

MINUTES of the MEETING of the BOARD OF TRUSTEES of WEST LOTHIAN LEISURE LIMITED held within XCITE WEST LOTHIAN LEISURE HEADQUARTERS, BATHGATE on Thursday 27 October 2016.

Present – Cindy Brook (Chair), Alan Dawson, Cllr Jim Dixon, Beverley Greer, Cllr Dave King, Steven Stewart, Cllr Harry Cartmill

Apologies – David Eardley, Jude Spence, Robert Taylor, Karen Anderson, Mo Crooks

In Attendance – Robin Strang, Wendy Clydesdale, Mark Chambers, Billy Key, Eric Stafford (West Lothian Leisure), Paul Stark, Jim Cameron (West Lothian Council).

Action

1. QUORUM  
The Chair advised that a quorum of members was present and the meeting could proceed as planned.
2. ADDITIONAL OR ANY OTHER COMPETENT BUSINESS TO BE CONSIDERED AT THE END OF THE MEETING.  
Cindy advised of one additional item to be discussed at the end of the meeting.
3. DECLARATIONS OF INTEREST  
Cllrs Jim Dixon, Harry Cartmill and Dave King declared a non-financial interest in the whole of the agenda as elected members of and appointees to the Board by West Lothian Council.
4. MINUTES OF BOARD MEETING AND AGM HELD ON 8 SEPTEMBER 2016 (attached) and the SPECIAL BOARD MEETING HELD ON 20 OCTOBER 2016  
The minutes of the Board Meeting and AGM were accepted as true and accurate records. There were no matters arising.

**Decision: The minutes were accepted as a true and accurate record.**

The minute of the Special Board Meeting was accepted as true and accurate record.

Matters arising: Robin reported that the West Lothian Council Executive agreed to the transfer of further facilities and services (as detailed at the Special Meeting of the Board on 20 October and as noted in the report to the Council Executive on 25 October) to WLL at its meeting on 25 October. A pre-requisite of the agreement is that WLL's Articles of Association be amended to reflect the wider scope of the trust.

Cindy asked if the Board was content to approve the transfer. All Trustees present agreed subject to:

- (a) Agreeing an appropriate management fee with the Council for the transferring services;
- (b) A business plan for the widened service to be

- delivered by West Lothian Leisure being approved by the Board. This will include the budget and a revised management structure; and
- (c) An updated version of the Articles of Association being approved by the Board to reflect the wider range of services delivered.

**Decision: The minutes of the Special Board Meeting were accepted as a true and accurate record. It was also agreed that the transfer of further facilities and services to WLL (as detailed in the report to the Council Executive on 25 October 2016) is approved subject to the three items noted above.**

5. PERFORMANCE REPORT APRIL - SEPTEMBER 2016 (REP-0678)

**OVERVIEW**

Robin went through the performance dashboard for the year to date highlighting the key points.

**Finance**

The projected results for the year to 31 March 2017, which includes the actual and committed spend to September 2016 plus the remaining (revised) budget for the last 6 months of the year is for a deficit. Following further scrutiny of the financial results, the Board agreed:

1. To constrain all non-essential spend for the remainder of 2016/17 unless this would have a severe impact on income; EMT
2. Agreement that WLL management team as a priority prepare a draft budget for 2017/18 that will bring budgeted expenditure into line with budgeted income, noting that this is likely to require a staff re-structure; and SMT
3. Agreement that WLL's Chief Executive immediately approaches the council Chief Executive to discuss the above situation and how WLL and the council can work together to seek a solution to the financial position, and that the outcome of these discussions is presented at the Audit and Finance Sub Committee in November. RS

**Operations**

Billy went through membership sales and cancellations for the first six months together with the learn to swim figures. He also reported that our Net Promoter Score (customer survey performance) remains high and well above the industry average, which is encouraging.

**Business Development / Marketing**

Mark reported on the progress of the extension to the Linlithgow Sports Pavilion which, due to a few delays with plant deliveries and utilities connections, will now be ready for

use early in December 2016.

He then reported that following our recent promotion during October, we gained 1074 new members with 534 cancellations giving us a net gain of 540 new members.

The new concession scheme is proving to be popular. The trial has been extended until January when the scheme will be fully launched.

Harry asked if we sell gift vouchers as he thinks that they would be popular, especially at this time of year. Mark said these were already available at receptions in our sites but should perhaps be promoted more.

MC

### **HR and Training**

Eric reported that 2,166 training attendances were recorded at 370 training events to September 2016.

A decision to change the status of Group Fitness Instructors to 'Self Employed' was taken by the SMT and approved on 18 October 2016, this will come into effect on 1 April 2017.

Given the complex and detailed nature of the new Xcite Pay and Reward Strategy which has been drafted, Eric has decided to defer this issue until such times as the item can be properly considered in the context of the financial position and the current transfer proposals.

### **Risks**

The level of private sector competition is now unprecedented in West Lothian with Pure Gym in Livingston which opened in November 2015, Anytime Fitness in Bathgate which opened this month, Exercise4Less who plan to open a budget gym in Livingston later this year and Sports Direct Fitness which we understand plan to open a site at what is currently the Livingston B&Q building. The impact of these 'budget' gyms remains a concern and is being closely monitored.

**Decision: To note the report and to agree the actions noted in the finance section above.**

## 6 HEALTH & SAFETY REPORT APRIL – SEPTEMBER 2016 (REP-0679) attached

Russell presented his six monthly health and safety report.

He reported on the progress of the H&S Improvement Plan actions for 2016/17. He also reported that there were no trends identified with either staff or customer accidents/incidents and no RIDDOR reportable accidents.

**Decision: To note the report**

7. **REVIEW OF THE ARTICLES OF ASSOCIATION (REP-0680)**  
Following the decision to transfer further facilities and services to WLL, the Articles of Association need to be reviewed to reflect the wider service to be delivered. This paper outlined what needs to be done and by when. The revised Articles need to be approved by the Council, by OSCR and ultimately by the Board prior to the transfer on 1 April 2017.

**Decision: To note the report**

8. **BUSINESS PLANNING CONFERENCE ARRANGEMENTS (REP-0681) attached**  
This years' Business Planning Conference will be held in Linlithgow at the Lowport Centre on Wednesday 7 December from 2.00pm until 6.00pm. Robin will circulate an agenda and further details shortly.

**RS**

**Decision: To note the report**

9. **AOCB**  
Cindy advised that Stuart Harley, our IT Manager, is leaving the company in two weeks' time to take up a new post and wanted to thank him on behalf of the Board for his service over a number of years. Mark outlined the plans to ensure that the service continues. This includes Stuart Johnston working at a higher level to provide business continuity. We will also discuss support from WL Council.

10. **Dates of Next Meetings:**

**Audit and Finance Sub Committee :** Wednesday 30 November 2016, 6.30pm at Xcite Bathgate

**BUSINESS PLANNING CONFERENCE:** Wednesday 7 December 2016, 2 to 6pm, the Lowport Centre, Linlithgow

**Main Board:** Thursday 15<sup>th</sup> December 2016, 6.30pm at Xcite Bathgate.