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**MINUTE OF MEETING OF THE SCOTTISH RUGBY COUNCIL
HELD AT 5pm ON TUESDAY 29 MARCH 2022
HELD BY MICROSOFT TEAMS**

Present:

Ian Barr	(IB)	President
Colin Rigby	(CR)	Vice-President
Alistair Forsyth	(AF)	Borders Regional Representative
William Gardner	(WG)	Glasgow North Regional Representative
Murdo Gillanders	(MG)	Edinburgh Regional Representative
Ian Rankin	(IR)	Co-opted (United Rugby Championship Limited)
Jim O’Neil	(JON)	Glasgow South Regional Representative
John Halliday	(JH)	Co-opted (Rugby Europe)
Rosy Hume	(RHu)	Women’s Forum Representative
Kenneth Knott	(KK)	Referees Representative
Gordon Thomson	(GT)	Premiership Representative
Gerry Tosh	(GT)	National 1 Representative
Bob Richmond	(BR)	North Regional Representative
Bobby Frazer	(BF)	National 3 Representative
Eric Hugh	(EH)	National 2 Representative
Hazel Swankie	(HS)	Midlands Representative

Apologies:

Gavin Hastings	(GH)	Co-opted (British & Irish Lions)
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In Attendance:

[NAME REDACTED]	(XX)	Senior Solicitor & Council Secretary
Lorne Crerar	(LC)	Independent Chair of SCOG
Mark Walker	(MW)	Secretary to SCOG
[NAME REDACTED]	(XX)	Harper MacLeod

1. Introduction

ACTION

The President noted that a quorum was present and opened the Meeting.

The President welcomed L Crerar, M Walker and [NAME REDACTED] to the Meeting and noted that the main purpose of the Meeting was for SCOG to provide the Council with an update on the ongoing governance review.

2. Rugby Development Update

The President noted that as the Meeting was focused on governance, the written Report provided by the Rugby Development Department was taken as read.

If Council Members had any questions on the Report, they were encouraged to direct them to the Rugby Development Department in the first instance.

3. Governance

L Crerar referred to the Report and recommendations that had been circulated to the Council in advance of the Meeting. He thanked the Council for the opportunity to present the proposals at the Meeting.

He noted that the governance review proposals had been split into two parts: the first part dealt with the corporate structure which he would address; and second part was related to the Club Rugby Board (CRB) which B Frazer would speak to.

He outlined the progress of SCOG since its commencement in October 2020. He noted that since he took over as Independent Chair in January 2022, he had reviewed all the documentation that had preceded him. He noted that, as part of his work, he had met with various stakeholders including the SRUL Chair, CEO, General Counsel & Company Secretary and the external legal advisors engaged on the matter. He emphasised that in reaching their proposals, SCOG had been cognisant that their recommendations must meet the rigour of all legal, financial, governance and diversity requirements.

L Crerar highlighted that as part of the consultation process of the governance review, three different groups of stakeholders had been engaged: the membership (as owners of the Union); the Board of SRUL and the Executive.

He noted that the Dunlop Report had referred to the “mistrust” that existed when the Report was drafted in 2005. From his work, he believed the mistrust still existed.

He was of the view that the principles set down in the Dunlop Report should remain the guiding principles for Scottish Rugby’s governance going forward. For example, Dunlop set out that the Board of SRUL should have unfettered autonomy to run the business of Scottish Rugby; in SCOG’s proposals that would remain unchanged but the creation of a Company Limited by Guarantee (CLG) would provide oversight and real and transparent accountability.

L Crerar provided a presentation to the Council, the following key points were noted:

- The Trust would be dissolved and replaced by CLG. A CLG was a well- known and straight forward legal entity which was often used by sporting bodies and well understood in the corporate world. L Crerar noted that he had considered a number of different legal entities but believe a CLG was the most appropriate replacement for the Trust.
- It was noted that the purpose of the CLG was to hold the shares in SRUL, to provide and exercise effective oversight of the activities of the organisation and to report quarterly to the membership.
- It was highlighted that SRUL would remain in charge of the day- to- day running of the organisation, with CLG having a limited number of reserved matters, for example the approval of SRUL budget and strategy and the approval of the appointment of SRUL’s Chair.
- He highlighted that Relationship Management Agreements (RMAs) would be put in place between CLG, SRUL and CRB to govern the relationships and remits of the respective parts of the organisation. L Crerar outlined that in his own experience of working up for the Robertson Trust documents of this type had worked well to govern the interactions and responsibilities of the different parties.
- L Crerar highlighted that CLG should be seen as a “constructive friend” to SRUL. SRUL would be responsible for reporting on the current business of the

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organisation and highlighting the risks to CLG to allow them to report fully to the membership, which ought to provide the membership with the oversight they seek.

- The membership of the board of directors of the CLG was set out. L Crerar noted that the directors sitting on the CLG would be referred to as the “Custodians” and would be charged with looking after the assets and well-being of Scottish Rugby.

It was noted that the President, Vice-President and Immediate Past-President would be Custodians of CLG. Two further Custodians would be elected by the Membership and two would be appointed. There would also be an independent Chair. He highlighted that the method of appointment/election had been one of debate and noted that SportScotland best practice guidance suggested Boards were made up of a mixture of election and recruitment by a third-party process.

The Custodians would be required to be of good standing in Scottish rugby.

The role of the Chair of CLG would be to hold people to account and foster good relationships between CLG and SRU while retaining independence.

