

NOTE of MEETING of the **ANGUSalive BOARD** held at Brechin Community Campus on Thursday 26 May 2016 at 9.30am

Present:

Name	Title	Initial
Councillor Jeanette Gaul	Council Director (Chairperson)	JG
Councillor Bill Duff	Council Director	BD
Councillor Colin Brown	Council Director	CB
Kenneth Fraser	Independent Director (Vice Chairperson)	KF
Hannah Whaley	Independent Director	HW
Ken McKay	Independent Director	KM
Kirsty Hunter	Chief Executive	KH
Iain Stevens	Senior Manager Business Management and Development	IS
Fiona Dakers	Senior Manager Libraries, Customer and Culture	FD
Colin Knight	Senior Manager Sport and Leisure	CK
Kevin Lumsden	Finance Service Manager	KL
Dawn Johnston	Senior Accountant	DJ
Sharon Faulkner	Angus Council Head of HR, IT and Organisational Development	SF
David Vernon	Angus Council Senior Auditor	DV
Lesley Hadden	Executive Management Team Personal Assistant	LH
Apologies:		
Sheona Hunter	Company Secretary	SH
Stewart Ball	Angus Council Client Representative	SB

Councillor Jeanette Gaul in the Chair.

ACTION NOTE/PLAN

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1.	<p>Welcome & Apologies</p> <p>Introductions and welcome</p> <p>Board of Directors</p> <p>JG informed the Board Donald Archibald and Cllr David Fairweather had both resigned their position on the Board of Directors on 25 May 2016.</p> <p>JG advised Sheona Hunter will be responsible for arranging the appointment of a new Council Director at the next Angus Council meeting on 16 June 2016 and expressed the intention is to progress with the recruitment of two Independent Directors as soon as possible.</p> <p>JG reminded the Board the decision had been taken to establish a Nominations Committee, comprised of 2 Independent Directors, 2 Council Directors and 1 HR representative, as outlined in Article 10 of the Articles of Association.</p> <p>At the Board meeting on 30 March 2016 the Independent Directors were agreed as KF and KM and one Council Director was agreed as JG with one position to be confirmed. The second Council Director was confirmed as Cllr Fairweather after the meeting on 30 March 2016.</p> <p>Further to the resignation of Cllr David Fairweather, the remaining position for a Council Director on the Nominations Committee was considered by CB but he</p>	16 June 2016	SH/JG

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	<p>declined the offer and BD agreed to sit on panel.</p> <p>Sharon Faulkner was confirmed as the HR Representative on the Nominations Committee.</p> <p>Apologies received from Sheona Hunter and Stewart Ball.</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 Meeting on Wednesday 30 March 2016</p> <p>The Directors approved the minutes of the above meeting.</p>		
4.	<p>Matters Arising from Board Wednesday 30 March 2016</p> <p>Report 18_16 Public Swimming Lessons at CHSP & MHSP</p> <p>CK provided the Board with an update on Aqua Aerobics and swimming lessons held at Carnoustie High School Pool and Monifieth High School Pool.</p> <p>Report 16_16 Service Review – Galleries Unit</p> <p>SF provided an overview of TUPE regulations and confirmed employees had transferred to ANGUSalive under TUPE from Angus Council and their Conditions of Service would be held for 1 year from 01 December 2015 – 30 November 2016.</p>		

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	<p>To correspond with TUPE regulations SF advised the Service Review outlined in Report 16_16 can commence immediately to ensure open consultation with employees and Unions is conducted. Any subsequent changes cannot be implemented before 01 December 2016.</p> <p>It was noted the full saving of £36,000 cannot be achieved through the Service Review since any changes will only be in place for up to 4 months of the 2016/17 financial year.</p> <p>KH asked the Board to consider the people element within the Galleries Unit Service Review and not just the numbers. KH felt it was important to remember there is a team of people, who are aware, a saving had been identified within their service as part of the Angus Council 2014/17 budget process as an RB6 savings.</p> <p>HW expressed her agreement it was appropriate to progress with this legacy activity immediately in order to minimise the impact on staff.</p> <p>The Board agreed that officers will carry out a Service Review of the Galleries Unit. On completion of the Service Review a report will be presented to the Board for consideration.</p>		
5.	<p>Report 23_16 Business Unit Risk registers</p> <p>IS presented Report 23_16 to the Board.</p>		

