

The Scottish Sports Council Trust Company SSCTC(BM)4/2017

SC137068

Minutes – 2 November 2017

Minutes of the Directors' meeting of the Scottish Sports Council Trust Company (the "**Company**") held on 2 November 2017 at sportscotland National Centre, Cumberae, at 11:00a.m.

Present

Ms Frances Wood, Director ("**the Chair**")
Ms Jane Kerr, Director ("**Ms Kerr**")
Ms Kirsty Garrett, Director ("**Ms Garrett**")
Ms Kelsey Blemings, Director ("**Ms Blemings**")
Ms Kay Morrison, Director ("**Ms Morrison**")
Ms Pam Woodman, Director ("**Ms Woodman**")
Ms Jane Booth, Director ("**Ms Booth**")

In Attendance

Mr Stewart Harris, Chief Executive ("**Mr Harris**")
Mr Stuart Ogg, Director of Corporate Services ("**Mr Ogg**")
Mr Neville Cobb, Head of Finance and Governance ("**Mr Cobb**")
Mr Shaun Roberts, Principal, Glenmore Lodge National Centre ("**Mr Roberts**")
Mr Michael Cavanagh, OBE, Interim Principal, Inverclyde & Cumberae National Sports Centres ("**Mr Cavanagh**")
Mr Barry Fleeting, Business Development Manager, Inverclyde & Cumberae National Sports Centres ("**Mr Fleeting**")
Mr Graeme Randall, MBE, Sports Programme Manager, Inverclyde & Cumberae National Sports Centres ("**Mr Randall**")
Ms Jenny Clarke, Operations Lead Manager, Glenmore Lodge National Centre ("**Ms Clarke**")
Ms April Law-Reed, Legal Manager ("**Ms Law-Reed**")
Mr David Frame, Chief Instructor, Cumberae ("**Mr Frame**")

Secretariat

Ms Micheila West, Company Secretary ("**Ms West**")

Apologies

Ms Mags Duncan, Director ("**Ms Duncan**")
Mr David Rhoney, Director ("**Mr Rhoney**")
Mr Dilawer Singh MBE, Director ("**Mr Singh**")

1. Chair

Ms Frances Wood 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 and Mr Rhoney. Accordingly, the Chair declared the meeting open.

3. Interests in Proposed Transactions and Arrangements with the Company

The Chair noted that the Director declaration of interest would be notified by a show of hands rather than in paper form. 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, save from Ms Garrett who noted her interest in the distribution of the Winter Legacy Fund, which was being utilised by Glasgow Schools which Ms Garrett had involvement with.

The Board noted that the Winter Legacy Fund was being used to contribute to a Glasgow Schools trip to Glenmore Lodge and noted that a potential conflict of interest arose from Ms Garrett's involvement with Glasgow Schools, and gave its consent to Ms Garrett's participation in the discussion in relation to the Winter Legacy Fund.

Furthermore, the Board noted the potential conflict of interest regarding a member of the **sportscotland** Board, Katy U'ren, holding a position of depute head teacher of one of the benefitting schools involved with the Glasgow Schools trip to Glenmore Lodge. In response it was noted that in future when potential conflicts of interest like this arise then they should be brought to the Trust Company Board before any commitment is made.

No votes were to be taken in relation to the proposed use of the Winter Legacy Fund, as the Board had delegated to Mr Roberts, responsibility for distributing the proceeds of the fund.

It was noted that all the Directors were entitled to attend and vote at this meeting and to be counted in the quorum.

4. Minutes of the Meeting held on 15 August 2017

The Board confirmed that the minutes of the meeting held on 15 August 2017 were approved subject to minor amendments noted and updated on the document.

5. Matters Arising

Actions outlined in the previous meeting were acknowledged by the Chair and it was confirmed that actions to be relayed at the current meeting had been added to the agenda.

Ms Morrison noted that previous minutes had requested a presentation on Equalities and Inclusion and Corporate Parenting and that these items were not on the agenda. It was agreed that they would be included in the agenda for the January 2018 Board.

Action - Equalities and Inclusion and Corporate Parenting to be included in the agenda for the January Board

There were no further comments from the Board.

For Discussion

6. Strategic Update – Stewart Harris, Chief Executive

Mr Harris presented a strategic update in respect of the **sportscotland** group with particular reference to the Trust Company. He highlighted in particular:

- The use of the World Class Sporting System in reviewing all group activities, including the Trust Company, to provide a model for promoting efficiency and achieving impact.
- The budgetary outlook given cuts to Scottish Government funding and the reduction in National Lottery income meant there was a need to review resource allocation across the **sportscotland** group, including the Trust Company. This had to be done in an effective manner, and not simply by cutting the same proportion from every area of activity. It needed the identification of core organisational priorities which related to the Scottish Government's guidance, sustaining the integrity of the sporting system and maintaining employment across the system, at least in the short term.
- The need to work in partnership with local authorities and other public sector organisations to provide a more joined-up approach to addressing the Scottish Government's strategic guidance and the Trust Company's contribution to add value to this direction.
- An outline of the proposed corporate plan review process which would take place during 2018 and the important role that the Trust Company Board could play.