It was highlighted that the CFO and CEO would be invited to CLG meetings to inform and advise the Custodians. They would be fully involved in all CLG discussions but would not have a vote.

B Frazer then provided the Council with an overview on the second part of the review, the CRB. He noted the following points:

- He highlighted that the CRB would work directly with the CLG and Executive in delivering the CRB mission against the allocated budget and strategy.
- He noted that the Council’s current oversight function would fall within the remit of the CLG, while the responsibility for the club game would be within the remit of CRB.
- As a transitional measure, it was proposed that the membership of the current Council would be transferred to the CRB to cover the same constituent areas/leagues. The Director of Rugby Development would also be a member of the CRB. It would be chaired by the Vice-President.

It was proposed that the current co-opted members of the Council would not sit on the CRB as they would be better placed within the professional side of the game. It was acknowledged that it would be for SRUL to decide where best for the co-optees to sit.

- It was noted that the composition of the CRB was an initial transitional measure and it was likely that over the coming months/years further consideration to membership and representation may be required.

He highlighted that the women's game would need as much representation and support as possible as it grew and developed. As such further women’s game representation may be required.

- It was noted that a RMA would be put in place to set out the remit, responsibilities and reporting duties of the CRB.
- In relation to the fora, it was proposed that the current fora system remained in place but would be formalised. Initially SCOG had favoured a regional fora approach but feedback from Consultation 2 suggested that the membership thought this may lead to a decrease in representation.
- It was noted that SCOG had proposed an annual “Club Day” at BT Murrayfield where the fora would meet with the CRB to discuss various matters and consider strategy going forward.

The President thanked L Crerar and B Frazer for their presentations. He noted that the governance process had not always been easy but he believed it was now in a good place.

He highlighted that over the past months, there had been a great deal of idea sharing and debate in working towards a common and defined goal which was the objective that was set by the Council to SCOG.

The President was confident that the set of proposals would provide a brand new platform for rugby to develop from and were capable of standing up to intellectual challenge. He believed the proposals were balanced, fit for purpose in the current time and would serve the membership well in the years to come.

The President noted that Council approval as required for SCOG to begin considering a relevant SGM motion. Before asking for approval, the President asked the Council for feedback, the following points were noted:

- The Women's Representative noted that she was not yet convinced that the proposals provided the women's game with adequate representation. She believed that having one person covering the whole of Scotland was not workable and should be reviewed by SCOG. For that reason, the Women's Representative was unable to support the proposals as currently framed

The President noted that the representation of the women's game was something that would be considered in the transitional period. He highlighted that once the CRB was in place they would be better placed to ascertain how to achieve the most appropriate representation of the game.

The Women's Representative then left the Meeting.

- In response to a question, it was confirmed that in the proposed model the AGM would be called and hosted by CLG.
- The North Representative noted that he was in principle happy with the proposal and highlighted that previously there have been a divergence of opinion in the early stages of the consultation which had given him concern. If consensus had now been reached, he would feel more comfortable. He also noted that the interaction between CRB and the Rugby Development Department would be crucial as the two working together could be a powerful instrument.

- The URC representative noted that currently Council Members served on the Murrayfield Injured Players Foundation. He highlighted the importance of the Foundation remaining independent and encouraged that consideration to its membership going forward was taken into account.
- In response to a question, it was confirmed that the role of the President was not ambassadorial in the proposed structure. The President would form a key part of the CLG.

After robust discussion and consideration, the Council **APPROVED** the recommendations of SCOG.

L. Crerar thanked the Council for their approval and noted that next steps were to meet with the Board. SCOG would then work with the in-house legal team of Scottish Rugby to prepare for the SGM. The proposed motion would be circulated to the Council for consideration and approval in due course.

It was noted that following the meeting with the Board, a communication would be issued to the membership to provide them with an update on progress.

The Council thanked SCOG for their clear and well explained presentation.

L Crerar, M Walker and F Crofts left the Meeting at 6.20pm.

4. Council Elections

The President noted that if the SCOG proposals were to be approved, the current members of the Council would transition on to the CRB.

There were some upcoming vacancies on the Council which needed to be filled. He noted that the fora were currently working on the election process and the deadline for nominations was 30 April.

If any of the Forum Secretaries had any questions in relation to the elections, they could contact the Council Secretary directly.

5. AOB

The following points were raised under AOB:

- The Referees' Representative noted that he strongly disagreed with the criticism on the representation of the women's game within the SCOG proposals. He highlighted that it was a matter that had been considered and discussed at length by SCOG and was of the utmost importance to it. He emphasised that over the past couple of years, a great deal of support had been offered by the Council Members to the women's game which had not always been utilised. He noted that the proposed structure was a significant change for the positive and the transitional period would allow time to consider how best to ensure the women's game was fully represented.
- The Vice-President congratulated the Rugby Development Department on the recent youth tournament that had taken place. He noted that any of the

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Council Members that had attended would have seen the success and encouraged Members to go to future tournaments as they were very useful.

- The Borders Representative noted that he had already submitted an email raising concern about clubs being penalised when unable to field a team. The Council were of the view that the Championship Committees should apply more discretion in following the rules when promotion/relegation had already been decided. It was suggested that any issues were put directly to the Rugby Development Department and the NCRs needed to reflect this ahead of next season.

The President thanked the Council Members for attending the Meeting and commended them all for their contribution towards a historic governance review.

With no other business raised, the President closed the Meeting at 6.45pm

Date of next meeting: 27 April 2022.

APPROVED 28 APRIL 2022