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SCOTTISH RUGBY LIMITED
SC132061

MINUTE OF MEETING OF THE BOARD OF SCOTTISH RUGBY LIMITED
HELD ON THURSDAY 17 AUGUST 2023 AT 10AM

CHAPMAN SUITE, ORIAM, HERIOT WATT UNIVERSITY

Present:

John McGuigan	(JMcG)	Chair & Independent Non-Executive Director
Shona Bell	(SB)	Chief People & Engagement Officer
Ruth Davidson	(RD)	Independent Non-Executive Director
Mark Dodson	(MD)	Chief Executive
Bob Richmond	(BR)	Non-Executive Director
Mike Soutar	(MS)	Independent Non-Executive Director
Hilary Spence	(HSp)	Chief Financial Officer
Hazel Swankie	(HSw)	Non-Executive Director
Alex Whelan	(AW)	Independent Non-Executive Director

In Attendance:

Robert Howat	(RH)	General Counsel & Company Secretary
Jim Mallinder	(JM)	Director of High Performance Rugby
Angela McCracken	(AMcC)	Head of Legal & Governance
Dr James Robson	(JR)	Chief Medical Officer
Gregor Townsend	(GT)	Men's National Team Head Coach

ACTION

1. INTRODUCTION

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

The Chair welcomed RD to her first SRL Board Meeting and noted no apologies had been received.

2. MINUTES OF PREVIOUS MEETING – 12 JULY 2023

The Minutes of the Meeting of 12 July 2023 were **APPROVED**.

3. ACTION LIST & MATTERS ARISING

- (i) *Safeguarding Champion and Safeguard Reporting* - to be considered by the ESG Committee.
- (ii) *Anti-Doping Update* – discussions ongoing with UKAD in connection with recreational drug use reported in certain clubs that was being addressed with education. An update would be provided to the Board when available.
- (iii) *CRB/Domestic Rugby vision of future* – the CRB were considering domestic game strategy. The Chair would discuss with the Vice-President to ensure the CRB and SRL strategies were aligned.

JMcG

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- (iv) *Netflix Insight* – The CEO noted that the first three programmes had been made available to an internal working group. Editing issues were being discussed with the production company.
- (v) *Strategic Plan formulation* – underway.
- (vi) *Consider relevant risks at Committee Meetings* – updates from each Committee would be provided at SRL Board Meetings as required.
- (vii) *New NED briefing session on risk* – diary availability was being checked to identify a date for a briefing on risk and the stadium development feasibility.
- (viii) *Club briefing on finances* – the CFO would be hosting briefing sessions with the membership once the accounts were approved, and in advance of the SRU AGM.

All other action points had been completed or were addressed under the agenda points.

4. PRESENTATIONS

4.1 National Team Preparations – RWC 2023 (G Townsend, National Team Head Coach)

GT provided a presentation on preparations for the RWC, and the approach being adopted to the matches.

Questions were taken from the Board members and answered by GT and JM.

GT was thanked for his presentation, with the Board providing their best wishes and support for the team for a successful tournament.

4.2 Player Welfare – (Dr J Robson, Chief Medical Officer)

Dr Robson presented to the Board on a range of player welfare issues, with questions taken in the course of the presentation.

Key points highlighted included:

- Medical department structure.
- The approach adopted to injury reporting, using the SCRUMs system.
- The extent of medical provision for the men’s and women’s teams and improvements made in that, including the psychological support available.
- Recent initiatives including the tackle height trial, Game On and age grade law variations, scrum school and partnerships on different areas of research.
- Collaboration on concussion and brain health including early and more recent protocols, the concussion hub launched in April 2023, the Brain Health clinic, various studies being conducted and efforts to promote awareness. Knowledge in this field continued to expand and improve.

- The appointment of a Player Welfare Manager – Dr Karen Barclay.
- Work with MIPF.

Dr J Robson was thanked for his presentation and for his continuing contribution to player welfare.

4.3 High Performance Update

The Director of High Performance provided the Board with an update on performance Rugby and Scottish Rugby's future talent development programmes.

The following points were highlighted:

- The Pro Teams being a development tool for the National Team and the balance between developing Scottish qualified local talent and employing players who were not Scottish qualified to keep the teams competitive and operational during international windows.
- U18 and U20s as part of the pathway system and the disruption to programmes during the Covid -19 pandemic
- The Women's National Team - performing well at a national level, with a successful 6 Nations and looking forward to the upcoming WXV tournament in October.
- Developing the women's game below the professional level - 30 players were now contracted by Scottish Rugby in order to support them but they were playing for clubs elsewhere. Development centres and the creation of the Celtic League would contribute to improving the quality of the women's game in Scotland.

In response to questions, the following points were noted:

- Investment into both the women and men's national teams - the new strategy would be fundamental in ensuring that investment was made into the areas where the most growth and progress would be evident.
- New revenue opportunities, attracting new players and retaining current players were each identified as vital to the growth of the game and should form part of the new strategy.

It was suggested that the Head of Women & Girls Rugby and the Director of Rugby Development should attend the Board to provide an update on the Women's Strategy.

The Director of High Performance Rugby was thanked for his update.

5. EXECUTIVE UPDATES

The Chair provided several observations on his first few months at Scottish Rugby then invited the CEO to comment on the circulated Report.

5.1 CEO UPDATE

The CEO's Report was taken as read. He highlighted the following:

- The 2024 RWC squad announcement had now taken place. Positive feedback had been received from the media and the CEO noted his thanks to the Communications team.
- Discussions were currently ongoing with the Glasgow Warriors Head Coach regarding an extension of his contract. It would be referred to the Remuneration Committee for approval at the appropriate time.
- In relation to the Scottish Gas Murrayfield stadium, it was proposed that a condition study be conducted before considering what refurbishment or redevelopment was needed, with the previously identified consultants to be appointed to carry out this work.

