

ANGUSalive

NOTE of MEETING of the Board of Directors of ANGUSalive held in Forfar Community Campus at 10:00 on Friday 23 September 2022

Name		Title	Initial
Present:			
Kenneth	Fraser	Independent Director - Chairperson	KF
Alan	Rae	Independent Director - Vice	AR
Lynne	Devine	Council Director	LD
Kenny	Braes	Council Director	KB
Derek	Waugh	Independent Director	DW
Ronnie	Proctor	Council Director	RP
Robbie	Francis	Company Secretary	RF
Kirsty	Hunter	Chief Executive	KH
Iain	Stevens	Senior Manager Business Management and Development	IS
Colin	Knight	Senior Manager Sport and Leisure	CK
Kevin	Lumsden	Angus Council Finance Manager	KL
Jessica	Curran	Angus Council Finance Team Leader	JC
Gordon	Cargill	Angus Council Governance & Change Service Leader	GC
Graham	Thom	Board & Executive Assistant	GT
Sally	Cheaney	Azets External Auditor	SC
Lynda	Thomson	Angus Council HR & Business Support Service Lead	LT
Apologies:			
Serena	Cowdy	Council Director	SC
Tam	Ferry	Independent Director	TF
Kenny	Christie	Independent Director	KC

Item No	Note
1.	<p>Welcome & Apologies</p> <p>KF welcomed everyone to the meeting, noted apologies, and introduced the guests.</p> <p>Apologies: Serena Cowdy, Tam Ferry, Kenny Christie</p>
2.	<p>Declarations of Interest</p> <p>Directors were asked to consider whether they had any declarations of interest in relation to any item on the agenda for the meeting.</p> <p>No declarations were made.</p>
3.	<p>Minutes of Full Board Meeting on Friday 24 June 2022</p> <p>Directors were asked to consider whether the minute of the previous Board meeting provided an accurate representation of the meeting.</p> <p>LD proposed the minute was accurate and DW seconded.</p> <p>Matters arising <i>Café Leases</i></p> <p>IS noted he had met with Angus Council colleagues and the owners of Byzantium café in Monikie Country Park to discuss the current lease agreement which runs to 2032. IS provided a summary of the challenges and opportunities reviewed at the meeting by all parties.</p> <p>Directors discussed this issue, and it was agreed an improved offering under the lease agreement to the public visiting Monikie Country Park would be beneficial to both ANGUSalive and Angus Council.</p> <p>Action: GC to provide the current lease for review by RF on behalf of ANGUSalive.</p>

<p>4.</p>	<p>Chief Executive Update</p> <p>KH noted the areas which required an update would be covered in other agenda items or in AOCB.</p> <p><i>Vaccination Centres</i></p> <p>LD asked if there was any update on the identification of alternative venues for use as vaccination centres.</p> <p>CK confirmed the last vaccination appointment in Reid Hall will take place on 16 October 2022 before the centre moves to the new location in Forfar. He noted it will take approximately one week for NHS to clear the site before an assessment of remedial works required following the long term rental could be completed. The extent of the remedial works is currently unknown and it is therefore not yet possible to advise of a timeframe for these works to be completed or provide a date for return of the venue to its original condition ready for use by the community.</p> <p>CK added the NHS has more recently confirmed they will move out of Arbroath Community Centre on the same day with a similar process taking place at this site as outlined for the Reid Hall.</p> <p>Directors had a discussion around payment for the remedial works and the loss of income during this time.</p> <p>KH highlighted it was agreed during the negotiations to confirm arrangements for use of our venues as vaccination centres that the NHS will continue to hire the venues for the duration of remedial works to return the venues to their original condition as well as cover the cost of the remedial works themselves.</p> <p>Action: CK to provide confirmation the NHS will continue to make a payment for the sites being handed back for the duration of the remedial works.</p>
<p>5.</p>	<p>16_22 Finance & Audit Information Report</p> <p>DW provided an overview of matters discussed at the Finance & Audit Sub-Committee meeting held on Friday 09 September 2022 in relation to the annual accounts, noting the external audit findings report will be discussed later in this meeting. He highlighted there had been a minor change to the annual accounts scrutinised by the Committee following an adjustment picked up through the conclusion of the external audit process since that meeting, and confirmed this is now reflected in the accounts being presented for Directors consideration later in the agenda.</p> <p>DW highlighted the current budgeted position for 2022/23, which shows a net expenditure £132k, and noted there are several areas of risk relating to the current financial year savings requirement.</p>

