**HIGH LIFE HIGHLAND (TRADING) C.I.C.**

Minutes of Meeting of the Board of High Life Highland (Trading) C.I.C. held in the Board Room, Old Library, Dingwall on Thursday 9 January 2014 at 10.30 am (rescheduled meeting from 5 December 2013).

**PRESENT**

Mr I Claxton Mr D McLachlan

Mr R Looper Mr J Murray (Chair)

Mr D Graham Mr K Nicol

**In Attendance:-**

Mr I Murray, Chief Executive

Ms F Hampton, Head of Business

Ms L Leonard, Finance Manager

Miss J Maclennan, Company Secretary’s Office

Mrs F MacBain, Company Secretary’s Office

**BUSINESS**

**Preliminaries**

The Chair informed the Board that Ms B McArdle had resigned, in December 2013, as a Director of both High Life Highland and High Life Highland (Trading) C.I.C. Appreciation was expressed to Ms McArdle for her contribution to High Life Highland (Trading) C.I.C. during her time as a Director.

Directors were also reminded that the annual report and accounts had required to be submitted before the end of December 2013. As a result of the cancellation of the Board’s meeting on 5 December 2013, to avoid any financial penalty, approval by email of the Annual Report and Accounts had been obtained from each Director.

The Board **NOTED** the position.

1. **Apologies for Absence**

There were no apologies for absence.

1. **Declarations of Interest**

 There were no declarations of interest.

1. **Confirmation of Minutes**

There had been circulated Minutes of the High Life Highland (Trading) C.I.C. meetings held on 20 June 2013, the terms of which were **APPROVED**.

1. **Finance Report**

There had been circulated Report No HLHT9/13 dated 26 November 2013 by the Chief Executive providing Directors with an update on the financial performance of High Life Highland (Trading) C.I.C. for the year ended 31 October 2013, including a forecast outturn for the financial year.

Work had started on the 2014/15 budget which would focus on controlling margins and increasing income. Budgets would be realigned to reflect projected income and expenditure rather than historical figures being rolled forward.

Directors asked that future reports did not denote positive figures in red with brackets and that a narrative description was provided for any significant variances. As a one-off, for the next Trading Board meeting in February 2014, a detailed breakdown of figures was requested, by service with major variances with the previous year highlighted by exception.

The Board **NOTED** that the outturn for the year end was on target with a positive variance year to date of £10,829, and **AGREED** that:-

1. positive figures were denoted in black and negative ones in red with brackets in future reports;
2. narrative explanations were provided for significant variances in future reports; and
3. a detailed breakdown of sales figures, with any major variances with the previous year highlighted for specific cost centres, be provided for the next Trading Board meeting.

**The Board RESOLVED that the following item be restricted to only those Directors and officers requiring to remain in attendance.**

1. **Efficiency/Savings Measures 2013-2015**

A report on the financial landscape for 2015-18 was presented.

The Board **NOTED** the position.

1. **Joint High Life Highland Board and High Life Highland (Trading) C.I.C. Board Development Session 23 August 2013**

There had been circulated Report No. HLHT10/13 dated 25 November 2013 by the Chief Executive summarising the actions for the Trading Company Board arising from the Joint Board Development session held on 23 August 2013, the informal meeting of the Trading Company Directors on 13 September and from the Board at its meeting on 2 October 2013.

Business opportunities had been allocated to two phases and a presentation was given to update Directors on progress made in respect of the Phase One projects, as follows:-

**High Life Scheme**

* incentives to increase membership included festive period one-month only passes and discounts on annual memberships. With 40% of the Highland population already being in the High Life Scheme, Directors suggested that increasing income from existing members was important;
* the impact of advertising be monitored to ensure value for money;
* centre managers had received sales training and leisure centre staff would be trained to respond appropriately to customers. A leaflet was distributed about Caithness Chamber of Commerce training programme for facilities staff in Caithness;
* proposed corporate membership packages were summarised, with emphasis on flexibility to suit the needs of individual companies;
* given the size of the marketing budget that was available, only carefully targeted publicity was being undertaken; and
* various types of contra deal were outlined, with in-kind benefits being exchanged, e.g. publicity in return for customer discounts.

**Retailing and Cafes**

* increased retail and vending sales across all operational areas were reported for the 7 months to October 2013, compared to the figures for the financial year 2012/13;
* the renewal of vending machine contracts was an operational matter and was not normally reported to the Board. However, when a contract review was due, Directors with the appropriate expertise should be approached for advice;
* publicity should be undertaken at the Archive Centre for the newly rebranded Inverness Botanic Gardens;
* a summary was given of other work being undertaken to increase income from retailing and cafes;
* following discussion of the benefits of sourcing a Highland-wide catering partner, Directors were broadly in favour of sourcing individual contractors, at least for a trial period of around 2 years; and
* work was still to be undertaken on ‘pop-up’ shops.

**Sponsorship and Advertising**

An overview was provided of plans and ongoing negotiations in relation to large-scale sponsorship deals which were under discussion. Opportunities to sell advertising space were being considered, with rates to be drawn up.

**Sale of Branded High Life Items**

Following discussion, Directors suggested a trial period selling a limited range of merchandise on an order-only basis to avoid any stock build-up.

**Outdoor Activity (development of outdoor centres)**

A small project group had been established but their first meeting had been postponed due to adverse weather. However, emailed comments had been gathered and a tour of facilities was planned for the end of February 2014.

**Phase 2 Opportunities**

These were to be kept under review pending progress with Phase 1 and included residential courses, ancestral tourism, online sales, childcare, database information and partnerships/acquisitions/mergers. Some negotiations were currently being undertaken in relation to childcare opportunities.

The Board **AGREED** the priority projects to be included in a draft plan of business opportunities to the Board of the High Life Highland, *subject to the comments detailed above.*

1. **Board and Trading C.I.C. Work Plan and 2014 Meeting Dates**

There had been circulated Report No. HLHT11/13 dated 25 November 2013 by the Chief Executive setting out the Board Work Plan for High Life Highland for 2014.

Directors being supportive of 6 meetings per year, the Board:-

1. **AGREED** the Work Plan, as it related to High Life Highland (Trading) C.I.C., in Appendix A of the report, noting the proposal to increase Trading Board meetings from 4 to 6 per year in line with the Main Board meetings;
2. **AGREED** the meeting dates for the Trading Board included in Appendix A and summarised in Appendix B of the report; and
3. **NOTED** dates for overnight stays and facility/programme visits.
4. **AOCB**

The following items of AOCB were discussed:-

* the Chairman received assurance that the number of Director and senior officer resignations in recent months was co-incidental and all for varying reasons;
* Mr Graham expressed concern that the issue of succession planning for Directors was not being addressed. Specifically he registered his discontent with a recent decision of the Nominations Committee to delay recruitment of an additional Director;
* progress was required on an appraisal system for Directors;
* as a result of a decision, 2 years previously, replacement with HLH signage had taken place only in line with planned facility refurbishment. Directors queried whether a programme was now required to replace all remaining signs and the Head of Business offered to provide details of imminent signage upgrades as a starting point. Discussion ensued on the use of Gaelic on official directional signs for High Life Highland facilities and it was pointed out that this was Council policy;
* a tendering opportunity was outlined, which might require the establishment of a subsidiary company; and
* Directors pointed out that social media logos should be included on all printed material.

The Board **NOTED** the position.

The meeting ended at 1.15 pm.