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	<p>Following an initial review of risks submitted by the each of the business units a need to develop management team skills in risk management has been identified.</p> <p>The Board agreed to the delivery of risk management training for identified managers to support the development of the ANGUSalive Corporate and Business Unit Risk registers.</p> <p>The Board noted the Corporate and Business Unit Risk registers will be submitted on 15 September 2016 and quarterly status reports will be provided subsequently. KF requested Risk Registers appropriate for Board level be presented.</p>	15 September 2016	IS
6.	<p>Report 24_16 Complaints, Compliments and Comments</p> <p>IS presented Report 24_16 to the Board.</p> <p>IS advised ANGUSalive had adopted the Angus Council Complaints system. As part of the transition work the complaints handing procedure will be amended to reflect the ANGUSalive organisation and services.</p> <p>The Board agreed for an interim period ANGUSalive employees will continue to use the Angus Council complaints handling procedure and a system for recording compliments and comments will be created.</p> <p>The Board noted a report will be submitted on 09 November 2016 which will</p>		

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	include performance information on customer feedback.	09 November 2016	IS
7.	<p>Report 25_16 Accident and Incident Reporting and Monitoring</p> <p>IS presented Report 25_16 to the Board.</p> <p>The Board noted Appendix 1, Accidents and Incidents Reports for the period 01 January to 31 March 2016.</p> <p>IS advised Angus Council are developing a new accident and incident reporting form and an ANGUSalive version will be provided. It is expected that updated guidance for employees will be available at the end of May.</p> <p>KH informed the Board completed forms will be forwarded to Angus Council's Safety, Health & Wellbeing Team and a copy sent to ANGUSalive Head Office where the Business Management and Development unit will collate the data received to enable creation of a more detailed report in future.</p> <p>The Board agreed a further report is to be submitted 15 September 2016 seeking approval of the new reporting format. This report will include accident and incidents data for quarter one of 2016/17.</p>	<p>31 May 2016</p> <p>15 September 2016</p>	<p>KH</p> <p>IS</p>
8.	<p>Report 26_16 Year on Year Income Growth</p> <p>IS presented Report 26_16 to the Board.</p> <p>The Board noted the historical income information from Angus Council Services</p>		

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	<p>to Communities. A standard 5% increase had been applied across Sport and Leisure charges for pay as you go activities and the main business areas now transferred to ANGUSalive demonstrated growth.</p> <p>The Board acknowledged this historical information provides greater confidence the 5% increase in charges, approved in Report 11_16 Pricing Policy Review and Estimated Income for 16/17 at the Board Meeting on Wednesday 30 March, will generate the forecast additional income.</p> <p>KF noted the expenditure required to generate the additional income was not included in the paper. JG drew attention to the fact IS had been asked to provide historical income information at the previous Board meeting which was outlined within this current report.</p> <p>KF advised it is essential the Board understands the relationship between ANGUSalive income and expenditure and asked KH to consider how this information is to be presented in order for the Board to apply scrutiny and track spend against budget.</p>		
9.	<p>Report 27_16 Archiving & Transfer of Records Agreement</p> <p>FD presented Report 27_16 to the Board.</p> <p>FD advised the Board the Keeper of the Records of Scotland requires competent professionals to manage the historical archives of the Council and the purpose of the agreement was to ensure effective management of all records, from creation or receipt to storage or disposal, including destruction or transfer to</p>		