Ms Booth noted that Mr Harris had outlined a sensible approach. She noted that staff in the organisation, SGBs, clubs and associations would need support to help them develop the skills required to embrace the changes needed.

Mr Harris confirmed that the budgetary constraints had been communicated to SGBs who understood the environmental factors, but that more communication was required including through the Trust Company's communities.

Ms Kerr noted that the cuts to all public authorities suggested that a creative partnership with similar organisations would be wise. Mr Harris noted that **sportscotland** relies on local authorities for service delivery and was in talks with them, and the wider communities would be approached for their input through the corporate planning process.

Ms Kerr noted that budgetary cuts beyond a certain percentage would change the role of the organisation substantially. However, such changes required top-

level discussion and early notification to funders including the Scottish Government. Mr Harris confirmed these discussions were taking place with the Minister and Scottish Government.

Ms Kerr further noted that significant changes could denote a change in direction if funding for sport changed radically. This was something which the the Financial Resources Committee had discussed. In particular there had been a focus on possible funding from the corporate sector.

The Board further noted that there was a need for the Trust Company to consider how it could increase its own revenues, including further developing a Trust Company marketing strategy and plan, to reduce the need to rely on funding from **sportscotland**; and/or decrease its costs.

The Trust Board thanked Mr Harris for his presentation which had provided a full undersanding of the current financial picture and the proposals for the forthcoming corporate planning process.

7. Cumbrae Centre Strategic Review – Michael Cavanagh OBE, Interim Principal /Graeme Randall, MBE, Sports Programme Manager

Mr Randall presented the Cumbrae Review paper and highlighted in particular:

- A high proportion of Cumbrae's income is generated between March and October and review of the level of fixed costs of the Centre is a key facet of the Cumbrae Review.
- A high proportion of salary costs is allocated to instructors who are world class in their fields. The review process involves examining staff resources and alignment to ensure instructor knowledge, skills and expertise are all being efficiently utilised across Cumbrae and Inverclyde.
- The Royal Yachting Association Scotland ("RYAS") has a strong relationship with the Centre, with performance squads utilising the Centre in the winter months. The RYAS prefer this location for service delivery. However annual spend is only £30k.

Mr Randall confirmed the next steps was a further review of the use of the Centre in the winter months although this needed to take account of the Centre's world class reputation and to protect employment where possible.

Ms Garrett queried the rationale behind the RYAS preferring the location of the Centre. Mr Frame confirmed that the location and convenience of the Centre to the water and more significantly it was situated in a sheltered area with safe access to the sea with little likelihood of rough waters.

Ms Woodman queried whether opening hours could be changed in the winter with the Centre closed while RYAS still use the bay. Mr Randall noted that compressed opening hours may be an option. Mr Cavanagh additionally noted the high levels of investment in RYAS and in the Centre were currently treated separately. A combined approach might help improve efficiency and further discussion was required with RYAS.

Ms Kerr suggested the review should include looking at ways to improve commercial funding by utilising the Centre's international reputation to bring overseas bookings to the Centre, noting that Scotland is among the top 5 locations for sailing in the world.

Mr Cavanagh agreed this could be examined but noted that advice was needed from key individuals and businesses in the sector.

Action: The Chair requested that the Board think about key individuals and events that the Centres could target for business.

Mr Fleeting confirmed that the working group is reviewing partnerships and noted that they would happily explore opportunities with anyone.

Ms Morrison asked whether Glenmore Lodge was being reviewed in a similar manner. Mr Cavanagh confirmed that budget reviews would cover Glenmore. Mr Roberts confirmed that all three Centres were increasingly merging their approach in practice.

Ms Woodman queried whether there was a marketing strategy or plan for each Centre and whether there would be benefit in developing a combined marketing plan for all three Centres. Mr Fleeting confirmed that there were marketing plans in place for each Centre. However, there was no collective marketing plan covering all three at present but that a combined approach was being considered and that the international market could be considered as part of this plan.

Action: The Chair noted that the joint marketing activities between the National Centres should be discussed at a future Board meeting.

8. Data Profiling: Indicators/Outcomes Update – Jenny Clarke, Operations Lead Manager/Barry Fleeting, Business Development Manager

Ms Clarke presented an update on the approach to data profiling which was being developed using the information being generated by the ESP booking system used at each national Centre. She noted that:

- the team was aiming to ensure data collection was consistent across all Centres for reporting and profiling; and
- they were looking at the issue of how to collect data on group composition when the main contact for a group booking is normally with one individual.

