

SC137068

Minutes – 26 January, 2017

Minutes of the directors' meeting of the Scottish Sports Council Trust Company (the "**Company**") held on 26 January 2017 at **sportscotland** Headquarters, Doges, Templeton on the Green, 62 Templeton Street, Glasgow, G40 1DA, at 10:00am.

Present

Ms Jane Booth, Director ("**Ms Booth**")
Mr David Gass, Director ("**the Chair**")
Ms Jane Kerr, Director ("**Ms Kerr**")
Ms Kay Morrison, Director ("**Ms Morrison**")
Mr David Rhoney, Director ("**Mr Rhoney**")
Ms Pam Woodman, Director ("**Ms Woodman**")

In Attendance

Mr Neville Cobb, Head of Finance and Governance ("**Mr Cobb**")
Ms Alison Gardiner, Programme Manager – Project Inverclyde ("**Ms Gardiner**")
(in attendance for minute items 6,7 and 8 only)
Mr John Kent, Principal, Inverclyde National Sports Centre ("**Mr Kent**")
Ms April Law-Reed, Legal Manager ("**Ms Law-Reed**")
Mr Stuart Ogg, Director of Corporate Services ("**Mr Ogg**")
Mr Shaun Roberts, Principal, Glenmore Lodge National Centre ("**Mr Roberts**")
Mr Stewart Harris, Chief Executive ("**Mr Harris**")

Secretariat

Ms Liana Wacławski, Company Secretary ("**Ms Wacławski**")

Apologies

Ms Mags Duncan, Director ("**Ms Duncan**")
Mr Dilawer Singh MBE, Director ("**Mr Singh**")
Mr Mel Young, Chair **sportscotland** ("**Mr Young**")

1. Chair

Mr David Gass presided as Chair (the “**Chair**”) of the meeting as per Article 18 of the Company’s Articles of Association (the “**Articles**”).

2. Notice, Quorum and Apologies

The Chair reported that due notice of the meeting had been given and that a quorum was present, as per Article 34 of the Articles. Apologies were received from Ms Duncan, Mr Singh MBE and Mr Young.

Accordingly, the Chair declared the meeting open.

3. Interests in Proposed Transactions and Arrangements with the Company

Each director present confirmed that they had no direct or indirect declarations of interest to be considered at the meeting in accordance with the requirements of section 177 of the Companies Act 2006 (the “**Act**”) and Article 40 of the Articles of Association. It was noted that the directors were entitled to attend and vote at this meeting and to be counted in the quorum.

4. Minutes of the Meetings held on 2 August 2016 and 3 October 2016

Both sets of Minutes were approved by the Directors, subject to an adjustment at item 8 of the October Minutes which was to make specific reference to their discussion regarding the importance of the management team to focus on sales.

5. Matters Arising

- *Finalise the strategic statement in relation to the work of three National Centres and the Trust Company for the January board meeting.*

Mr Kent and Mr Roberts tabled the final version of the strategic statement for approval. The Board agreed that the statement was an important piece of work and sets out the strategic context for the work of the Trust Company and its contribution to **sportscotland** and its corporate objectives, and should be communicated to the **sportscotland** board.

The Board approved the strategic statement, subject to a final proof read and minor changes and corrections to the text.

The Board also discussed a possible meeting with the **sportscotland** board, which would facilitate wider strategic discussion. Mr. Harris offered to explore this.

Action: Mr. Harris to establish a potential date for a joint meeting between sportscotland and Trust Company Board.

For Discussion

6. National Centre Quarterly Reports

6.1 Trust Company Financial Overview Quarter 3, 2016/17 – Neville Cobb, Head of Finance and Governance

Mr Cobb provided an update on the financial results for the nine months ending 31 December 2016. There was a negative variance of £37k overall. Glenmore Lodge had seen higher than expected expenditure in Q3. Mr. Cobb reported that Mr Roberts had quickly addressed the underlying cause and taken action to avoid a repetition. The Board were satisfied with the actions taken by Mr. Roberts to mitigate the situation.

Mr. Cobb explained that in future the maintenance budget would be allocated to each of the Centres as part of the annual **sportscotland** investment, rather than held centrally. The Chair believed this would give the Board a better overview of all expenditure.

