

**ALEO GOVERNANCE HUB
GARTHDEE ALPINE SPORTS
22 AUGUST 2016**

APPENDIX 7

ABERDEEN, 22 August 2016. Minute of Meeting of the ALEO GOVERNANCE HUB. Present:- Roderick MacBeath (Democratic Services), Chairperson; and Mary Agnew (Health, Safety and Wellbeing) Neil Buck (CG Business Team), Jeff Capstick and Keith Tennant (Human Resources and Customer Service) and Paul Dixon (Finance); and Dave Jacobs, General Manager and Mhairi Miller, Business Strategy and Finance Manager (Garthdee Alpine Sports (GAS)).

Also in attendance: Iain Robertson (Clerk) and Mark Johnstone (Audit Scotland).

Apologies: Joan McCluskey (Commercial and Procurement Services), Euan Couperwhite and Alex Paterson (Policy, Performance and Resources).

No	Item	Documents Submitted	Assurance Provided	Actions/Decisions	Lead Officer(s)
1.	Chair's Opening Remarks	N/A	The Chair (Democratic Services) opened the meeting and welcomed representatives from Garthdee Alpine Sports (GAS) and explained that the Good Governance Institute (GGI) and Chartered Institute of Public Finance and Accountancy (CIPFA) would be supporting the Council's governance review and would advise on strengthening the governance arrangements between the Council and its ALEOs. Mhairi Miller (Business Strategy and Finance Manager, GAS) confirmed that the GGI had contacted them and a meeting or interview would likely be arranged in due course.	<u>The Hub resolved:-</u> to note the information provided.	N/A
No	Item	Documents Submitted	Assurance Provided	Actions/Decisions	Lead Officer(s)
2.	External Audit Report	Audit Scotland Report to Audit, Risk and Scrutiny Committee – 27	The Chair advised that the External Audit Annual Report had been presented to the	<u>The Hub resolved:-</u> (i) to note the report;	R MacBeath

**ALEO GOVERNANCE HUB
GARTHDEE ALPINE SPORTS
22 AUGUST 2016**

APPENDIX 7

		June 2016.	<p>Audit, Risk and Scrutiny Committee on 27 June 2016 and explained that the report focussed on the Council's internal controls. He added that the Council's relationship with its ALEOs would be subject to a significant degree of scrutiny as five of the report's seven recommendations related to ALEO governance. The Chair informed the Hub that recommendations had been approved by the Audit, Risk and Scrutiny Committee and its recommendations would now be taken forward by officers and noted that this process would be incorporated into the wider governance review.</p> <p>The Chair then summarised the report's recommendations:</p> <p>With reference to recommendation 1, the Chair advised that ALEO Service Level Agreements (SLA) would be reviewed by the legal team working with Commercial and Procurement Services but noted that this was a small team and the process would take time to complete;</p> <p>With reference to recommendation 2, the Chair explained that the Hub would begin to undertake more robust scrutiny of service performance in order that clear assurance could be provided to Council committees;</p>	(ii) and to note the information provided.	
--	--	------------	--	--	--

**ALEO GOVERNANCE HUB
GARTHDEE ALPINE SPORTS
22 AUGUST 2016**

APPENDIX 7

			<p>With reference to recommendation 3, the Chair highlighted that the remit of the Hub would be reviewed and that the 360 survey would be incorporated into wider governance review;</p> <p>With reference to recommendation 4, the Chair noted that the Hub would now take a view on the robustness of governance arrangements and service performance to provide further assurance to Council committees; and</p> <p>With reference to recommendation 5, the Chair advised that the Hub would begin to adopt a more proportionate approach to ALEO scrutiny and would have the discretion to determine the frequency of meetings based on the level of assurance provided by each ALEO.</p>		
No	Item	Documents Submitted	Assurance Provided	Actions/Decisions	Lead Officer(s)
3.	Minute of Previous Meeting	Minute of the previous Hub meeting - 13 May 2016.	<p>With regards to item 9 (Transfer Agreement), the Chair advised that the Service Lead and his substitute had sent their apologies for today's meeting and suggested that this item be deferred until the Hub's next meeting on 12 October 2016 for more detailed consideration.</p> <p>The Chair noted that all other relevant items and actions had been included in today's Improvement Plan.</p>	<p><u>The Hub resolved:-</u></p> <p>(i) to approve the minute as a correct record;</p> <p>(ii) to note the information provided; and</p> <p>(iii) to defer consideration of GAS's Transfer Agreement until the Hub's next meeting on 12 October 2016.</p>	I Robertson