The Board was assured that any use of or processing of data and any data profiling would only be carried out if such action was fully compatible with relevant data protection legislation.

The Board asked for the finished data profiling plan to be brought to the Board for approval and Ms Clarke confirmed that this would be done.

Action: The Board would be kept updated on how the consistent approach to data profiling between the National Centres is being developed.

9. General Data Protection Regulations (GDPR) Update – April Law-Reed, Legal Manager

Ms Law Reed presented on the General Data Protection Regulation and the Legal team's plan to deal with implementation of the regulatory requirements across the Trust Company. Ms Law-Reed highlighted in particular:

- The main provisions of the GDPR and the implications for the Trust Company.
- The Legal team's action plan and deadlines in respect of data mapping across the organisation and recommendations for the Centres which would bring practice in line with the GDPR regulations.

The Board thanked Ms Law-Reed for the comprehensive update.

10. National Centre Quarterly reports:

10.1. Glenmore Lodge National Centre- Shaun Roberts, Principal, Glenmore Lodge National Centre

Mr Roberts referred the Board to his report and confirmed that he felt positive about reaching budget targets by the end of the year. He noted specifically that Glenmore Lodge's income in the year to date had exceeded original budget predictions.

He also noted that a business development brochure had been produced for Centre promotion and discussions with Mr Fleeting were ongoing regarding outdoor activity profiling.

Mr Roberts further noted that Highlife Highland was taking accommodation in Spring 2018 in a pilot programme in tandem with the National Centre programme.

Mr Roberts also drew the Board's attention to a Gaelic language programme run and funded by Spòrs Gàidhlig staff based at the Centre, who would be providing outdoor activities for schoolchildren in Gaelic.

The Board noted that the Winter Legacy Fund was being utilised to contribute to a Glasgow Schools trip to the Centre. The Board noted that a potential conflict of interest arose from Ms Garrett's involvement with Glasgow Schools and gave its consent to Ms Garrett's participation in the discussion in relation to the Winter Schools Fund. Furthermore, the Board noted the potential conflict of interest regarding a member of the sportscotland Board, Katy U'ren, holding a position of depute head teacher of one of the benefitting schools involved with the Glasgow Schools trip to Glenmore Lodge.

This project was considered a possible pilot which if successful may be extended if funding becomes available.

Ms Booth commended the trailrunning at Glenmore Lodge, which she had recently attended, noting that the experience and atmosphere at the Centre was very enjoyable.

Mr Roberts noted that trailrunning provision alongside Scottish Athletics presented an opportunity that the Centre were pursuing.

Ms Woodman queried costs in respect of the Gaelic language programme and Mr Roberts noted that the project is being funded externally at no cost to the Centre and was generating an income. Mr Ogg noted the programme also aligned with **sportscotland's** Gaelic Language Plan.

Mr Roberts confirmed that a note would be provided to the Board in respect of the plan for distributing the remainder of the Winter Legacy Fund once agreement had been reached internally.

10.2.National Centre Quarterly Reports: Inverclyde Centre & Cumbrae Centre

Mr Cavanagh presented the combined Q2 Inverclyde Centre and Cumbrae Centre report. He highlighted in particular the great feedback in relation to the Scottish International Open Boccia Championships held at the Centre.

He drew the Board's attention to Inverclyde' s income target for events and conferences and noted that while it had been a slow start, this was due to establishing the Centre in the market. The team was working hard to move towards the target for the year end. He also noted that the Centre had hosted a charity AGM and a civil servant sport group. All were very successful.

The Chair observed that there were a number of civil servant sport groups which would be a good target group for the Centre.

Action: Mr Fleeting to follow up possible contacts with other civil servant sports groups to promote Inverclyde Centre as a venue.

Mr Cavanagh noted that the segments of pontoon which were part of the Cumbrae breakwater had been disposed of at minimal cost and without any adverse environmental impact.

Mr Cavanagh also noted that further landscape developments on the Inverclyde Centre grounds and the extension to the carpark were going to be supported by the inhouse facilities team. This will be more cost efficient.

The Board acknowledged that the Executive Reports demonstrated a much more proactive approach across the Centres towards increasing business.

Ms Morrison asked if an overview report could be provided at year end, highlighting KPIs for the year as a whole and including comparatives for previous years.

Mr Cavanagh confirmed a report with KPIs and comparatives for the Centres would be provided and this would be available next financial year.

11. Trust Company Financial Overview 2017/18 Quarter 2 – Neville Cobb, Head of Finance and Governance

Mr Cobb outlined the financial results for Q2, acknowledging that it had been a challenging first six months of trading in part due to the financial climate, and this had been anticipated in particular for Inverclyde with it re-opening in May.