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	<p>archives for permanent retention.</p> <p>The Board approved the content of the proposed Archiving and Transfer of Records agreement between ANGUSalive and Angus Council.</p>		
10.	<p>Report 28_16 Property Transaction</p> <p>CK presented Report 28_16 to the Board.</p> <p>CK advised both Montrose Sports Centre and Carnoustie Leisure Centre café areas are leased on agreements expiring in November 2017 and July 2019 respectively. As highlighted within the previous Report 21_16 the existing tenant wishes to extend the leases for both Montrose Sports Centre and Carnoustie Leisure Centre.</p> <p>CK advised the preferred option for ANGUSalive is for shorter lease extensions of 5 years to be negotiated with rent reviews carried out at the end of the current lease dates. The leases for Montrose Sports Centre and Carnoustie Leisure Centre will be extended to expire in November 2021 and July 2024 respectively.</p> <p>The Board agreed to officers progressing with 5 year lease extensions for the café areas at Montrose Sports Centre and Carnoustie Leisure Centre.</p> <p>The Board also agreed an update to the current lease agreement is now required to reflect the new lease is between ANGUSalive and the tenant.</p>	Immediately	CK

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11.	<p>Report 29_16 Internal Audit Annual Plan</p> <p>DV presented report 29_16</p> <p>The Board noted the audit planning process and the Audit Plan for 2016-17.</p> <p>DV outlined the individual audits to be conducted during the 2016-17 financial year.</p> <p>Financial Health-Check and Governance reports will be submitted to the ANGUSalive Board. A third report on Monitoring will be presented to the ANGUSalive Board and the Angus Council Scrutiny & Audit Committee.</p> <p>JG requested a timeline be provided at the next Board Meeting.</p> <p>KF recommended the Board are provided with specific details of what ANGUSalive are going to be measured against as related to the Monitoring audit. The Board require a strong understanding of what is to be evaluated since this has not been provided by Angus Council to date despite a number of requests for the information.</p> <p>KH advised at the meeting with Angus Council Internal Audit it was agreed the Shared Service provided to ANGUSalive from Angus Council also need to be monitored. All agreed Report 29_16 to be updated to reflect this. DV agreed this reflected the discussion and is to update Report 29_16 to reflect this change.</p>		

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	<p>BD requested the Audit Plan be updated to include an independent assessment of the budget set by Angus Council for the Management Fee to ensure full transparency and provide the Board with confidence in the settlement.</p> <p>The Board approved the report allowing officers to proceed with the implementation of the 2016/17 Annual Audit Plan.</p>		
<p>12.</p>	<p>Report 30_16 Finance Update</p> <p>KL presented Report 30_16 to the Board.</p> <p>KL delivered an update on the financial position for ANGUSalive as well as providing an overview of the current key systems issues.</p> <p>The Merchant Services provider Capita, have now confirmed they will be on site during the week beginning 11 July 2016. Details of the work to be performed are still to be provided.</p> <p>Progress has been made with regard to the transfer of the bACTIVE membership direct debits to the ANGUSalive bank account. The bank have advised a period of 8 to 10 banking days is required between the processing of the live transfers and the first collection Direct Debit. KL confirmed the Clydesdale Bank is committed to ensuring the change can be effective from the start of July 2016.</p>		

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	<p>ANGUSalive has now submitted 02 Vat returns to HMRC (quarters ending 31 December 2015 and 31 March 2016), assisted by EY Vat specialists.</p> <p>KL confirmed VAT training with EY is being held on Wednesday 01 June at ANGUSalive Head Office.</p> <p>KL provided the current financial position of ANGUSalive for the 4 months since 01 December 2015 and advised the year-end processes were on-going.</p> <p>The Board noted the current 2015/16 projection reflects a breakeven position. It was highlighted this is in draft and subject to further review.</p> <p>It was previously agreed to delay payment of the March Management Fee to enable the final 2015/16 position to be taken into account. The Board noted the March 2016 Management Fee remains to be paid, nevertheless there has been no impact on cash flow.</p> <p>Substantial detailed work is continuing with ANGUSalive Senior Managers in conjunction with the Finance support service to review and finalise the detail of the ANGUSalive budget for 2016/17.</p> <p>HW emphasised a lack of confidence with the figures, further information has been requested previously but it has still not been provided. The Board require clarity on what details they want to see along with additional commentary to</p>		

