

## Falkirk Community Trust

### Board Meeting Minute

Minute of a meeting of the Board of Directors of Falkirk Community Trust Limited (the "Company") held at Callendar House on **21<sup>st</sup> August 2014** at 9.30am. Ian Scott (IS) chaired the meeting throughout.

**Present:** Ian Scott (IS) Chairman; Ann Cowen (AC); Cllr Malcolm Nicol (MN); Cllr Dennis Goldie (DG); Cllr Linda Gow (LG) items 6-12; Cllr Adrian Mahoney (AM) items 1-7; Alex McQuade (AMcQ) Ruth Morrison (RM); Richard Murphy (RM); Cllr Pat Reid (PR) items 4-12; Simon Rennie (SR) items 1-9; Bob Tait (BT).

**In Attendance:** Maureen Campbell (MC); Neil Brown (NB); Paul Finnie (PF); Lesley O'Hare (LoH); Jane Clark (JC); Danny Cairney (DC); Kelly Adam from Baker Tilly items 1-7; Rhona Harper from Shepherd + Wedderburn items 8-9; Jenny Simpson (JS) items 9-12.

No.	Agenda Item	Agreement / Action	Due Date	Who
	Welcome	The Chairman welcomed Directors to the meeting, thanked Baillie Paterson for her support of all the Trusts activities and welcomed Cllr Mahoney back to the Board.		
1	Minute of Meeting	The minute of the meeting on 05.06.14 was approved.		
2	Matters Arising	The Board noted the following:  <u>Health &amp; Fitness provision</u> – the Council have been written to advising of Board feedback and a project plan developed.  <u>Statement of Assurance</u> – an amended statement to clarify External Auditor findings was submitted to the Council in June 2014.		
3	Re-appointment of Directors	The meeting considered the re-appointment of Ruth Morrison as independent Director to serve a 2 <sup>nd</sup> term.  <b>Decision</b> The Board resolved to re-appoint under clause 21.1 of the Articles of Association.  Ruth Morrison consented to re-appointment for a 2 <sup>nd</sup> term to 30 <sup>th</sup> August 2016.		
4	Annual Report and Audited Accounts 2013/14	MC provided an overview of the Annual Report and noted that the design remains in development. The Board welcomed the positive performance that is reported for 13/14 and the need to also include where there is poor performance.  The following points were made: <ul style="list-style-type: none"> <li>• The audience is primarily stakeholders and other organisations</li> <li>• A condensed version will be published and made available in venues</li> <li>• The annual report and accounts will be reported to Falkirk Council</li> <li>• Include local voluntary groups as appropriate in the funders and supporters thank you section.</li> </ul> <p>The Board discussed the need to ensure openness and accountability and the mechanisms available for this including on line publication of material and agreed to revisit how the Board reports publically, later in the year.</p> <p>DC presented the Audited Accounts for the period 1<sup>st</sup> April 2013 to 31<sup>st</sup> March 2014. The Board noted that this shows a surplus on unrestricted funds of £11,000 which after applying £71,000 from the revaluation reserve, the unrestricted fund has increased to £296,000.</p>		

No.	Agenda Item	Agreement / Action	Due Date	Who
		<p>The following points were clarified:</p> <ul style="list-style-type: none"> <li>• Charitable income is directly informed by the charitable objects and voluntary income is for one off specific projects</li> <li>• The Helix revenue streams are intended to reduce site operating costs and Falkirk Council could reduce operational funding.</li> </ul> <p><b>Decision</b> The Board approved publication of the Annual Report 2013/14 and a condensed version. The Board approved and authorised issue of the Trust's financial statements for the period to March 2014.</p>		
5	Final Audit Findings Report	<p>Kelly Adams presented Baker Tilly's report and advised that the audit work has provided Directors with confidence that a thorough and robust audit has been carried out.</p> <p>Points to note for future were highlighted as follows:</p> <ul style="list-style-type: none"> <li>• A Trading Company bank account would allow for profit to be gifted to the Trust</li> <li>• Governance costs could include an allocation of salaries</li> <li>• Cashflow forecasting is recommended</li> <li>• Fixed asset register should be updated to reflect values shown in the financial statements</li> <li>• The IT disaster recovery plan should be tested.</li> </ul> <p>The Board noted the content of the report and that the management team will prepare a management response for consideration by the Audit and Performance Group.</p>		DC
6	Budgetary Control Statement	<p>The Board considered the Budgetary Control Statement for the period April to June 2014. DC reported that at this early stage in the year the projection is to break even. Lower employee costs and increased Income helping to offset higher operating costs including expenditure on repairs and maintenance. The Board discussed the seasonal weather impact on income performance and noted that this would continue to affect July performance. A significant downturn in swimming income at the main sports centres was noted and that issues with the wave machine at the Mariner Centre and Flume at Grangemouth were also contributory factors.</p> <p><b>Decision</b> The Board noted the financial statements to the end of June 2014.</p>		
7	Kinneil Estate Masterplan Consultation	<p>LoH presented on plans for consulting on a Draft Masterplan for Kinneil Estate and confirmed that all background papers will be made available as part of the consultation process, including a Feasibility Study report on Kinneil House. The Board noted that many of the projects outlined in the Masterplan require more work to fully scope and test feasibility and the intention is to bring together a package of projects for external funding with potential to seek development funding. The Board noted that the draft Masterplan is a good step forward; welcomed the extent of the proposed consultation; noted it will be a challenge to deliver and that leadership will key to this.</p> <p><b>Decision</b> The Board approved the consultative draft Masterplan and proposals for consultation during September.</p>		

