

Fife Sports and Leisure Trust

Record of the Update to the Board of Directors for Fife Sports and Leisure Trust held on
Tuesday 14th July 2020 at 3.30pm via Microsoft Teams during COVID-19 Pandemic

Present:

| | |
|------------|---------|
| R Campbell | (Chair) |
| J Hamilton | (JH) |
| E Wallace | (EW) |
| P Gulline | (PG) |
| C McDonald | (CMcD) |
| P Denton | (PD) |
| D Watt | (DW) |
| A Suttie | (AS) |
| K Caldwell | (KC) |
| D Lothian | (DL) |
| B Thomson | (BT) |

In Attendance:

| | | |
|------------|-------|--|
| E Walker | (CEO) | Chief Executive Officer |
| W Watson | (WW) | Chief Operating Officer |
| L Turnbull | (LT) | Human Resources Manager |
| S Urquhart | (SU) | Sport & Physical Activity Team Manager |
| V Wyse | (VW) | Head of Finance & Business Development |
| S Aldred | (SA) | Company Accountant |

ACTION

1.0 Welcome and Apologies

The Chair welcomed everyone to the latest Board Update meeting which took place during the Covid-19 pandemic via MS Teams.

2.0 Declaration of Interests

There were no conflicts of interest declared. Apologies were received from L Erskine.

3.0 Minute of the Board Meeting held on 18th June 2020

The Minute of the meeting was accepted as an accurate record and the Chair was authorised to sign it. PD was referenced as PB within the Minute and this will be amended.

CB

4.0 Matters Arising

No matters arising.

5.0 Chairman's Report

The Chair reported that since the last Board Update meeting he has had two meetings with the CEO, attended a meeting of the Appointments Committee and listened in on several webinars relevant to Trust business.

6.0 CEO's Report

The CEO reported that the main focus of business is on recovery planning for the re-opening of facilities. The Board agenda reflects the progress being made, the challenges and risks ahead and the mobilisation of the workforce out of furlough.

7.0 Financial Model issued to Fife Council 01/07/20

The CEO reminded Directors of the previous discussions with Fife Council (FC) around Model 1, ie the re-opening of 14 facilities in a phased approach through 2020/21.

The revised deficit and the assumptions within it were provided to Directors and the actions required to mitigate its impact on the cash flow position. Directors were advised that the Trust could take approximately two financial years to recover, and there is still likely to be a considerable deficit for 2021/22.

A Government Furlough Bonus Scheme will become available in January 2021, further details of which are due to be released shortly and will be made available to Directors.

VW reported that the June furlough claim will be submitted on 17th July as this is more complex to calculate than previous claims due to the way staff are paid and changes to the claim periods for furlough. The phased return of furloughed staff will be mean less can be claimed in future periods.

PD raised concern re the cash flow situation. The CEO explained that FC has been very supportive of the position and have included FSLT's budget deficit as part of its own overall budget deficit and this will be discussed at FC's Policy & Coordination Committee on 17th July 2020. Thereafter the Council will come back with a proposition and a proposal to underwrite the risk which FSLT faces. This will outline exactly what support FSLT will receive from the Council. Directors will be informed once this information is available.

PD enquired as to why the Council did not consider the alternative option identified for re-opening which would have minimised costs and resulted in a lower deficit. The CEO explained that there was no political support for that option and the model chosen was FC's preferred option.

EW

Two key issues to be resolved are opening times and opening dates of venues. The latter is in the hands of the Scottish Government's Phase 3 road map out of lockdown and at the time of writing this is no sooner than 31st July 2020 (the next Government announcement is due on 23rd July). Working on assumptions, the CEO outlined the proposed phased soft opening dates over three phases commencing 10th August 2020 for the first phase with the remaining phases opening in September and October 2020. The Beacon Leisure Centre

will be the last centre to re-open because of difficulty in following socially distancing rules due to the layout of the building. Staff will return to their centres two weeks earlier for essential training.

A briefing note was issued by FSLT to FC's Members Task Force on 13th July 2020 outlining the proposals re soft opening.

BT questioned if FSLT's financial situation is to be discussed at FC's Policy and Coordination Committee meeting as mentioned above as he has not noticed this in the papers which FC has distributed. The CEO responded that discussions are ongoing with FC and she has been assured that a letter of comfort will result from discussions at that meeting. JH requested that DL raise this matter during his attendance at the P&C Committee meeting.

DL

The CEO outlined the staffing requirements during the soft opening period and the number of staff who would require to return or remain on furlough and the difference with the normal operating model. Payment to casual staff on the CJRS will cease at the end of July which is in line with FC's approach with their staff.

VW advised Directors that she has been working closely with the Auditors re the going concern situation and Directors will be updated at the next Board meeting on 6th August 2020. It looks hopeful that the letter of comfort from FC will be sufficient assurance to support the business for the next 12-month period and allow the company accounts to be signed-off at the AGM in September 2020.

The CEO advised that fortnightly meetings will continue with FC to closely monitor the current and longer-term solutions. Directors will be updated as information becomes available.

EW

DW enquired if Elected Member briefings have been issued directly by FSLT. The CEO responded that a briefing has been sent this week to FC's senior officers who will in turn forward this to the Members' Task Force for wider distribution to Elected Members and the public. The CEO will share this briefing note with Directors and will check that this has been actioned by FC. Presently staff are unaware and the priority is to keep them informed.

PG raised concern at the opening of all 14 centres and questioned whether other centres would re-open if it was found that uptake was poor when the first phase was re-opened. The CEO responded that the first venues to open have been identified as health and wellbeing hubs and it is hoped that uptake will be good. There is a gap between each phased re-opening date and if necessary the dates can be reviewed.

