

<p>The Scottish Sports Council Trust Company Company No. SC137068 Charity No. SC020175</p> <p>Meeting held on 13 February 2025 at 10:00, via Teams.</p>	<p>SSTC 2025 First Meeting</p>
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Present

- Mr Andrew Bain, Chair (“AB”)
- Ms Kirstie Hepburn, Director (“KH”)
- Mr Iain Houston, Director (“IH”)
- Mr Husnain Raza Sadiq, Director (“HRS”)
- Ms Susan Sandilands, Director (“SS”)
- Mr Ronan Welch, Director (“RW”)

In attendance

- Mr Barry Fleeting, Head of Centre, Inverclyde National Sports Centre (“BF”)
- Mr Shaun Roberts, Principal, Glenmore Lodge (“SR”)
- Ms Rachel Steven, Director of Operations (“RS”)
- Mr Simon Taaffe, Financial Controller (“ST”)
- Miss Abi Wood, Secretariat & Legal Officer (“AW”)

Business

1. Apologies and Welcome

The Chair welcomed everyone to the meeting. Apologies were noted from Olivia Strong.

2. Declarations of Interest (*taken at meeting*)

There were no declarations of interest. Directors were entitled to attend and vote at this meeting and to be counted in the quorum.

3. Minutes of Previous Meetings (*To approve minutes of the third meeting of 2024, held on 14 November 2024*)

There were no issues of accuracy or further comments on the minutes of the fourth meeting of 2024, held on 14 November 2024 and the minutes were approved.

THE BOARD APPROVED the minutes of the previous meeting.

4. Matters Arising

The Chair noted that he updated the sportscotland board of the budget discussions had at the last Trust Company meeting and that there was further work would be done through the budget setting process and making sure we've got that medium term financial projections for future board meetings as we run up to budget setting by the end of March. He also highlighted the memorandum understanding was on the trust company agenda for information but that there is still further work to be done on this matter. AW explained she could meet with the Chair and RS offline to provide guidance on ongoing governance matters for review.

For approval

n/a

For Discussion

n/a

5. Quarter 3 2024-25 Reports:

5.1. Trust Company Finance Q3 2024-25 – Simon Taaffe

ST provided the Q3 update. He noted that both National centres are confident in meeting their 5% savings targets, aligning with the Q2 forecasts. Expected savings against the original budget amount to £161,000, with total expenditures expected at £3.28 million versus the original £3.44 million.

As of December, the National Centres investments in operating costs were £98,000 better than the Q2 forecast, with £27,000 from actual savings. Capital expenditure is progressing with £300,000 spent year-to-date against the original budget of £775,000.

ST confirmed that major projects, such as the fitness floor and dining room at Inverclyde, are on track to complete by the financial year end, while the climbing wall project is anticipated to start in April 2025.

THE BOARD NOTED the contents of the report.

5.2. Glenmore Lodge – Performance Update Q3 2024-25 – Shaun Roberts

SR presented to the Board in relation to Glenmore Lodge, key points detailed below:

- This Q3 showed positive results compared to previous years. The usual December closure was shortened, and Glenmore Lodge remained open across New Year, achieving favorable results.
- Plans for next year are advancing beyond the pilot stage.
- Last year, there was focus on meeting the demand for accommodation or training during the holiday period. The range of activities hosted by Glenmore Lodge attracted a diverse audience, informing future core offerings.
- Q3 is a busy quarter, marked by mountaineering activities and qualifications being administered. Autumn and spring are key periods for good water levels in Scotland, providing unique environments.
- Income has been robust across various streams, including training, hospitality, and accommodation. There is potential for larger conferences and events in the future. Current efforts focus on working with schools, with several bookings already in for the

year. The schools' program primarily targets Primary 7 transitioning to secondary school but they have also had interest from independent schools for leadership programs for older children.