**ALEO GOVERNANCE HUB
GARTHDEE ALPINE SPORTS
22 AUGUST 2016**

APPENDIX 7

No	Item	Documents Submitted	Assurance Provided	Actions/Decisions	Lead Officer(s)
4.	Improvement Plan	GAS Improvement Plan as at 22 August 2016.	<p>With reference to item 1 (Business Continuity Planning), Dave Jacobs advised that they had been working on developing a more formal business continuity plan but in the meantime he was confident that the business had sufficient reserves to pay staff if the business was unable to operate and explained that they were developing plans to diversify their customer base by introducing a number of new activities that would take place onsite;</p> <p>With reference to item 2 (Management Trading Accounts), the Chair advised that these had been attached under item 5 of today's agenda;</p> <p>With reference to item 3 (Financial Procedures), Mr Jacobs advised that they had developed a formal expenses procedure and would present this to the Hub's next meeting;</p> <p>With reference to item 4 (HR Compliance), Mr Jacobs advised that he had contacted the Council's HR Service since the previous meeting. Jeff Capstick (HR and Customer Service) advised that he would provide his and Keith Tennant's (HR and Customer Service) details to ensure that GAS had access to HR advice from the Council; and</p>	<p><u>The Hub resolved:-</u></p> <p>(i) to note the Improvement Plan;</p> <p>(ii) to note the information provided;</p> <p>(iii) to request that GAS meet with the Council's Risk Manager to discuss the development of Business Continuity Planning;</p> <p>(iv) to request that GAS's expenses procedure be presented to the Hub's next meeting on 12 October 2016; and</p> <p>(v) to instruct the Clerk to provide GAS with contact details for the Council's HR Manager, HR Team Leader and Corporate Procurement Manager.</p>	I Robertson

**ALEO GOVERNANCE HUB
GARTHDEE ALPINE SPORTS
22 AUGUST 2016**

APPENDIX 7

			With reference to item 5 (Commercial Compliance), the Chair noted that Ms McCluskey had sent her apologies for this meeting but advised that it was her intention to meet with all the tier 2 ALEOs to discuss the requirements of the Procurement Reform Act.		
No	Item	Documents Submitted	Assurance Provided	Actions/Decisions	Lead Officer(s)
5.	Risk Register	GAS's Risk Register as at April 2016.	<p>Neil Buck (CG Business Team) asked if there was a risk that the service they provided could be replaced and if they undertook horizon scanning. Dave Jacobs advised that they closely monitored the snowsports market and were mindful of the impact a new indoor ski centre would have on their business, particularly as the facilities at the existing site were limited and outdated.</p> <p>Mr Buck enquired if the EU Referendum result would have an impact on their business and whether the downturn in the oil and gas industry had precipitated a reduction in year on year revenue levels. Mr Jacobs replied that GAS employed no permanent EU workers and they received no EU funding. With regards to the downturn in the oil and gas industry, he hadn't noticed a reduction in service use yet and noted that their summer activity programme was full to capacity. He added that the summer months were their off season and anticipated that they may</p>	<p><u>The Hub resolved:-</u></p> <p>(i) to note the register; and</p> <p>(ii) to note the information provided.</p>	N Buck

**ALEO GOVERNANCE HUB
GARTHDEE ALPINE SPORTS
22 AUGUST 2016**

APPENDIX 7

			notice a bigger impact on trade during the winter period in comparison to the previous financial year.		
No	Item	Documents Submitted	Assurance Provided	Actions/Decisions	Lead Officer(s)
6.	Management Trading Accounts	GAS's Management Accounts as at 30 June 2016.	<p>Paul Dixon (Finance) asked if the management accounts were presented to the Board in the attached format. Mhairi Miller confirmed that this was the case and the Board had been content with this level of detail. Mr Dixon enquired if they had considered adding lines in their accounts which recorded year on year performance and performance against budget and Year End forecast. Ms Miller replied that they held this information and could provide it if requested by the Board or Hub.</p> <p>Mr Dixon asked for an overview of financial performance for the year to date. Dave Jacobs advised that they had recorded a small loss against budget but this was due to seasonal variation as Q1 occurred during their off peak period and he explained that during this period service numbers were lower and they had used this time to repair and maintain the facility which increased expenditure and costs for Q1. He added that this issue would be less of a factor for the rest of the financial year.</p> <p>Mr Jacobs informed the Hub that the business had performed well within its</p>	<p><u>The Hub resolved:-</u></p> <p>(i) to note the accounts;</p> <p>(ii) to note the information provided;</p> <p>(iii) to request that the next management trading accounts presented to the Hub include year on year financial performance and performance against budget and the Year End forecast; and</p> <p>(iv) to request that the audited annual accounts be presented to the next Hub meeting on 12 October 2016.</p>	P Dixon