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	<p>KF asked if there would be a reduction in income received through the vaccination centres against prediction now two sites are being handed back following the last vaccinations being delivered in them on 16 October 2022. KL confirmed an adjustment will be required following this change, particularly in relation to Arbroath Community Centre, of approximately £25k.</p> <p>DW noted the internal audit was overall very positive and action timelines which were slipping are now being picked up by a wider group following appointment of Team Leaders to all service areas so should be addressed soon. He added the National Fraud Initiative investigation which ANGUSalive had taken part in found no sign of fraudulent activities or irregularities within ANGUSalive.</p> <p>KH confirmed the Letter of Assurance has now been sent to the Client along with the internal audit annual report.</p> <p>Directors noted the content of the report. DW proposed the minute as accurate, and this was seconded by KB.</p>
<p>6.</p>	<p>17_22 Annual Accounts 2021/22</p> <p>KL highlighted the annual accounts for both the Charity and Trading companies have been scrutinised at the Finance & Audit Sub-committee meeting on Friday 09 September 2022 and noted the CLT Trading Board had met earlier today to consider the Trading Accounts as part of the governance process.</p> <p>KL noted the 2021/22 Annual Accounts Update report provided the recommendations to be considered by Directors in relation to the accounts and confirmed the recommendations relating to the Trading accounts had been approved earlier at the CLT Trading meeting. It was highlighted the charity and group accounts presented were the same as those previously scrutinised by the Finance & Audit Sub-committee with the only difference being the external audit adjustment in the Trading accounts, and subsequently the Group accounts, of £7,500.</p> <p>KL provided a high-level overview of the accounts and noted the external audit findings report confirmed them to give a true and fair view of the financial position, to have been prepared on a going concern basis, and the External Auditors' opinion is unqualified with no significant findings.</p>