5.3. Inverclyde – Performance Update Q3 2024-25 – Barry Fleeting

BF presented to the Board in relation to Inverclyde, key points detailed below:

- Q3 has been slightly quieter than previous quarters. However, November was very busy in comparison to previous Novembers.
- Inverclyde welcomed 70 residential groups in Q3, totalling over 6000 residents. They hosted 10 schools from 6 different local authorities areas.
- Various events were held across this quarter. This including SGA camps, which Inverclyde continue to host them on a regular basis. They also welcomed Scottish Football Association for their Goalkeeping Licence Course from Sundays into Mondays. This provided occupancy during quieter periods. Inverclyde also the hosted the Boccia UK Championships. This coincided with a Ministerial visit with Scottish Disability Sports (SDS). Inverclyde received overwhelmingly positive feedback from both the Minister and SDS about Inverclyde's contribution to disability sport.
- The fitness suite is starting to see growth, which is great. However, upcoming work may temporarily impact this.
- Facilities and estates continue to be maintained with two key projects in progress: upgrading the dining room to serve groups simultaneously, improving efficiency, and reinforcing and reconfiguring the physical preparation area and floor in the fitness suite to enhance health and safety.
- Minor health and safety incidents continue to be reviewed for trends and necessary actions.
- In terms of Cumbrae, the proposed purchaser is has planning permission to begin work on the site, excluding a specific lodge. This approval should assist progress with the sale. While progress is slow, it is moving in the right direction and there is optimism about completing the purchase in time for summer.

The board discussed the Q3 reports. IH asked about the measures taken by the National Centre's to achieve savings. It was also clarified for the board by ST that despite initial concerns, the Trust Company was on track to finish the fiscal year better than what was in the revised budget.

SS asked about the impact of warmer winter weather on Glenmore Lodge. SR noted this could significantly impact business operations and resulted in costs for the centre. However, he also highlighted the necessity to adapt customer offerings amidst changing winters – noting the nature of current weather patterns, with occasional severe winters still possible, such as the "beast from the east." He noted that research estimated that there may be snow-free winters by 2080 and explained there would be ongoing challenges to adapting to these changes for course delivery.

THE BOARD NOTED the contents of the presentations.

6. Bi-annual review of Risk Register

BF presented in regard to the Risk Register, noting that it has been updated but with no major

changes in the last six months. The updates follow planned actions highlighted across the risk register. He referred to Appendix 1 to show some changes within those planned actions, explaining many of the changes are in relation to terminology.

THE BOARD NOTED the contents of the risk register.

7. Trust Company Budget 2025-26:

7.1. Trust Company Budget 2025-26 – Simon Taaffe

ST outlined the budget planning for the next financial year.

He highlighted that the government confirmed a flat budget. This needed to be considered alongside increased National Insurance contributions and annual pay awards amidst ongoing inflationary pressures. Both National Centres have proposed a budget for 25/26, maintaining the operating investment at £3.4 million, mainly driven by income growth and controlled costs. Total corporate services recharges are estimated to remain at £500,000, based on head office staff utilisation despite expected staff cost increases and decreased activity. Capital investment is provisionally budgeted at £775,000, contingent on achieving a balanced budget within the wider group.

THE BOARD NOTED the contents of the budget.

7.2. Glenmore Lodge – Budget 2025-26 – Shaun Roberts

SR highlighted that previous year trends showed growth in income but also increased expenditure. Glenmore Lodge, are forecasting a 14% growth in income and a 7% additional expenditure, driven primarily by salary costs. The goal is to deliver a safe budget with a 50/50 variance.

Glenmore Lodge's strategic plan focuses on sustainable long-term economic growth, alignment of estate and business plans, and operational flexibility. The forecast includes a modest growth in programme courses with an increase in prices by an average of 5% to 13%. The business plan aims for an average occupancy of 60%, up from the current 53%.

Regarding accommodation, new markets such as Airbnb have been successful, offering a new audience to Glenmore Lodge. The upcoming business plan will set stretch targets for growth and KPIs to measure success. Shaun also pointed out the need for investment in new customer relation management systems and marketing to achieve the desired growth.

From an expenditure perspective, salaries are a significant part, and workforce planning includes voluntary severance, which may present both risks and opportunities. Freelance costs are stable, and there's a focus on maintaining utilities and compliance within budget.

SR explained that the team faces pressure due to development and piloting efforts, and there's a need to balance growth with budget delivery.

IH inquired about the use of Airbnb. SR shared that while it has been challenging to set up accounts, the overall response from staff has been positive. This led into discussion around staff morale and leaderships. IH noted there was a need for mindful messaging, considering the rate of change and its impact on staff morale and health whilst SS addressed that there may be pressure on staff due to changes. SR responded by discussing the importance of

momentum and shared leadership in driving change, aiming for a balanced approach to staff well-being and the need for staff at Glenmore Lodge to feel informed. There was a suggestion for sportscotland senior management and others in leadership positions to support SR and his team at Glenmore Lodge in implementing change.