Mr Cobb noted that Glenmore Lodge and Cumbrae had seen increased expenditure compared to income and that this was being closely monitored. The teams were attempting to bring the financials in line with the budget.

Mr Cobb noted in particular that Inverclyde was under its predicted income by £200k. He felt that at this stage in the year, Inverclyde would miss its target by between £260k-£270k although the team were trying to address the situation.

Ms Kerr asked why the expected outturn for Inverclyde was so different to the figure envisaged and whether next year's business plan should be revised accordingly.

Mr Cobb noted that the variance on the income target for Inverclyde was due to several factors. Firstly, that the management team had not been fully in place to hit the ground running in April when the new Centre was re-opened. This led to a slower start than anticipated. Mr Cobb further noted that the income stream from groups and schools and conferences was lower than anticipated because the original target had been based on historic information. Besides Inverclyde's profile in market presence needed to be developed. Mr Cobb also noted that Mr Fleeting and his team were extending their contacts which would aim to bring in more business. Finally, the Board noted that while there was no intention to amend the budget at this point in time, **sportscotland** was committed to underwriting any deficit in the budget.

Mr Fleeting added that school bookings for the first quarter of 2017-18 already exceeded the full projected school use for the current financial year.

Action: Draft business plan for Financial Year 2017-18 to be brought to the next Board.

For Information

12. Inverclyde Final Report

The Board thanked Mr Ogg for his work on the report and it was noted that Scottish Futures Trust had asked to review the report as they were interested in learning from the management of the project. Mr Ogg thanked Ms Kerr and Ms Woodman for assisting with the production of the report.

13. Winter Sports Legacy Fund

The Board noted this had been discussed in the Glenmore Lodge Executive Report.

14. Health and Safety Arrangements

The Board acknowledged the health and safety information paper and had no comments on the paper.

Other

15. AOB

15.1. Financial Resources Committee Update

Ms Kerr gave an update on the Financial Resources Committee meeting. She noted that a brainstorming exercise had been carried out to identify possible future funding, including private sponsorship. A further meeting was being planned with RBS and other corporate bodies to discuss sponsorship, and that the Committee would continue to report to the next **sportscotland** Board Meeting.

Mr Ogg added that members of the Committee were looking at a range of possible income streams including contacts for possible private sponsorship.

It was suggested that the Financial Resources Committee Chair, Duncan Skinner, should be invited to a future Trust Company Board meeting to discuss the strategic ideas and proposals being planned by the Financial Resources Committee.

Action: Duncan Skinner to be asked to attend the January or May 2018 Trust Board meetings.

15.2. Barclay Report

The Board noted that the Barclay Report had been published and noted that the Trust Company had an interest and serious concerns in respect of the impact of the report.

The date for the next meeting was set as Thursday 25 January 2018 (This was subsequently changed to 14 February 2018).

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



Chairperson

ACTION LIST

Actions Carried Forward from the August 2017 Meeting			
Item	Who is responsible?	Action	Comments
5. August 2017	Mr Cavanagh	A report will be produced for the Board which outlines the options arising from the strategic review of Cumbrae once this has been completed.	To be completed when strategic review has been concluded.
9. August 2017	Mr Roberts/ Mr Cavanagh	The Centres' Joint Management Team to develop a corporate risk register for the Trust Company with input from Head of Finance and Governance	On agenda for January 2018 meeting.
Actions from the Previous Meeting (November 2017)			
4.	Mr Ogg	Equalities and Inclusion and Corporate Parenting to be included on the agenda for the January Board	The Principals propose that the presentation and discussion regarding equalities and corporate parenting is postponed until later in 2018.
7.	All Board members	The Chair requested that the Board think about key individuals and events that the Centres could target for business.	
7.	Mr Roberts / Mr Cavanagh	The Chair noted that the joint marketing activities between the National Centres' should be discussed at a future Board meeting.	Joint marketing will be on a future Trust Company Board agenda.
8.	Mr Fleeting / Ms Clarke	The Board would be kept updated on how the consistent approach to data profiling between the National Centres is being developed .	Updates will be provided by the Principals in their regular reports to the Trust Company Board .

9.	Mr Fleeting	Mr Fleeting to follow up possible contacts with other civil servant sports groups to promote Inverclyde as a venue.	Followed up with the civil service group.
11.	Mr Roberts / Mr Cavanagh	Draft business plan for Financial Year 2018-19 to be brought to the next Board meeting.	Outline proposals on February Board agenda.
12.	Mr Ogg	Duncan Skinner to be invited to attend the January or May 2018 Trust Board meetings.	If appropriate Duncan Skinner will be invited to a future meeting so this is currently 'on hold'.