The Board discussed the extent of work to be carried out at this stage, recognising that a condition survey would not explore detailed redevelopment options and potential for revenue generation. It was **AGREED** that the initial condition study should be done in the first instance but to be accompanied by an outline of potential revenue generation options, to then help inform strategic priorities and further work that might be needed.

MD/M
Laidlaw

5.2 KPIs 2023/24

The detailed KPI tracker set out in the Board papers was noted. The level of information needed, the role of the Remuneration Committee and reporting for the SRU Board merited further discussion. Directors were requested to consider these questions and provide feedback at the next SRL Board meeting.

ALL

5.3 Finance

The circulated paper was taken as read. The CFO highlighted the following:

- Revenue from the first two summer tests was behind budget but ahead for the third, leaving the ticketing revenue from the matches circa [FIGURE REDACTED – COMMERCIALY CONFIDENTIAL] behind budget overall. This was expected to be recovered over the course of the year from other events.
- Thus far, costs were aligned with the budget.
- The third instalment of CVC investment from the 6 Nations transaction had been received and placed on a high interest deposit.

During questions, it was noted that the CFO would consider whether it would be helpful to reforecast on a quarterly basis.

HSp

5.4 Risk Register

The Company Secretary advised that there had only been one substantial change to the Risk Register since the last Meeting, related to the increased risk of event disruption due

to climate activism. Increased security and mitigation measures had been implemented and would continue to be applied going forward.

RH/AM

Given the increased importance of data within the business, an update should be provided to the Board on the measures in place for protecting data.

It was noted that an overview of the Register would be provided for year- end purposes at the next meeting and a more detailed review conducted towards the end of the year.

RH

5.5 Decision-Making Responsibilities And Accountabilities

The Company Secretary referred to the circulated paper, including the list of reserved matters and resultant updates to Committee Terms of Reference .
Due to shortage of time, this was carried forward to the next Meeting.

RH

6. COMMITTEE BUSINESS & REPORTS

6.1 Board Committee Composition

The population of the Board Sub-Committees was **AGREED** meantime as follows:

- *ESG Committee*: R Davidson (chair), H Swankie
- *Investment Committee*: M Soutar (Chair), A Whelan
- *Nominations Committee*: J McGuigan (Chair), B Richmond, R Davidson
- *Remuneration Committee*: M Soutar (Chair), B Richmond, H Swankie
- *Audit and Risk*: B Richmond (Interim Chair), H Swankie.

Once new Non-Executive Directors were recruited, the membership of the Committees would be reviewed.

The SRU Board would be informed of the membership of the Committees.

Further NED Recruitment

The Chair advised that the process for identifying 2 further Non-Executives would now commence. Ideally all Non-Executives would be in position ahead of agreeing the strategy later in the year. The Nominations Committee would be involved in every stage of the recruitment process. It was agreed that in order to minimise further recruitment costs, Scottish Rugby's own platforms and advertising would be used, rather than using external recruitment consultants.

The remit, Committee dates and a briefing from each Committee on future business should be considered by each Committee following their next Meetings.

6.2 Remuneration Committee

B Richmond, interim Chair of the Remuneration Committee, provided the Board with an update on the recent work of the Committee.

He confirmed that a cost of living measure, a 5% pay increase had now been agreed for all eligible employees, backdated to 1 July 2023.

The Chief People & Engagement Officer highlighted that those employees who had ranked in the 10% quartile in the recent benchmarking exercise would also receive an additional increase.

7 SCOTTISH RUGBY UNION MATTERS

7.1 Business from SRU Meeting 28 July 2023

The Company Secretary provided an update to the Board on the recent business from the SRU Board. The following points were noted:

- The SRU Board had met in July and had considered and approved the budget for 2023/24.
- As there were no common directors between the SRL and SRU Boards and with the account approval process to be conducted, it had been suggested that an SRU Director attend SRL's Audit and Risk Committee as an observer. This was **AGREED**.
- Other routine business had been discussed and agreed, with no significant issues or questions coming out of the Meeting for the SRL Board.

7.2 Business for SRU Quarterly Reporting Meeting 29 August 2023

The Company Secretary briefly outlined the business for the upcoming SRU Board Meeting.

It was also noted that once a year, the chair of each SRL Committee would be required to attend the SRU Board to provide an update on the work of that Committee. The Company Secretary would assist in facilitating this.

8. Future Board Business

The workplan from the last SRL Meeting was discussed. It was highlighted that there was much business to cover across the Board's scheduled meetings. The SRL's Board Meeting in October would focus on strategy and the women's game. The business allocated for future meetings would be outlined in due course.

9. Strategic Plan 2024 Onwards - Strategy Planning Process

The Board then discussed areas which they believed would be useful to receive information on as part of the strategy process.

It was noted that it would be useful to receive an update from the CFO on the company's projected cash position over the next 5 to 10 years. This would be provided by the CFO at the next SRL Meeting. **HSp**

The Board were asked to consider any external experts who would be able to provide the Board with external knowledge that would be useful to the work of the Board. Any additional topics that would be helpful to consider should also be identified and fed back. **ALL**

It was noted that the Non-Executive Directors should also meet as a group. A date would be organised for a session, and dinner, to be held. **RH**

10. AOB & Close

The Chair thanked the Board Members for their contribution to the Meeting. He noted the Board should consider other external places for the Board Meeting to be held, including Scotstoun Stadium and potentially at a local club.

Meeting closed at 14.10.

**APPROVED BY THE BOARD
19 OCTOBER 2023**