**ALEO GOVERNANCE HUB
GARTHDEE ALPINE SPORTS
22 AUGUST 2016**

APPENDIX 7

			limitations and reiterated that the facility required investment to make it more competitive and reiterated that they wanted to open a cafe onsite to generate additional revenue but were restricted by the size and layout of the site. Ms Miller advised that she expected the audited annual accounts to be finalised in September 2016 and thereafter these would be submitted to the Board and Hub for consideration.		
No	Item	Documents Submitted	Assurance Provided	Actions/Decisions	Lead Officer(s)
7.	Service Performance	(a) Summary of Consents and Requirements; and (b) Transfer Agreement between ACC and GAS.	The Chair advised that the Service Lead and his substitute had both sent their apologies for today's meeting but noted that they had submitted a number of questions for the Chair to ask GAS on their behalf. The Chair asked how well placed they were to capture and reflect the objectives from the draft Sport and Physical Activity Strategy in the new GAS Strategic Plan. Dave Jacobs advised that they considered themselves well placed and emphasised it was a key aim to transition people from participating in physical activity into a particular sport as well as creating pathways for talented athletes to progress through the various levels and systems and he noted that these aspirations aligned well with the Sport and Physical Activity Strategy. Mr Jacobs explained that GAS had	The Hub resolved:- (i) to note the reports; (ii) to note the information provided; (iii) to request that GAS consider attaining NEBOSH accreditation; and (iv) to request that GAS's Annual Health and Safety Report and Health and Safety Improvement Plan be presented to the Hub's next meeting on 12 October 2016.	E Couperwhite

**ALEO GOVERNANCE HUB
GARTHDEE ALPINE SPORTS
22 AUGUST 2016**

APPENDIX 7

		<p>supported youth participation in sports by organising transportation to and from the Snowsports Centre. They had embedded the disability in sport criteria into their Strategic Plan and worked closely with other snowsport operators and governing bodies to develop programmes that would provide a pathway for disabled athletes with additional needs to progress through to the Special Olympics and he noted that GAS had supported 17 members of the national team in the freestyle skiing discipline.</p> <p>The Chair enquired what they perceived their future role, function and contribution to be with regards to the Active Aberdeen Strategic Forum. Mhairi Miller informed the Hub that GAS were represented on the Implementation Group by Mr Jacobs and they viewed the Forum as a vehicle to market the city and raise the profile of snowsports, in addition it was a support network to share best practice and a means to develop integrated platforms such as shared booking systems which had improved customer experience across the city and provided GAS with access to customer information to support their marketing strategy.</p> <p>The Chair noted that there were development plans for a new site in their existing Business Plan and asked if there</p>		
--	--	---	--	--

**ALEO GOVERNANCE HUB
GARTHDEE ALPINE SPORTS
22 AUGUST 2016**

APPENDIX 7

			<p>had been any progress on this or whether these plans would be re-evaluated in the context of the new Strategic Plan. Mr Jacobs explained that due to recent uncertainty regarding the level of core funding, the downturn in the oil and gas sector and the impact of the new Aberdeen Western Peripheral Route, they had decided to pause these development plans for the time being. He noted that the business needed a new site with room to expand and increase the number of activities they could facilitate as this would support the aspiration to diversify their revenue streams and make them less reliant on Council funding. He explained that they had scoped a site on Broad Hill as the land was appropriate for a snowsports centre and was nearby other sport and cultural partners.</p> <p>Mary Agnew (Health, Safety and Wellbeing) asked if GAS had access to competent health and safety advice on a regular basis. Mr Jacobs advised that a number of staff had health and safety experience but had not gained any formal qualifications. He explained that they had commissioned an external organisation to review their risk assessment procedures every two years but was not aware of an organisation that provided industry specific health and safety advice for snowsport operators. He added that the former Chief</p>		
--	--	--	---	--	--

**ALEO GOVERNANCE HUB
GARTHDEE ALPINE SPORTS
22 AUGUST 2016**

APPENDIX 7

			<p>Executive of Snowsports Scotland had recently been tasked to develop this industry specific health and safety guidance.</p> <p>Ms Agnew enquired how health and safety performance was monitored and if they benchmarked their performance against other organisations. Mr Jacobs explained that they would look to develop their capacity to monitor health and safety performance and confirmed they did benchmark against other ski slope operators.</p> <p>Ms Agnew noted that Mr Jacobs had advised the Hub that GAS provided transportation in the form of a minibus to transport groups to and from the Snowsports Centre and asked what arrangements they had in place to manage and mitigate risk. Mr Jacobs explained they had been granted a permit to operate the minibus and the vehicle was checked by Council colleagues at Kittybrewster Depot before groups used the minibus. He confirmed they had breakdown cover in place and the key was locked in a safe when not in use.</p>		
No	Item	Documents Submitted	Assurance Provided	Actions/Decisions	Lead Officer(s)
8.	Closing Remarks	N/A	The Chair thanked the representatives from Garthdee Alpine Sports for their attendance and contributions and brought	<p><u>The Hub resolved:-</u></p> <p>To thank the representatives of GAS for</p>	N/A

**ALEO GOVERNANCE HUB
GARTHDEE ALPINE SPORTS
22 AUGUST 2016**

APPENDIX 7

			the meeting to a close.	their attendance and contributions at today's meeting.	
--	--	--	-------------------------	--	--

If you require further information about this minute, please contact Iain Robertson tel. 01224 522869 or email iairobertson@aberdeencity.gov.uk

DRAFT