Mr. Harris reported that the recently published draft Scottish Government budget showed reduced funding for **sportscotland**. He also noted that it was likely there would be less funding for sport from the National Lottery. Mr. Harris noted that the reduction in Scottish Government funding would have an impact on the level of investment available to the Trust Company. The Board discussed what efforts could be made by the Trust Company in response to the new funding landscape. The Chair proposed that this matter be discussed in more detail at the next Board meeting as a specific agenda item to ensure that the Trust Company continued to perform strongly.

6.2 Glenmore Lodge – Shaun Roberts, Principal, Glenmore Lodge

Mr Roberts noted that Glenmore Lodge's performance had been positive over the period. 70% of the training delivery during the period was associated with governing body courses. There had also been a significant number of views (179,000) of the YouTube skills videos. There had been a promising start to the winter activity in November, but both December and January had both been disappointing with little or no snow.

There had been a 2% positive variance on income and a 5% overspend at the end of Q3, with additional equipment costs being partly responsible for the overspend. A reduction in expenditure in Q4 is being actively managed.

Mr Roberts noted some key business development activities. A Customer Relationship Management (CRM) workshop had taken place during the period, which focussed on the customer experience at Glenmore. This had been a positive exercise operationally and provided the opportunity to consider how Glenmore Lodge contributes to sport more generally. In relation to the booking system the Board felt that it was important not to lose sight of what CRM could achieve in terms of the forward management of the Centre.

Mr Roberts noted that the car park and the refurbishment of the instructor briefing room had been completed. A number of sector support events had also taken place, including a Women in Adventure Sport Conference. He also noted the potential opportunities for disabled people and families to get them more involved in the sport.

Mr Roberts explained that there had been no further contact from HSE or timescales provided in relation to the Chalamain Gap incident to date.

A legal letter had been received by Glenmore Lodge in relation to their ski tour programme. Mr Roberts highlighted the main areas of challenge. The Board discussed the matter and the Chair noted that the key issues raised in the legal letter were being addressed.

6.3 Inverclyde – John Kent, Principal, Inverclyde and Cumbrae

Mr Kent noted that the income continued to be down due to parts of the facility being closed. The community programmes and fitness classes were still being delivered. Expenditure was slightly up on budget due to refurbishment outside the main project.

Mr Kent commented that the customer journey had been challenging during the works, but this had been managed well by staff and the contractors. The Chair echoed these sentiments, and acknowledged and thanked the work of the staff over the re-build period on behalf of the Board.

Future business development had been a priority in Q3 and the Centre continued to engage with the council, community users, clubs and groups. Mr. Kent noted that the project specific updates would be discussed in more detail in the Inverclyde Project report.

Mr Kent noted that staff had been recruited to key roles, with some being filled by existing staff.

6.4 Cumbrae – John Kent, Principal, Inverclyde and Cumbrae

Mr Kent noted that Cumbrae had been busy, although there were less people out on the water in the winter. The Centre had 2549 visitors from April to December 2016. The Centre had received good customer feedback with 97% of customers rating the instruction as excellent.

The Centre had run Professional Yacht master Training and electronic shore-based courses in Instruction while First Aid had recently been added to the courses being offered.

Mr Kent reported that income was slightly up on budget while expenditure was slightly less than expected.

Mr Kent explained that the option appraisal for the breakwater may need to be extended. Directors queried the cost and scope of the work. Mr Kent noted that it could range from £3k to £15k depending on the size of the area of the seabed to be surveyed.

In relation to sector support, Cumbrae had been involved with RYAS at Scotland's October Boat Show and this had been successful. A number of Cumbrae staff had also been nominated for awards at the RYAS annual awards ceremony.

Mr Kent reported that the Scottish Sailing Institute (SSI) had agreed to formally merge with the National Centre at Cumbrae. The SSI would continue to seek to bring sailing events to Scotland and Mr Kent explained that Cumbrae would benefit by being able to hire out equipment for these events. Directors questioned whether the wider events in Scotland promoted by SSI would result in a loss of income at Largs, Mr Kent indicated that this was unlikely. The Chair

felt that the sailing community were likely to work better together to bring wider opportunities to Scotland, which would ultimately benefit both the sport and Cumbrae. Directors discussed the need for a plan for the merger to show how it would work and the costs. Mr Harris noted that the financial risks of the proposed merger were low as the individual concerned was already funded by **sportscotland** since the Council's funding had ceased.

