

Minutes of Board Meeting held on 14th December 2023

Present – Ashley Pringle (Chairperson), Councillor John Sweeney (Vice Chairperson), Anne Todd and Lorraine Tulloch.

In attendance – Malcolm McPhail (C.E.O), Laura Barrie (Head of Active Communities), Lee Gillan (Senior Finance and Support Officer and Stephanie Napier (PA to CEO).

In attendance from North Ayrshire Council – Audrey Sutton, (Executive Director/Chief Officer) and Rhonda Leith (Head of Service – Connected Communities).

In attendance for Item 4 – Neil Morrison (Azets Audit Services Ltd)

The meeting started at 2pm.

1. Apologies

Apologies were received from Jean McClung, Councillor Ian Murdoch, Councillor Jim Montgomerie and Helen Campbell.

2. Minutes of the meeting held on the 31 August 2023.

The minutes of the meeting held on the 31 August 2023 were approved.

3. Matters arising

The Board asked to note that the KPI workshop that was agreed to take place had not yet been held. Malcolm McPhail explained this would be scheduled for early 2024 and that further discussions were indeed required surrounding KPI's and also the CEO Strategic Objectives that would be reported to the Board at each scheduled Board meeting. Malcolm reported his intent to match up with NAC's KPI's and would be hopeful to make this happen by the April meeting. The Chairperson, Ashley Pringle added that he would like the possibility of themed Board meetings to be considered.

4. Annual Accounts

The Annual Report and Accounts 2022-2023 were presented to the Board by Lee Gillan, the Senior Finance and Support Officer.

The general reserves position as at 31st March 2023 is £10,122,929, this figure includes £9,906,600 asset in pension scheme assets and liabilities. The Company is an admitted body to Strathclyde Pension Fund. The investment reserves balance is £268,137 of which £258,747 remains unallocated.

An exercise was carried out in the year to revalue fixed assets. A revaluation reserve has been established with a value of £222,821.

The Senior Finance and Support Officer discussed in detail the notes to the accounts highlighting any significant variances from 2021/22 to 2022/23 that have taken place.

Neil Morrison discussed the Audit Highlights Memorandum and thanked the Company for their assistance with the audit confirming they have no concerns and concluded a clean audit opinion.

The Chairman thanked Neil Morrison for attending the meeting and North Ayrshire Council for their continued support. He also thanked the Senior Finance and Support Officer, Finance Team and Management for their work in producing the annual accounts.

The Board approved the Annual Report and Accounts 2022-23.

5. Business Report

Lee Gillan provided an update on the financial performance of the Company to date, along with additional information requested by the Chairperson.

A discussion was held surrounding debt collection within the company. It was agreed that a system should be created to prevent debts occurring, with staff focussing on the booking process and ensuring invoicing is kept up to date. Going forward the new managers should implement the system to keep debts to a minimum.

The Board noted:

- The current financial position.
- The current expected outturn position to 31st March 2024.
- The additional information requested by the Board.

6. CEO –Requested Information Report

Malcolm McPhail summarised the Chairman requested information report which surrounded KA Leisure policies, governance., outstanding maintenance projects and an update on the recent restructure.

A discussion was held around the plans for Auchenharvie Centre to become the first Health and Wellbeing Hub in North Ayrshire, a sister facility to the new school campus. Malcolm confirmed teams would be working together to ensure the £1million approved funding would be spent in a way to optimise its value. Rhonda Leith added that discussions were still in the early phases, and it was a strong possibility KA Leisure would be leading the hub. Rhonda confirmed there would be a high-level community engagement involved in the process. Councillor Sweeney asked to be kept up to date on any developments with the project and Malcolm agreed to update the Board. Malcolm added that KA Leisure is a trusted organisation who are naturally good at co-production making them a good fit to coordinate the hub.

Councillor Sweeney asked for confirmation that the recent restructure was indeed a better way of working for the business and the predicted savings were still expected. Malcolm confirmed that significant savings would be made as predicted, and a massive exercise to cleanse data would be required to finalise the savings figures.

Malcolm explained to the Board that following the HR Committee meeting it was decided that the Policy and Governance review should be split between 2 consultants, that could give a more direct and significant focus to each area, more bespoke and better value for money service. Malcolm suggested that Brian Wright could review policies within the business alongside the Senior management team and Ops Pal. Another consultant could then be recruited to look at the wider governance and relationships between the senior management team and the Board. The Board agreed this would be beneficial to ensure each area had direct focus and asked to be involved in the consultant selection. The Chairperson, Ashley Pringle noted his concerns

surrounding the governance and ensuring that any consultant had a wide knowledge of OSCAR requirements. Malcolm agreed to include the Board in the selection process.

Councillor Sweeney enquired whether the correct procedure had been followed for a recent Dismissal appeal. Malcolm advised that any amendment to the procedure would only have been done with prior approval from the Chairperson.

The Board noted the content of the Requested Information Report.

7. Departmental Reports

As the related managers were not present at the meeting, the Board agreed to forward any questions/queries via email at a later date.

8. Any Other Business

There was no other business to report.

9. Date of next meeting

The date of the next meeting is Thursday 29th February 2024.