The Board noted the current proposed phased opening dates commencing 10th August which may be subjects to change, approved

the approach to the soft opening model as outlined in the Briefing Paper on the Trust's position as at 29th June and agreed an operational review of the delivery model from November 2020 onwards, delaying the workforce change solutions previously identified until additional financial assistance is agreed with Fife Council and the review of the operating model is complete.

8.0 Approach to Annual Leave During Furlough Report

LT Presented the report and outlined the current approach having discussed the position with Trade Unions and also the Trust's legal advisors. Feedback from staff had also been supportive of the approach.

Directors considered the recommended approach for management of annual leave and remitted to the HR Manager to develop and deploy the appropriate communications to staff.

LT

9.0 Health & Safety Update in Response to Covid-19 Report

WW provided Directors with an update of the ongoing work during the lockdown period in order to maintain health and safety within all centres to have them ready for re-opening and all 14 centres are ready to open when Scottish Government advises it is safe to do so.

13 out of the 14 centres are able to operate within the social distancing measures imposed, however the Beacon Leisure Centre is unable to operate within the current restrictions due to the layout of the building and will not open until the restrictions are reduced or lifted. The situation will be managed by FSLT and FC and communicated to Directors.

All risk assessments have been undertaken for the first phase of activities and controls are in place to maximise social distancing for customers and staff, including signage, floor marking, hand sanitisers etc. Staff induction training is in place for staff returning to work and PPE equipment is now secured. All Normal Operating Procedures and Action Plans are complete. WW invited Directors to contact her if they wished to arrange a tour of Michael Woods Sports and Leisure Centre which has been set up as a model. A video is also available to view online.

BT enquired about the ventilation systems in the centres. WW clarified that the ventilation systems within gyms has to be switched off due to the intensity of activity. There will be a different type of ventilation in the sports halls. The Safety and Facilities Manager and Ed Wallace (Director) have been working on this to provide support and advice. This is contained within the FAQ information that will be published on the website. Customers may have to modify their workout to suit the environment.

10.0 Members' Survey Feedback Report

SU reported that a customer survey was launched in May to gauge customer feedback during the lockdown period. Four main areas were targeted (1) the lack of access to sport and leisure facilities (2) the effects of lockdown on customer engagement in physical activity (3) customer intentions following easing of restrictions and (4) customer reaction to the Trust's online virtual fitness sessions.

Over 1,240 people participated in the survey, of which over 750 were members. 90% of respondents felt it was vital to visit trust facilities to support their physical wellbeing, 64% for their mental health and 43% for the social aspect. 68% indicated they would use facilities with social distancing in place. The top five services accessed prior to lockdown were; swimming, gym, group fitness, health suite and swimming lessons.

Leisure Active membership feedback was also extremely positive with 73% agreeing that getting back to the facilities was important to them and their families, 69% said they would use facilities with social distancing in place and 36% indicated they were using the Trust's online fitness video sessions to keep fit.

In conclusion, the feedback is extremely positive and has helped shape the customer engagement process moving forward. The venues which will open in Phase 1 are frequently used by customers. The activities which will be offered initially are the activities which customers have requested most. Customers requested online booking for the gym, swimming, racquet sports and fitness classes and the Trust is currently developing a branded App to enable customers to do so. Due to the success of the online fitness classes the Trust is working on developing an online group fitness subscription product.

11.0 Leisure Active Subscriptions and Sales Approach to Recovery Report

SU reported that prior to Covid-19 the Trust had its highest number of Leisure Active members at just over 14,000. Members were offered the opportunity to pause their direct debit rather than cancel their membership, however, 1,148 members cancelled (8%). Therefore the focus is on re-engaging customers and retaining and recovering members.

The re-engagement process takes into account the phased timetable for re-opening and the confidence levels of members, ie Low (want to exercise but not in a centre at present), Some (want to return but not at present and High (want to return when their preferred site opens)

and Very low (no confidence or have found alternative ways to exercise).

SU provided an update on the engagement process with customers generally and also Leisure Active Members to restart their memberships. SU also explained the key performance indicators which would be used for each phase of the re-opening process.

The CEO added that discussion is ongoing re the recovery of people in the community who are shielding and the need for essential health and wellbeing programmes. This will be reported at the next Board meeting.

12.0 Staff Survey Feedback Report

LT provided an update on the feedback from the staff survey and an Action Plan has been developed to respond to situations where staff were unable to return to work.

13.0 HR Policy Review

The CEO advised Directors that the Trust is currently reviewing all policies which may assist with workforce change solutions and this is the start of the process. Other policies will be reviewed and new ones may be introduced.

13.1 Redeployment Procedure

LT updated the Board on the existing procedure and the rationale for change to the policy to align the redeployment procedure to an employee's notice period.

Directors discussed the report, approved the policy and remitted it to LT to communicate the change to Trade Unions and staff.

LT

14.0 Any Other Business

14.1 JH enquired if a meeting was forthcoming with the two Leaders of the Administration and EMT to discuss funding and if so, would support be required from the Board. The CEO agreed to pursue this with FC and will include the Chair and Vice Chair in any further discussions.

EW

14.2 Committee Membership

JH enquired if any changes are to be made to the Committee structure given the change in Board membership. The Chair advised that himself and the CEO had already addressed this matter and the Chair requested that Directors complete the

Directors

Skills Matrix form which was sent to them recently in order to assist with deciding the membership of each Committee.

15.0 Date of Next Board Meeting

Thursday 6th August 2020, commencing at 3.30pm via Microsoft Teams.

Signed _____
Chair

Date _____