<p>7.</p>	<p>18_22 External Audit Findings Report</p> <p>SC provided a high-level overview of the Audit Findings Report noting it had also been scrutinised at the Finance & Audit Sub-committee meeting held on Friday 09 September 2022. She highlighted the Audit Opinion concluded:</p> <ul style="list-style-type: none"> • ANGUSalive’s financial statements give a true and fair view and comply with the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities and Trustees Investment (Scotland) Act 2005, and all relevant accounting standards. • The financial statements of Angus CLT (Trading) Limited give a true and fair view and comply with the Companies Act 2006 and all relevant accounting standards. • No modifications are proposed to the external audit opinion which is unqualified. • There are no matters to report regarding the adoption of the going concern basis or inadequate disclosures relating to material uncertainties. • The audit work is complete and there are no matters which would require modification of the audit report. <p>SC noted external audits are carried out on a risk-based approach with main risks including management override, going concern, and pension deficit liability which are reviewed for all companies. She confirmed they had concluded there was sufficient evidence to sign off on these risks. She added the Letter of Comfort provided by Angus Council had again been an important element in allowing ANGUSalive to continue to trade legally on a going concern basis.</p> <p>SC provided a summary of the audit findings and internal controls noting full details were available in the report.</p> <p>KF thanked SC and the rest of the external audit team for their hard work.</p> <p>KH highlighted the strong working relationship between Azets, Angus Council Finance, and ANGUSalive colleagues – particularly Business Support – to deliver the external audit on time and recognised the hard work they put into the audit. She also highlighted the work undertaken by the ANGUSalive Marketing team and colleagues from across the charity to produce the 2021/22 annual report which accompanies the audited accounts.</p> <p>KF noted CLT Trading recommendations were approved at their meeting earlier that day and asked Directors if the Board approved the other recommendations in the annual accounts update for the Charity and Group accounts.</p> <p>Directors approved the 2021/22 Annual Accounts which were signed by KF on behalf of the Board along with the Letter of Representation.</p> <p>SC and KL left the meeting.</p>
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8.	<p>19_22 Service Performance Report</p> <p>IS provided an overview of service performance in 2021/22 noting statistics had been provided for 2019/20 and 2020/21 to show a comparison against pre-pandemic and mid-pandemic numbers. He highlighted that while performance has been recovering, we are not yet back to pre-pandemic levels.</p> <p>IS noted this provides an interim insight to performance, but future reports will provide more detailed information following the conclusion of the data project. KH reminded Directors services experienced phased reopening in 2021/22 as Scottish Government restrictions eased and not all services were open in the first two quarters.</p> <p>KF asked whether there was an indication of how quickly bACTIVE membership would recover based on figures to date with current members now at approximately 70% of pre-pandemic levels. IS confirmed there has been slow but steady growth in membership throughout the current calendar year and this has been maintained across the summer period which would normally see a decline in memberships due to holiday periods and customers taking advantage of exercising outdoors in the nicer weather. IS added the rate of recovery was slower than anticipated but still within budget forecasts and highlighted the current marketing campaign is designed to attract members back at a time when the change in seasons would encourage people indoors. He also noted the change in payment model for Learn to Swim has affected the number of Junior bACTIVE memberships following the successful introduction of the standalone swimming membership for children as some have moved onto this if their only activity is swimming.</p> <p>KF asked if usage had increased at the upgraded sports centres following redevelopment of their fitness suites. IS confirmed there had again been a small increase in usage figures at a time of year which would normally see a decline in use. KH added the investment programme is also about retention of existing members, not solely to generate new memberships. There was discussion about how membership levels have changed since the inception of ANGUSalive and through the pandemic until today.</p> <p>GC asked if a site-by-site breakdown can be produced to show ROI figures.</p> <p>ACTION: IS to provide an update on the investment programme at the Board meeting in December which includes information about membership trends at completed sites.</p> <p>Directors discussed the possibilities of linking with tourism providers more to increase casual income. IS confirmed there are links in place with Angus Tourism Cooperative and the Visit Angus website which links customers back to the ANGUSalive website where information about our services is available. The Marketing & Communications Lead will consider whether there are other options available to promote our services more proactively to their customers</p>
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	<p>KF noted the positive impact of ANGUSalive on the local economy, giving the example of Webster Memorial Theatre in Arbroath, and asked if there is a way to promote this more. CK confirmed there is currently work being undertaken to assess how venues can be best used and noted there is also work ongoing round promotion of this.</p> <p>GC highlighted data from the Local Government Benchmarking Framework (LGBF), which refers to performance measures, shows Angus has a higher-than-average cost per visit across several services. KH noted we may have higher costs, but services delivered also receive high customer satisfaction levels compared to other local authority areas.</p> <p>KH added there had been discussion at the Community Leisure Scotland meeting on Wednesday 21 September 2022 about the importance of the social value of culture, sport and leisure activities being delivered by trusts as well as the contribution to reduced costs for other sectors. A pilot has been completed by four trusts in Scotland which worked with the system provider and the outcomes of this were shared at the event for member consideration. She confirmed Community Leisure Scotland is working with CoSLA and Scottish Government to request this type of data is captured nationally as a supplementary data source or in place of current LGBF measures which are not particularly useful given the way they are determined.</p> <p>RP joined the meeting.</p> <p>Directors discussed how footfall/usages across and within the sites can be recorded and reported in future.</p> <p>Action: IS & CK to liaise with the system provider to confirm how ANGUSalive participate in future phases of the pilot and confirm the costs then provide a recommendation to a future Board meeting.</p>
9.	<p>20_22 Investment Programme Update</p> <p><i>Sports Centres</i></p> <p>IS provided an overview of the investment programme. He highlighted to date this includes completion of the fitness suites at Brechin Community Campus and Montrose Sports Centre, with Arbroath Sports Centre currently closed for redevelopment. He noted there had been challenges with lead times, contractors, and sourcing of material at this site but it is also now near completion so Directors will today receive an invite to the opening on 01 October 2022.</p> <p>IS added work at Carnoustie Sports Centre is anticipated to start by the end of the calendar year but is contingent on a tender for the property works. Planning is underway for Forfar Community Campus and Saltire Sports Centre.</p>