There were further discussions around the website and ongoing efforts to improve customer engagement through social media, website analytics, and MailChimp, aiming to monitor and enhance the customer journey from start to finish.

7.3. Inverclyde – Budget 2025-26 – Barry Fleeting

BF noted a focus on sustaining high levels of income throughout the year, noting it was important to maintaining a flat budget based on the previous year's figures, despite overperformance this year.

He explained that the centre continues to grow with good repeat business however there are also one off events contributing to strong business performance in 2024/25. the upcoming World Wheelchair Curling Championships is an example of an event that drives up income in February/March however won't return to Inverclyde in coming years. Other unplanned events have an impact on in year budgets as demonstrated by the recent storm and the subsequent lost income over a weekend.

In terms of staffing, there is a voluntary severance programme at sportscotland level and a workforce review in progress. This may present opportunities for a review of our staffing model depending on applicants and outcomes.

Facility improvements are being prioritised, including a capital survey to assess the condition of the site and necessary upgrades. Health and safety forms will transition from paper to online copies as of 1st April 2025. The centre continues to progress towards becoming a Mentally Healthy Centre with support from SAMH to achieve the Charter.

In terms of expenditure, the budget is based on a full staffing complement, with anticipated increases in maintenance and energy costs. Catering and cleaning costs are stable as we enter the second year of contract with Elior.

The board discussed the Inverclyde Budget. There were discussions around the potential for the National Centres to support the Commonwealth Games in 2026 where IH asked about the possibilities for collaboration or hosting teams/events.

Further discussion was initiated by SS regarding the indoor tennis fund. BF explained that the funding structure involves contributions from LTA, the National Lottery, and a host, each covering a third of the costs. However, complications arose due to various governance issues. BF emphasised that it was important to let these discussions progress naturally and noted they further meetings to explore possible options for Inverclyde becoming a TSIT site.

HRS stressed the importance of equality, diversity, and inclusion (EDI) in all aspects of sportscotland's work. They discussed the need for baseline data and inclusive marketing to reach diverse audiences and ensure long-term sustainability. Both SR and BF reaffirmed the National Centre's commitments to EDI and a willingness to learn and develop in this space. BF offered to meet with HRS to discuss how to better engage diverse audiences and improve EDI efforts.

THE BOARD NOTED the contents of the presentations.

ACTION: Follow up with the Commonwealth Games project team to explore opportunities for Inverclyde to support the event.

For Noting

8. Trust Company MOU review and update

The board reviewed the Trust Company Memorandum of Understanding (MOU). ST noted the need for updates. BF highlighted specific areas that needed reviewed to reflect the changes in the Active Scotland outcomes to the Physical Activity for Health framework.

THE BOARD NOTED the contents of the MOU.

ACTION: To update the Trust Company MOU to reflect changes to wording.

Other

9. Any Other Business

AB announced that the main sportscotland board was getting new board members and expressed enthusiasm for their upcoming contribution to the board. There was discussion around hosting joint session for the Trust Company and sportscotland board in the coming months.

Following this, AB also highlighted that SS's term on the sportscotland board was ending but would like to continue serving on the Trust Company Board as a member.

THE BOARD NOTED the decision to extend SS time on the board for an additional term.

ACTION: Organise a joint session for the Trust Company and Sport Scotland boards to enhance engagement and understanding of the Trust Company's work.

- 10. Confirm any items for reporting to sportscotland Boards and Committees:**
- **sportscotland Audit and Risk Committee on 20th May**
 - **sportscotland Board on 25th February**

11. Date of Next Meeting: 15 May 2025.

Ref	Owner	Action	Progress
1	Chair, Rachel Steven	Organise a joint session for the Trust Company and Sport Scotland boards to enhance engagement and understanding of the Trust Company's work.	May 2025
2	Mark Drummond, Barry Fleeting	Update the Trust Company MOU to reflect changes to wording.	May 2025
3	Rachel Steven, Barry Fleeting	Follow up with the Commonwealth Games project team to explore opportunities for Inverclyde to support the event.	May/August 2025
4	Trust Company Directors	To commission further modelling exercises to ensure transparency and provide confidence in the Trust	May/August 2025

Ref	Owner	Action	Progress
		Company's medium-term financial projections for the sportscotland Board.	
5	Chair, Rachel Steven, Abi Wood	To review Trust Company governance document to provide further direction regarding financial planning.	May 2025
6	Kerry Lochrie	Biannual data protection/information governance report.	May 2025
7	Trust Company Directors	Biannual review of the risk register	November 2025