

MINUTES of the MEETING of the BOARD OF DIRECTORS of WEST Lothian LEISURE LIMITED held within XCITE WEST Lothian LEISURE HEADQUARTERS, BATHGATE on Thursday 23rd February 2017.

Present – Cindy Brook (Chair), Cllr Jim Dixon, Cllr Harry Cartmill, Cllr Dave King, Robert Taylor, Mo Crooks, David Eardley, Alan Dawson,

Apologies –, Jude Spence, Karen Anderson, Bev Greer, Steven Stewart

In Attendance – Robin Strang, Heather Duncan, Billy Key, Mark Chambers, 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 there were no additional items 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. David Eardley declared an interest in any matters involving the performance or remuneration of the Auditors or the planning or results of any audit undertaken by Scott Moncrieff.

Robin introduced Heather Duncan who, following the departure of Wendy Clydesdale from the company, will be interim Head of Finance until a permanent solution is found.

4. MINUTE OF THE BOARD MEETING ON 15th December 2016 (attached)
The minute of the Board Meeting held on 15th December was accepted as a true and accurate record. Matters arising :

Robin reported that the transfer of further services from WLC is going well. On 3rd March 2017 there will be a joint risk workshop with WLL and WLC to identify any significant risks associated with the transfer and what can be done to mitigate them.

It was noted that Board members will now be addressed as Directors and not Trustees.

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

MINUTE OF THE SPECIAL Board meeting ON 25th January 2017

At this meeting we did not achieve a quorum of Directors and no decisions could be taken. There was, however, a wide ranging discussion on the Articles with our lawyer Peter McFarlane. Peter has forwarded the revised objects to OSCR, he also sent the revised Articles to WLC for consideration. This item will be discussed later in the meeting.

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

5. MINUTE OF THE AUDIT & FINANCE SUB COMMITTEE MEETING ON 25th January 2017 (attached)

The minutes of the Audit and Finance Sub Committee Meeting held on 25th January 2017 was accepted as a true and accurate record.

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

6. PERFORMANCE REPORT APRIL - DECEMBER 2016 (REP-0690)

Overview

Robin went through the performance dashboard for the year to January 2017, highlighting key points. He noted that the new website has been live for a few weeks, some improvements are to be made and it is planned to demonstrate it at the next Board meeting.

MC

Finance

Heather reported on income and expenditure to the end of December 2016 noting a year end projection of a surplus of £359,935.

Heather is looking to improve the presentation of the finance report and asked if Directors have any suggestions to contact her directly.

HD

Operations

Billy went through the performance of membership sales and retention. He also reported that our Net Promoter Score (customer feedback) remains high and well above the industry average.

We had a successful campaign in January/February with a significant number of Student and Young Adults joining, attracted by our new membership package.

Business Development / Marketing

Mark reported that the extension to Xcite Linlithgow Sports Pavilion is now completed after a seven week delay. It is

already being well used by clubs and has enabled an increase in pitch bookings.

The new concession scheme (Access Xcite) is proving a huge success with attendances up by 80% on the same time last year. For the full launch on 3rd April we will work with WLC to advertise what we offer and the benefits to all who are eligible.

The gym refurbishment at Xcite Livingston, including the new Queenax frame, is being well used. Usage up by 4%. The new floor will be installed early in March.

HR and Training

Eric detailed current training which is being restricted to that which is essential to deliver front line services.

The sickness absence rate to 31st January is 4.21%, this is relative to the organisations' annual performance target of 3.5%. Employee turnover rate to 31st January 2017 is 13.6%, again relative to the company's annual performance target of 14%.

Our Payroll services will be transferred to WLC as from 1st April 2017.

HD/ES

All of our insurances are being looked at so as to encompass the wider Trust activities from April 2017.

ES

Risks

Robin went through the key risks to achieving performance targets.

Decision: To note the report.

7. **BUSINESS PLAN PRIORITIES (REP-0691)**

Robin presented the vision and values together with the business priorities for 2017/18.

It has not been possible to complete the Business Plan as we don't yet have the service specification for the transferring services and the 2017/18 budget is still being worked on. We have received the list of transferring posts from WLC, and are in the process of reviewing the new management structure.

The final Business Plan will be presented to the Board at a Special Meeting on Wednesday 29th March 2017 after the Audit and Finance Sub Committee Meeting.

Decision: The vision, values and priorities were approved. The full business plan for 2017/18 will be presented to the Board on 29th March 2017.

RS

8. MANAGEMENT FEE 2017/18 (REP-0692)

Heather went through the report noting the proposed management fee for the transferring services (highlighting notes of items yet to be addressed) and the management fee for existing services. Directors approved the management fee subject to the outstanding items being adequately addressed.

It is proposed that the authority for agreeing any further minor revisions to the management fee with WLC is delegated to the Chief Executive. All Directors approved this.

Decision: To approve the management fee for 2017/18 on the basis that the identified items (notes) in the report (relating to the transferring services) are adequately addressed. Authority was delegated to the CE to agree minor revisions to the management fee.

RS/HD

9. ARTICLES OF ASSOCIATION, FORMAL ARRANGEMENTS AND STANDING ORDERS (REP-0693)

The final versions of the Articles of Association, Formal Arrangements and Standing Orders were presented for approval.

The revised Articles of Association were approved. Directors made the following comments:

- Article 7.3 (iii): Directors instructed the CE to articulate to the Trade Union that it would be preferable that the TU Director is an employee of WLL;
- Article 7.11: Directors asked that notice is taken of the UK Corporate Governance Code (this may result in further guidance going into the Standing Orders); and
- Article 11.1: There is a preference that the Chair would be selected from the 4 Independent Directors so as independent from any organisation (i.e. Council, WLL or TU) (again this may result in guidance added to the Standing Orders)

RS

RS

RS

The Articles of Association will be adopted when OSCR approve the revised objects. The transition plan to the new Board make-up was outlined by Cindy and Robin.

The revised Formal Arrangements were approved.

The revised Standing Orders were approved, however, further additions may be required given the three bullet points above. If so, the undated document will be brought to the Special Board meeting on 29th March for approval.

RS

Decision: To approve the revised documents noting that the above three bullet points are to be addressed.

10. TRANSFER OF FURTHER FACILITIES AND SERVICES TO WEST LOTHIAN LEISURE (REP-0694)

At the Board meeting on 27th October 2016 the Board 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) 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.

Directors were content that items (a) and (c) have been adequately addressed, and noted that the final business plan will be presented to a special meeting of the Board on 29th March 2017. If approved at that meeting that will satisfy the conditions and Directors will then be invited to approve the transfer.

11. AOCB

There was no additional business.

12. Dates of Next Meetings:

Audit and Finance Sub Committee and Special Board Meeting : Wednesday 29th March 2017, 6.30pm at Xcite Bathgate

Main Board: Thursday 27th April 2017, 6.30pm at Xcite Bathgate.