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	<p>accompany the numbers.</p> <p>KF reiterated robust financial information is required in order to perform appropriate monitoring and scrutiny against revenue and capital budgets as operated and controlled by ANGUSalive.</p> <p>KH stressed whilst the initial focus had been on the negotiation of the Management Fee and confirmation of projected income there will now need to be a detailed review of ANGUSalive costs retained by Angus Council.</p> <p>KH indicated under OSCR regulations ANGUSalive require 3 months of reserves with no new income and questioned whether this funding should be requested from Angus Council as it had been omitted during the set-up of the Charitable Trust.</p> <p>The Board confirmed their support for a request to be made to Angus Council for 3 months surplus to comply with OSCR regulations.</p> <p>KL advised further discussions will be required between ANGUSalive and Angus Council.</p> <p>The Board agreed to a request by KL for Direct Debit Bulk Change Deed and banking facility letter to be brought to the OSCR, Scrutiny meeting on Friday 03 June 2016 to be signed off.</p>	<p>03 June 2016</p>	<p>KL</p>

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	<p>Further approval was given to allow the finance support team to contact the Chairperson directly to sign any required bank documents on an annual basis.</p>		
<p>13.</p>	<p>Report 31_16 Libraries and ACCESS Integration Capital Project</p> <p>FD presented Report 31_16 to the Board.</p> <p>FD provided the Board with an update on the projected timeline for the initial capital project works for Carnoustie Library, Forfar Library and Montrose Library and indicated the dates were tentative and subject to change.</p> <p>HW noted disappointment with the protracted timelines. KH advised the timelines are driven by availability of capital for release by Angus Council to fund the project.</p> <p>BD raised concerns with the figures in appendix two Summary of Provisional Budget Cost. FD anticipated a review of the design brief will be carried out and reinforced a firm commitment has been received from the Property Team on the required capital.</p>		
<p>14.</p>	<p>Dual Use Agreements</p> <p>KH outlined the amendments to the Dual Use Agreement between Angus Council and ANGUSalive in relation to the school use of sports facilities within Brechin Community Campus.</p> <p>MacRoberts conducted an independent review of the agreement and presented</p>		

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	<p>a number of minor changes to the draft contract provided by Angus Council which were fully accepted.</p> <p>KH recommended the contract be signed 03 June 2016. All agreed.</p> <p>Further to the agreed amendment to the Dual Use Agreement, KH has contacted Legal & Democratic Services to confirm if a revision to Service Payments in Clause 4.1 of the Dual Use Agreement is required to reflect the addition of Brechin Community Campus. A response is awaited and update will be provided at the next Board Meeting.</p>	03 June 2016	KH
15.	<p>ANGUSalive Policy Conversion</p> <p>KH provided an overview of amendments made to V2 Cash Handling and Banking and V2 Banking and Key Holding. Both procedures were approved.</p> <p>Conditions of Service – noted</p>		
16.	<p>Any other competent business</p> <p>External Auditors</p> <p>Following a quick quote process Henderson and Loggie have been appointed ANGUSalives's External Auditors.</p> <p>Board approved signing of contracts with Henderson Loggie.</p> <p>Name Badges</p>		

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	<p>Board Directors agreed it would be beneficial to be provided with name badges to be worn at external events and when visiting ANGUSalive facilities.</p> <p>Sports Strategy</p> <p>CK confirmed a meeting with Sport Scotland was being held Thursday 26 May 2016 at Brechin Community Campus the Sports Strategy is one of the topic on the agenda for discussion.</p> <p>Previous sports strategy work will be considered as part of these discussion and Sport Scotland have already confirmed they are willing to support ANGUSalive in further developing and finalising the sports strategy.</p> <p>An update will be provided at the next Board Meeting on Wednesday 20 July 2016.</p> <p>HR Training</p> <p>JG requested Board training in Disciplinary Processes, including dismissal and appeals process soon as possible.</p>		
17.	<p>Date of Next Meeting</p> <p>Wednesday 20 July 2016, Reid Hall 4.00pm</p>		