

At an additional MEETING of the **LEISURE AND CULTURE DUNDEE BOARD** held at Dundee on 26<sup>th</sup> August, 2020.

Present:

Sinclair AITKEN, Trustee  
Judy DOBBIE, Managing Director  
Baillie Christina ROBERTS, Trustee  
Ian MATHERS, Trustee  
Moirra METHVEN, Trustee  
George LAIDLAW, Trustee  
Michael MARRA, Trustee  
Stuart CROSS, Trustee  
Sue MOODY, Trustee  
Anna DAY, Trustee  
Joanne SCOBIE, Trustee

Also Present

Billy GARTLEY, Head of Cultural Services  
Graham WARK, Head of Leisure and Sport Services  
Paul HENEHAN, Head of Support Services  
Sandy FLIGHT, Head of Corporate Finance (substitute for Greg Colgan)

Sinclair AITKEN, Chairperson, in the Chair

## **I WELCOME/APOLOGIES/DECLARATION OF INTEREST**

The Chair welcomed those present to the meeting, and apologies from Cllr Will DAWSON, Greg COLGAN and Nasreen MOHAMMED were noted.

Standing Declarations of Interest: Judy Dobbie as an employee of Dundee City Council.

It was noted that this meeting would be an informal information sharing session, to provide the Board with an update on actions since the last Board meeting.

## **II UPDATES**

### **(i) Meeting with Chair and Managing Director of Angus Alive**

An approach had been made by the Chair and Managing Director of Angus Alive to discuss problems encountered by both organisations. It was noted both organisations were facing extremely similar financial issues and it was agreed that contact continue with Angus Alive to facilitate any future joint approach that may be required to lobby relevant bodies. Angus Alive had received a letter of comfort from Angus Council which would enable the signing off of their annual accounts.

### **(ii) Meeting with Chief Executive and Leader of the Administration, Dundee City Council**

On the Board's instruction, contact had been made with the Chief Executive and Leader of Dundee City Council to express concern at the financial position of Leisure & Culture Dundee, and asking for a more robust approach to helping resolve this.

Following a meeting held on 24 August, the Chief Executive and Leader had intimated that they were confident that future support would be available through Government funding both to Local Authorities and ALEOs, possibly by September, however they were unable to commit to giving direct support at this time.

To facilitate the signing of the accounts for the AGM, a letter of comfort was requested from the Chief Executive and Leader, Chief Executive undertook to source examples of these agreements.

It was also agreed that the Chair would, again, formally write to the Chief Executive and Leader of the Administration stating actions already taken to mitigate the deficit and requesting, in the strongest terms, a letter of comfort stating that Dundee City Council will underwrite the remaining deficit.

**(iii) Current Financial Position**

The Chair reported that, due to the efforts of the Senior Management Team, the deficit had reduced slightly, but cashflow was still a concern. Thereafter the Chair of the Finance Committee briefed members on his understanding of the financial position of Leisure & Culture Dundee.

Cash reserves would be depleted by November therefore action was required prior to this to allow operations to continue. Robust debate had been held at the last Finance Committee surrounding the difficult decisions which could lie ahead, however all members had agreed that it was important for Board members to be seen to acknowledge the financial position. Clarity on monies which were to be available would provide some comfort, however it was unlikely that this would completely address the deficit. To address this further conversations/actions surrounding cost bases and service delivery would be required.

**(iv) Dundee City Council – Policy and Resources Committee – 24<sup>th</sup> August 2020**

The Managing Director, in conjunction with the Chief Executive, had submitted a report to the Policy and Resources Committee providing an overview of the financial consequences for Leisure & Culture Dundee due to Covid-19 and actions taken and those being considered to address the financial position by the Board and Senior Management Team of Leisure & Culture Dundee.

A deputation from one of the Trade Unions had been made at this meeting highlighting the financial situation and proposing that Leisure & Culture Dundee be taken back under Dundee City Council control. This suggestion was not taken forward by the Committee.

The Policy & Resources Committee noted and approved the content of the report with the additional recommendations that Q4 Management fee be paid in advance, and also that the Chief Executive and Managing Director write to the UK and Scottish Governments requesting assistance for Leisure & Culture Dundee due to loss of income.

Confirmation was also given at this meeting that all Leisure & Culture Dundee staff retained the same employment rights as those within Dundee City Council. Also, whilst the Board could recommend changes to service delivery, only Dundee city Council could reach a final decision regarding this.

The Board noted this and requested that the Managing Director further write to all 29 elected members thanking them for their support and setting out the current financial position and advising that further information on this would be provided in the future.

**(v) Corporate Governance and Insolvency Act 2020 and Guidance from OSCR**

Stuart Cross advised that the abovementioned Act had recently been passed which would allow Trusts to further defer the holding of AGMs due to difficulties in approving annual accounts due to Covid-19.

Robust guidance is to be produced by OSCR regarding the use of reserves by charities/trusts which would remind trustees that a long-term sustainable approach was required when accessing such funds.

**(vi) Proposals for the Future**

The Senior Management Team is to clarify options for the future to allow continued trading, and these would be presented to the Board in the first instance, then Dundee City Council in due course for consideration and decision.

It was noted that, whilst there was not access to capital receipts for voluntary redundancies/retirements (as with the Dundee City Council scheme), any application for this could be would need to be paid from reserves.

It was suggested that a scoping exercise be undertaken for this to ascertain timescales and costs for VER/VR which the Board agreed could be helpful, noting that the imminent reopening of facilities would require scrutiny of staffing requirements prior to any decisions regarding VER/VR being reached.

The Board recognised the challenges it would face if the full deficit was not covered by external assistance. Equally, consideration had to be given to the scale of financial challenges in recurring years.

(vii) **Reopening Update**

The Managing Director advised that some elements of the reopening programme, particularly for shared facilities, were being co-ordinated with Dundee City Council. The Senior Management Team was ensuring that all procedures/risk assessment measures were in place to ensure facilities were safe to open, with sports facilities on course to open on 31<sup>st</sup> August 2020.

(viii) **Organisational and Structure Review**

The organisational review will commence imminently. Three phases of work are to be facilitated by the consultant: engagement with staff; ideas into projects; and finally the implementation phase.

It was anticipated the consultant would meet with the Board in September to provide an update on this.

The review will inform the reshaping of the organisation's finances. Discussions would be required with Dundee City Council to outline the support needed and assistance required during the transition period.

### **III DATE OF NEXT SCHEDULED BOARD MEETING**

(i) **Date of Next Scheduled Board Meeting**

Wednesday, 30th September, 2020

(ii) **Future Meetings**

Wednesday, 11th November, 2020 – 9th AGM and Post AGM Board Meeting  
(12.30 pm start)

Wednesday, 2nd December, 2020.