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	<p>GC asked if, in addition to the equipment costs, there is a total cost budgeted for the whole programme. IS confirmed he is working through this with the finance team, but they are experiencing issues getting information from the council Property team. JC noted a meeting has been arranged for next week which should help get the required information.</p> <p>There was discussion around the improvement budget being used for some of the works along with the strategies being used to promote the fitness suite developments.</p> <p><i>Country Parks</i></p> <p>IS noted while approval for the aqua glide system in Monikie was granted by Board this is on hold until the Master Planning Workshops (facilitated by Glamis Consultancy through Angus Council) have concluded and the feasibility study with business case is produced. It is important our future plans align with these recommendations, both in terms of location and nature, prior to investment. In addition, creation of the wider infrastructure required to support the introduction of this new activity will be imperative for the success of the project to ensure all necessary requirements are met before opening to the public.</p> <p>There was discussion about how best to share this information with Councillors to outline the vision for Monikie and Crombie Country Parks once it is available.</p> <p>There was discussion round the subsidised costs of delivering activities through Countryside Adventure. KH clarified the current position noting the cost of activities for schools and communities has historically been low in this area but a charges review is currently taking place. She highlighted the need to better articulate the full extent of the activities taking place to inform partners as well as trying to improve the financial position.</p> <p>CK confirmed Lochside Leisure Centre in Forfar is scheduled to be demolished after the October school holidays and noted work is underway looking to get more activities available for people to use Forfar Loch. There was discussion about the antisocial behaviour which has been prevalent round the loch recently and how this can be addressed.</p>
<p>10.</p>	<p>Coaches Review Update</p> <p>CK provided an overview of the review process and the progress which has been made to date. He noted work is ongoing with colleagues from Angus Council HR and Procurement teams and highlighted the complexities of the exercise. He confirmed there is a meeting scheduled on Wednesday 28 September 2022 with the Group Fitness Instructors to provide them with an update on the review and outline the possible options for moving forward in relation to how they will be engaged and contracted.</p>

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	<p>CK noted the next phase will be to determine the rates of pay which are currently on a sliding scale depending on class attendance but are likely to move to a flat rate. Angus Council payroll team have agreed to meet and discuss the options in this area but are also facing resource challenges at this time.</p> <p>CK confirmed this work should be concluded by end of calendar year but the meeting with payroll will be a key determinant of this.</p> <p>Action: CK to provide an update report to the next Board meeting on 16 December 2022.</p>
<p>11.</p>	<p>Transformation Project Update</p> <p><i>Angus Council Meeting</i> GC provided an overview of the latest report which was tabled at the Council meeting on 08 September 2022. He highlighted only two items were considered which included procurement authority for purchase of equipment through the Renewal & Repair Fund, and the Angus Council support package measures which were required as part of the accounts signing process. The remaining items have been deferred to the next meeting to be held on Thursday 03 November 2022.</p> <p>GC also noted the proposal to integrate Monifieth library within the new community hub at Blue Seaway was agreed by elected members at the 08 September 2022 meeting but highlighted there are still some funding challenges which will need addressed.</p> <p><i>Health & Wellbeing</i> GC noted the health and wellbeing test of change project manager has now been appointed and is due to start on 17 October 2022. A steering group for this project is being established and will include KH, GC as well as representatives from Angus Health & Social Care Partnership and Voluntary Action Angus. This project should see an increase in social prescribing and non-medical services moving into ANGUSalive facilities.</p> <p><i>Country Parks Master Planning</i> GC noted Glamis Consultancy is hoping to shortly conclude the Monikie and Crombie master planning ensuring Schools & Learning are considered in the process.</p> <p><i>Services Contracts</i> GC confirmed work is being undertaken with Angus Council Legal team to review and modify contracts such as the Services Specification, Licence to Occupy, and Support Services which will be ready for implementation at the start</p>

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	<p>of 2023/24 financial year. He noted the ANGUSalive Business Plan will be key and allow work done over the last couple of years to start flowing through into this.</p> <p>DW highlighted there needs to be more robust plan for the £955k saving requirement detailing accurately where these savings will come from. There was discussion around how the Services Specification plays an important role in modelling for budgets.</p> <p>KF noted the Board's disappointment regarding the report submitted to the Council meeting which appears to indicate the Client is trying to influence ANGUSalive strategy which clearly sits within the remit of the Board of Directors and suggested the new paper should reflect this position.</p> <p>GC highlighted the report had not been intended to appear to take responsibility for strategic direction and noted the Client needs to ensure money is being spent on the right things.</p> <p>KH noted all previous ANGUSalive Transformation Programme Update reports, until the 08 September 2022 report, had been written collaboratively by the Council and ANGUSalive which had constructive. She stressed the importance of returning to this effective way of working together for future Council reports.</p> <p>Action: KH to provide feedback on the ANGUSalive Transformation Programme Update report to GC.</p>
12.	<p>23_22 Consolidation of the Scottish Local Government Living Wage</p> <p>LT joined the meeting</p> <p>LT provided an overview of the report and noted the proposals are currently with the Trade Unions until 07 October 2022 for formal consultation. She advised, to comply with the legislation, Angus Council and ANGUSalive have already been paying a supplement to those under the Scottish Local Government Living Wage threshold but this difference needs to be consolidated into the pay scale rather than being paid separately.</p> <p>KH noted while employees have been paid the supplement, the agreed pay deal for 2018-2021 required the consolidation of the Scottish Local Government Living Wage into the pay scale to happen by April 2021. The banding changes required to achieve this will therefore need to be backdated to April 2021 once agreed with trade unions.</p> <p>LT noted there is a suggestion to reduce the number of spinal points to simplify the process in future.</p>