No.	Agenda Item	Agreement / Action	Due Date	Who
8	Charlotte Dundas	<p>IS summarised the background to this report and LoH drew Directors attention to recent images of the deterioration of the vessel. The Board discussed the value of maintaining links with Symington and asked if another mechanism to commemorate his work could be explored.</p> <p><b>Decision</b> The Board agreed that the vessel be decommissioned at a one-off cost of £5,570 and asked the Chief Executive to report to Falkirk Council on similar terms for their agreement.</p>		MC
9	FCSL Transfer	<p>MC introduced this report and flagged the proposed leasing arrangements as a substantive change since the Board considered this item at its meeting in November 2012. MC also highlighted the proposed extent of operations, the staffing structure; the income and expenditure profile; the relationship with FFC and tenant occupiers and the opportunities and risks for the Trust as operator.</p> <p>The Board noted that the Trusts legal advisors Shepherd + Wedderburn have been advising the Trust on matters concerning the Trusts relationship with the Council. The Board noted the proposal to seek assurances from Falkirk Council with regard to meeting additional staffing costs; receiving financial support requests to the Council's capital programme; and considering appropriate spending plans within the annual budget setting process.</p> <p>The Board expressed concern regards the Council's ability to follow through on the above points.</p> <p>The Board discussed the following points:</p> <ul style="list-style-type: none"> <li>• The timescales which appear tight for completing a handover</li> <li>• Potential for development and future growth</li> <li>• Ability for the Trust to create a profitable site</li> <li>• Terms and conditions of Trust employees and cost implications for TUPE transfer</li> <li>• Uncertainty around future competition from development sites.</li> </ul> <p>The Board agreed that it would be preferable to obtain a better sense of the future direction and forward business plan for the Stadium before making a final decision.</p> <p><b>Decision</b> The Board asked the Chief Executive to bring a further report setting out the forward plans for the Stadium to the February Board meeting for their consideration and to give Directors the opportunity to engage in the process.</p>		MC
10	CPP Audit Response and Improvement	<p>The Board noted the findings and key messages from the Audit of the Community Planning Partnership.</p> <p><b>Decision</b> The Board authorised the Chief Executive to provide a response to the audit and agreed that the Chief Executive represent the Trust on the Partnership Board.</p>		MC
11	Legislative changes: payment of annual leave	<p>JS explained the background and case law associated with changes to the calculation of annual leave from August 2014. The Board noted the legal and financial implications and that the Trust will undertake further scrutiny of non-contractual pay elements with the aim of reducing overall spend.</p> <p>JS highlighted that there may be claims from employees in respect of backdated claims as a consequence of the recent legal ruling.</p>		JS

12	Business Plan	MC thanked Directors for their contributions at the workshop session on the 14 <sup>th</sup> August and verbally updated on progress. The Board noted that a programme is in place to work through actions from the workshop and report back to the Audit & Performance meetings in September and October to which all Directors are welcome.		
	Information Items	The Board welcomed the comprehensive pack of information items and in particular the Grangemouth Stadium track progress; the QBR and Commonwealth Games report; the plans for the Steeple Anniversary; and the Helix update.		