The Chair agreed that the practical implications of the merger were not significant, but invited Mr Kent to provide the Board with more information to its next meeting. [Directors requested that matters such as the merger are brought to the Board at an early stage for approval.](#)

Action: Mr Kent to prepare more information on the merger of the SSI into Cumbrae and the role of any SSI staff moving to Cumbrae.

The Chair thanked the Principals for their reports.

Mr. Harris left the meeting.

7. The Trust Company – Building Stronger Partnerships – Shaun Roberts and John Kent, Principals

Ms Gardiner joined the meeting.

The Chair introduced the presentation, noting its importance as a way of further showing how the Trust Company contributed to the **sportscotland** Corporate Plan.

Mr Roberts and Mr Kent provided an overview of the Trust Company, the annual return on investment from the Trust Company, the process of change management and the shared services across Inverclyde and Cumbrae.

The Board discussed and noted in particular the details recording the Annual Return on Investment.

The Board thought the presentation was helpful in capturing the work and importance of the Trust Company and together with the agreed strategic Statement demonstrated the contribution made by the National Centres.

8. Project Inverclyde – Update, Stuart Ogg and Alison Gardiner

Mr Ogg noted that this was a fuller report as it was the last report to the Board before the Inverclyde Centre is fully reopened.

Mr Ogg thanked Ms Gardiner and the key project team members for their pivotal role in the project. Mr Ogg also expressed his thanks to the wider Corporate Services team. He had every confidence the project would be delivered on time and on budget.

Ms Gardiner updated the Board on the progress to date including details of the contractors that were being used and how these related to the Scottish Government's agenda for supported businesses, the updating of all policies, and branding. She also highlighted plans for the period prior to opening. Ms

Gardiner reported that staff had been recruited and there would be a handover to the management team at the centre.

Ms Gardiner added her thanks to everyone involved in the project for their enthusiasm and energy.

The Board thanked Ms Gardiner for her presentation and the passion and enthusiasm she has delivered for the project. The Board also extended their thanks to the key people involved in the project and the wider **sportscotland** team. The Board congratulated those staff who had recently been recruited to the new management team.

Action: Mr Kent to circulate information about the recently appointed senior staff to the Board.

9. Inverclyde's Preparedness – Internal Audit Report, Stuart Ogg and Alison Gardiner

Mr Ogg noted that the initial phase of internal audit on the preparedness of Inverclyde for re-opening had taken place in November 2016. The management review had identified good practice in respect of project governance and management. Three recommendations were made regarding staffing, policies and sales plans. Mr Ogg reported that all three recommendations were being addressed. Mr Ogg added that he had met with the auditors again regarding the final phase of this preparedness audit who had no further comments.

The Chair thanked Mr. Ogg and noted that there had been a focus on business development through recent stages of the project. The Chair requested an update on business development once the centre was open. The Board also looked forward to receiving reports on what difference the new centre was making.

Action: Mr Kent to keep the Board informed of progress regarding business development and sales.

For Information

10 Any Other Business

The Board discussed the recruitment of new directors to the Company and agreed that this should be actioned by Mr. Ogg working with the Chair. There was also the opportunity for another Board member to be involved in the recruitment interviews subject to availability of the Board members.

Action: Mr Ogg to action the recruitment of new directors.

11 Dates for future meetings

- **4 May 2017 Inverclyde National Centre**

12 Close of Meeting

The Chair noted there was no further business and the Chair declared the meeting closed.

.....
Chairperson

ACTION LIST

Item	Who is responsible?	Action	Comments
5	Stewart Harris	Establish a potential date for a joint meeting between sportscotland and Trust Company Board.	Joint strategic meeting will take place on 18 April
6.1	Liana Waclawski	“Funding Position and Opportunities” will be a specific item for discussion on the agenda for the May Board	Added to April Agenda
6.4	John Kent	Provide information on the merger of SSI and Cumbrae and the role of any SSI staff moving to Cumbrae.	See para 50/54 in Cumbrae Executive summary. Action complete
8	John Kent	Circulate details of the senior staff appointments to the Inverclyde management team to the Board	Appointments complete in march 2017. Presentation at meeting
9	John Kent	Mr Kent to keep the Board informed of progress regarding business development and sales.	Presentation at meeting.
10	Stuart Ogg	Action the recruitment of new directors	Complete