering the 2016/19 Business Plan and the 2016/17 Revenue Budget, would create additional senior management capacity to focus on and pursue external funding opportunities;
- (iii) that the Chief Executive confirm for Independent Trustee Jackie Livingstone whether any fundraising for St Joseph's Academy facilities was taking place with East Ayrshire Youth Theatre;
- (iv) to note that a contractor was being appointed to deliver a physical solution to the St Joseph's Academy SGP issue, timescale for completion early May 2016; and
- (v) otherwise to note the report.

BUSINESS PLAN 2016-19

5. There was submitted a report dated 16 February 2016 (circulated) by the Chief Executive which presented the Business Plan for 2016-19 for Board consideration and approval.

It was agreed:-

- (i) to note that the Business Plan 2016-19 would be updated to include (a) we will deliver safe services and manage finances efficiently and effectively as a core value, and (b) staff profile details;
- (ii) to approve the Business Plan 2016-19, subject to the above updates; and
- (iii) otherwise to note the report.

DELIVERING THE 2016-19 BUSINESS PLAN AND THE 2016/17 REVENUE BUDGET

6. There was submitted a report dated 23 February 2016 (circulated) by the Chief Executive which presented a series of changes to Trust operations required to support the efficient and effective delivery of the new 2016-19 Business Plan and meet savings targets in the 2016/17 Revenue Budget.

A presentation was provided by the Chief Executive which covered East Ayrshire Leisure's progress since 2013; the 2016/19 operational environment; and proposals for the Trust going forward.

During discussion on the report and presentation it was noted:

- (i) Trustees welcomed the creation of a new Training and Development Officer post, as detailed in paragraph 5.6.7 of the report, to lead on training and development issues, and to support the development of apprenticeships, internships and work with

schools, colleges and universities, directly supporting the Business Plan strategic objective to be an employer of choice;

- (ii) the Chief Executive was encouraged to link with the Head of Children's Health, Care and Justice Services on the potential for working with care experienced young people;
- (iii) Trustees welcomed the proposal in the report to strengthen the Marketing and Development Team, to allow greater focus on the promotion of facilities and activities, both for local communities and for tourism development;
- (iv) the Chief Executive would provide information to Independent Trustee Jackie Livingstone on the New Kilmarnock Campus design issue raised at the meeting in relation to the proposed access to the facility;
- (v) the future use of Council premises, including the Civic Centre (as suggested by Trustees at the meeting as a possible permanent Headquarters for the Trust) was subject to ongoing review. The Trust's accommodation requirements had been communicated to the Council;
- (vi) discussions were taking place with the Trade Unions on the revised staff structure in the report. Despite the savings requirement shown in the report, no compulsory redundancies were planned;
- (vii) the Trust's financial reserves policy, agreed on 26 February 2014, was based on 5% of turnover being held in reserve as unrestricted funds. When the policy was approved, this sum amounted to £402k. The policy would now be amended to reduce the level of reserves to 3 to 5% of turnover, allowing (one off) £150k to be used to assist with meeting savings targets in 2016/17; and
- (viii) the additional costs of essential temporary staff in paragraph 5.4.7 of the report would be met from reserves.

It was agreed:-

- (i) to remit to the Chief Executive to continue to seek a permanent Headquarters for the Trust through the Council's review of office accommodation and also to pursue any other suitable opportunities that may arise, advising the Board as appropriate, and seeking approval before entering into any agreement;
- (ii) to approve the following savings to meet the target of £650k in 2016/17:
 - £478k from introduction of the Culture and Countryside services review
 - £22k from additional income in Sport and Community Venues
 - £150k from reduction in financial reserves (non-recurring saving);
- (iii) to approve the following savings towards the additional target of £229,000 in 2016/17:
 - £33k Library Services
 - £12k Cultural Development
 - £25k Sport and Community Venues;
- (iv) to remit to the Chief Executive to carry out ongoing review and control of service operations to assist in meeting the remaining savings target in 2016/17;
- (v) to amend the Financial Reserves Policy to establish a revised level of reserves/unrestricted funds of 3 to 5% of turnover;

- (vi) to introduce provision for the appointment of two substitutes members of the Performance and Audit Sub-Committee, to enable the quorum to be achieved should any Trustee(s) be unable to attend a meeting;
- (vii) that Board meetings be rotated between the Palace Theatre/Grand Hall and the Boswell Centre, Auchinleck, with every fourth meeting being held in Auchinleck;
- (viii) that all Performance and Audit Sub-Committee meetings be held in the Palace Theatre/Grand Hall;
- (ix) to approve the revised staff structure as proposed in paragraphs 5.6.2 to 5.6.9 of the report and detailed in Appendix 2, for implementation from 1st April 2016, the changes to be funded as detailed in the report;
- (x) to remit to the Chief Executive to review performance monitoring arrangements in conjunction with the Performance and Audit Sub-Committee with any revised arrangements to be approved by the Board prior to implementation in 2016/17; and
- (xi) otherwise to note of the report.

CHARGES FOR SERVICES 2016/17

7. There was submitted a report dated 16 February 2016 (circulated) by the Chief Executive which put forward proposals for the 2016/17 schedule of charges for Board consideration and approval.

It was agreed:-

- (i) to note that the schedule of charges appended to the report would be updated to increase Palace Theatre/Grand Hall fees by 5% at six monthly intervals. Due to new HMRC rules these charges require updating. The schedule would be revised and reissued to Trustees with the new figures;
- (ii) to approve the schedule of charges, subject to the above update;
- (iii) to note that the Trust's letting policy sat behind the schedule of fees and charges allowing discounted rates for voluntary organisations;
- (iv) to note that the Council's fees and charges were being set and the Chief Executive would circulate the schedule to Trustees;
- (v) that Chris Murphy provide Independent Trustee Jackie Livingstone with details of Activity Card sales; and
- (vi) otherwise, to note the contents of the report.

MEETING SCHEDULE 2016/17

8. There was submitted a report dated 16 February 2016 (circulated) by the Chief Executive which sought approval for the schedule of Trust Board meetings for 2016/17.

It was agreed:-

- (i) to note that the February 2017 meeting of the Performance and Audit Sub-Committee would be held on 13 February, rather than 18 February as indicated in the report;
- (ii) to approve the proposed 2016/17 schedule of meetings for both the Trust Board and the Performance and Audit Sub-Committee, subject to the above amendment; and
- (ii) otherwise, to note the contents of the report.

SEVERANCE

9. There was submitted and noted a report dated 18 February 2016 (circulated) by the Interim Head of Human Resources, East Ayrshire Council which advised on requests for voluntary severance from seven employees of East Ayrshire Leisure, which had been approved by East Ayrshire Council's Head of Human Resources under delegated authority. Six employees were employed within Sport and Community Venues and the remaining one employee was employed within Cultural and Countryside Services.

DATE OF NEXT MEETINGS

10. Trust Board: 19 April 2016
Performance and Audit Sub-Committee: 14 March 2016 (special meeting) then 23 May 2016

The meeting terminated at 1920 hours.