Minutes of Meeting of the Board of Directors of South Lanarkshire Leisure and Culture Limited ("the Company") held at Low Parks Museum; 3pm on Wednesday 7 March 2018.

1. **Sederunt**
   Chair:
   Cllr David Watson

   **Board Members:**
   Angela Beggan, Robert Craig, Lorraine Graham, Michael McGlynn, Cllr David McLachlan, Alan Morrison, Cllr Lynne Nailon, Ronnie Smith, Stephen Smellie

   **In Attendance:**
   Gerry Campbell (General Manager), Paul Manning (Executive Director of Finance and Corporate Resources)

2. **Apologies**
   Apologies: Lindsay Freeland, Johan Steele

3. **Declarations of Interest**
   No interests were declared.

4. **Minutes of Previous Meeting**
   The minutes of the meeting of the Board held on 22 November 2017 were submitted for approval as a correct record.

   **The Board:** approved the minutes as a correct record.

5. **Matters Arising**
   There were no matters arising.

   **Monitoring Items:**

6. **Performance Report – 3rd Quarter 2017/18**
   The Board were guided through the report for the third Quarter of 2017/18.

   - SLLC performance against the Business Plan is on target with savings identified by SLC achieved and additional funding secured to deliver and develop the Health Intervention Programme in partnership working with NHS Lanarkshire.
   - Attendance figures are as expected at this time of year with ups and downs. Overall position is positive although is 0.4% down on last year.
   - As always, customer feedback and areas for suggestion have been noted and actioned accordingly and SLLC’s response time for FOI requests remains at 100% although, in terms of the overall business, requests are relatively low.
   - Following on from the last Board meeting which took place in the new Newton Farm Community Wing, Board members were advised that there was an opportunity for them to go for a tour of the facility, should they wish. So far, the facility is being well utilised by the community. A resolution to various operations issues, i.e. noise and light pollution, is being worked on in conjunction with SLC’s Environmental / Planning Services.
Board members were reminded to get in touch should they wish to go along to any of the excellent initiatives taking place across the business.

Employee recognition nominations and the quarterly winner were noted.

An adverse overall financial position of £14k was noted going into the final three months of this financial year. Various areas continue to fluctuate with golf and fitness being particularly challenging.

There was a request to quantify children’s attendances for Libraries and Museums similar to the detail provided for digital visits. It was agreed that this was a valuable point given the various events run by this service such as Bookbug and Bedtime Reading events.

Pressures at Blantyre Leisure Centre were highlighted to provide background to quantify budget deficit. The Centre has been badly hit by a drop in fitness income in this quarter due to being closed for two days for maintenance works to the hot water system. It is unlikely that Blantyre will be able to recover this loss.

Employee costs are up more than budgeted due to absence levels and the need to use casual staff to cover activities. Management teams continue to work to reduce this.

The Physical Activity Prescription provides specialist care to customers and is used as a tool to encourage lifestyle changes with the hope that customers continue to use our facilities at the end of their programme. Additional funding is being sought through Health and Social Care.

The predicted breakeven budgetary position for year end is proving to be significantly more difficult than expected due to the recent unprecedented snowfall which saw many facilities closing or operating on reduced opening times. Employees have been credited with time off and heating costs are increased due to the low temperatures we experienced.

Reserves are currently sitting at less than £40k, OSCR guidance is for reserves to be 5% of operating income.

The completion of a draft Financial Strategy is planned in time for the next Board meeting which will focus on the short to medium term and the increasing challenges faced in terms of dropping customer numbers and ageing facilities. SLLC will no longer be able to rely on accruals and funds from other areas of the business and therefore a new approach will have to be considered.

The Board commended the Libraries Team in winning the Digital Category at the National Library Awards for their activeE initiative. This virtual service continues to be popular engaging more than 1,200 users. Libraries continue to work with budgets to provide online access to books, newspapers and comics whilst still providing a traditional library service.

The Board: noted the Quarterly Report and the recommendation that overall children’s attendance figures for Libraries and Museums are documented going forward.

7. Audit Committee Update

The Board was provided with a verbal update on business considered by the Audit Committee.

External Auditors, Scott Moncrieff, presented their Audit Plan 2018 to the Audit Committee. This follows similar arrangement to previous years although a slight change in format sees an interim audit planned, as opposed to only one external audit visit in the year.

Internal Audit updated the Committee regarding SLLC’s position for 2017/18. Internal controls are adequate with minor improvements required at this stage.

The Credit Card and Petty Cash Reviews highlighted errors in terms of VAT recovery. Described as controlled breaches, some errors highlighted the need for continuous training of staff where roles/staff members are changing. The planned introduction of IProc, still no date available, noted as being a helpful control measure to help prevent such breaches.

The Board: noted the report.
### Items for Decision:

#### 8. Gift Aid 2018

The Board was presented with the standard report seeking permission to gift aid surplus funds from SLL Trading Ltd. to parent Company, South Lanarkshire Leisure and Culture Ltd, thus mitigating the corporation tax rate of 20%.

- A profit of £49,806.90, achieved through vending and retail sales, was donated through the gift aid scheme to SLLC for financial year ended 31 March 2017.
- The Trading Company reserves stand at £18k.
- The likely profit for 2017/18, if any, is unknown at this point.

**The Board:** approved the report.

#### 9. Award of Contract – Gym Membership Sales Consultancy

The Board was presented with a report requesting retrospective approval to retain the services of Alliance Leisure Services.

- The Chair summarised discussions and highlighted the important role of the Board members in reviewing the Alliance Contract with SLLC.
- The Chair proposed that the report be approved and confirmed that the GM would issue a note to Board members responding to any points or questions that had not been asked and answered at the meeting.

**The Board:** approved the report with the condition that they are provided with further information on the points raised by SLC. One Board member noted he would not endorse the report.

### Items for Noting:

#### 10. Savings 2018/19

A report was tabled detailing savings for 2018/19 which had recently been approved by SLC.

- SLLC submitted savings options to the value of £1.58m. After discussions with SLC, the agreed savings for 2018/19 stand at £0.782m.
- SLLC will be working with SLC to provide four free school lets to PTA’s / Parent Council’s and extend the Under 16’s discount to athletics clubs and water sports clubs making use of the James Hamilton Heritage Park.

**The Board:** noted the report.

#### 11. Gender Pay Gap Report

A report was tabled to advise the Board of the legal requirement for SLLC to provide Gender Pay Gap information and detail our position as at 5 April 2017.

- The gender pay gap shows the difference in the average pay between all men and women in a workforce.
- Findings for SLLC show a mean gender pay gap of 2.3%, over 15% less than the national average. Work will continue to ensure all areas are evenly balanced.

**The Board:** noted the report.
ALEO Statement of Assurance

- SLLC are required to provide evidence and information on our internal procedures and processes to assure SLC of sound governance arrangements and appropriate systems of control are in place for the delivery of services.
- A list of examples were provided that evidence the existence of sound governance and effective management controls and would be included in the submissions to SLC.
- The statement is signed by the Chair of the Board and Senior Management of SLLC then submitted to SLC.

Environmental Issues

- Community and Enterprise have taken the decision to ban the use of balloons in its buildings. Paper to be tabled at the next Board meeting.
- Use of plastics also ongoing. SLLC continue to engage in these initiatives to reduce plastic waste.

Date of Next Meeting

The next meeting is scheduled for 3pm on Wednesday 23 May 2018, venue to be confirmed.

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Chair