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	<p>LT highlighted additional costs to ANGUSalive for 2021/22 and 2022/23 will be £184,855 and £24,229 respectively.</p> <p>KH provided a recap highlighting a previous version of this paper had been presented at the Finance & Audit Sub-committee meeting on 10 September 2021 where the recommendations were approved by Directors. After the meeting, written confirmation was provided to HR that the proposals could be shared with Trade Unions but we later found out that this did not happen as the subsequently agreed pay award for 2021/22 was higher than expected, meaning the proposals were no longer viable and needed to be reworked by HR.</p> <p>KH noted the position in the paper is for a one-year only and a further update to the pay and grading scale will need brought to Board for consideration in future because the pay award this year is significant, particularly at the lower end of the salary scale.</p> <p>LT confirmed this will be a one-year position, but it will consolidate the SLGLW as previously agreed.</p> <p>KH flagged assurance was given by HR and the Director of Finance that the Management Fee would be uplifted to cover Scottish Local Government Living Wage Consolidation in line with the process wherein the pay award has been covered by the council as an uplift in the management fee. JC noted this should also be covered.</p> <p>Action: LT to confirm increase in cost associated with pay award will be covered by Angus Council as an uplift to the management fee.</p> <p>Decision: Directors approved the proposal made within the paper subject to trade union agreement.</p> <p>LT left the meeting</p>
<p>13.</p>	<p>21_22 Customer Facility Management System Update</p> <p>IS highlighted the contract with Legend, the current supplier, is due to end shortly and this report is seeking the approval of the Board to grant the Chief Executive authority to provide an exemption for renewing this contract. He noted there will be an increase in the cost of the service, but this is taken into account in the revenue budget.</p> <p>DW suggested we ask for the contract to be agreed at a fixed cost for the duration rather than in line with inflation which could result in a significant increase in cost over the contract period.</p>

	<p>GC highlighted Procurement colleagues should also be consulted before exemption is given to ensure this is an appropriate approach to take in this instance.</p> <p>Action: IS to negotiate terms of contract with Legend to ensure best deal and consult with Procurement team to confirm exemption is the appropriate measure in this case.</p> <p>Decision: Board approved the proposal subject to meeting procurement requirements and ability to cap the cost increase over the duration of the contract.</p> <p>KB left the meeting</p>
<p>14.</p>	<p>22_22 Risk Register</p> <p>IS provided a brief overview of the risk register noting there had been little movement since the previous update. He confirmed there had been one new risk added as a result of the audit outcome and noted 7 out of the 10 risks were categorised as red.</p> <p>DW noted it would be prudent to have outcome dates and owners formally agreed to ensure things move forward.</p>
<p>15.</p>	<p>Policies</p> <p>KH noted the policies presented relate to changes to hybrid/homeworking, business travel, and flexible working to reflect how we are operating post covid. She highlighted all employees within ANGUSalive will continue to have an allocated base for business purposes and changes in the main impact those who used to work at Head Office. Our employees can continue to work from home and hot desk spaces are also being set up in sites for working.</p> <p>KH noted the policies are currently with the Trade Unions for consultation and suggested approval by Board will be subject to feedback from Trade Unions.</p> <p>There was discussion round the implication of employees being injured when working from home in terms of liability. GC highlighted homeworkers may also need to inform their house insurance providers they are working from home.</p> <p>ACTION: KH to check if home insurance provider needs to be notified of homeworking.</p> <p>ACTION: RF to check what the risk is as an employer if an employee has an accident at home.</p>

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	<p>Decision: Directors approved the policy updates subject to Trade Union feedback.</p>
16.	<p>AOCB</p> <p>KH noted the Board meeting schedule is being prepared for 2023 to provide Directors with advance confirmation of dates for diaries. The schedule is likely to follow the same format as this year unless advised otherwise.</p> <p>Directors requested Development Days move to mornings next year and Board meetings are held at Forfar Community Campus. She asked Directors to consider any further scheduling issues/ideas and advise at the development session of changes they wish to implement.</p> <p>ACTION: GT to issue 2023 Board Schedule for consideration by Directors at the Development Day.</p>
17.	<p>Date of next meeting</p> <p>Full Board - Friday 16 December 2023</p>