

**SCOTTISH RUGBY LIMITED**  
**SC132061**

**MINUTE OF MEETING OF THE BOARD OF SCOTTISH RUGBY LIMITED**  
**HELD ON MONDAY 24 APRIL AT 9.10 AM**

**BOARDROOM AND BY TEAMS AUDIOVISUAL PLATFORM**

**Present:**

Shona Bell	(SB)	Chief People and Engagement Officer
Mark Dodson	(MD)	Chief Executive
Jim Mallinder	(JM)	Director of Performance Rugby
Bob Richmond	(BR)	Non-Executive Director
Hilary Spence	(HSp)	Chief Financial Officer
Hazel Swankie	(HSw)	Non-Executive Director

**In Attendance:**

Robert Howat	(RH)	General Counsel & Company Secretary
Laura Mahadea	(LM)	Note-taker
Angela McCracken	(AMc)	Head of Legal & Governance

**Apologies:**

None

**ACTION**

**1. INTRODUCTION**

JM, BR, HSp and HSw attended online.

The Directors noted that as a result of the departure of John Jeffrey, the Company did not now have a designated Chair. In accordance with the Company's Articles of Association, the Directors considered which of their number should act as chair of the Meeting.

It was **AGREED** that BR, as the longest serving remaining non-executive Director, should chair the meeting. BR accordingly assumed the chair for the Meeting.

It was noted that a quorum was present and that there were no apologies.

The Chair thanked the Directors for attending. All Directors present confirmed their consent to the Meeting having been called at short notice.

The Chair advised that the Meeting had been called to address the implications for SRL Board and SRL Board Committee composition and functionality arising from the departure of John Jeffrey, which had taken effect on 21 April 2023.

The SRL Board, although quorate, had again fallen below the minimum Board membership of 7, as set out in the SRL Articles of Association, and vacancies had been created on various SRL Board Committees. The Chairman noted the importance of restoring the SRL Board's membership to the minimum level as soon as possible and taking steps to ensure Board Committees could function.

## 2. BOARD AND COMMITTEE COMPOSITION

### 2.1 *Update on current recruitment processes*

The Chief People & Engagement Officer provided an update on recruitment processes, before the Board considered further steps.

*SRL – NED Recruitment* – the CPEO advised that this process was progressing well, and in conjunction with external consultants. The Nominations Committee members and the CPEO had interviewed 3 shortlisted candidates to date, identifying one candidate for appointment in the short term, with several further candidates also thought to be potentially suitable for further appointments in due course. Formal interviews with 2 of these potential candidates had still to be conducted. The names of the candidates were disclosed to the Board members.

In the CPEO's view, the Board should appoint 1 new independent non-executive director meantime and then involve the new permanent SRL Chair in the remainder of the process of making further permanent NED appointments.

It was confirmed in response to questions from Board members that in one case the potential candidate had come through contacts and networks other than that of the recruitment consultant, and no fee would be payable in that instance. Another candidate had come via the consultants being used in the search for permanent SRL Chair.

The broad suitability and skillsets of the various individuals referred to was then discussed, noting in particular the need to ensure that at least one of the individuals had recent and relevant financial experience, recognizing that the departures of several independent non-executive directors had reduced the skills available to the Board in that area.

*SRL Permanent Chair Recruitment* – the CPEO confirmed that this was also progressing well, with assistance from recruitment consultants. This search had originally been headed by the former Senior Independent Director, so as to avoid the then Chair being involved in the search for his successor, as a matter of good practice. The Chair of the SRU Board and one of the independent Custodian Directors had also been involved in the process to date.

As a result of the Senior Independent Director stepping down from the Board, BR (also a member of the Nominations Committee) had taken over the lead in this process. A shortlist of 4 candidates had been developed, with interviews to take place in early May.

The Nominations Committee members, the CPEO and 1 Custodian Director would be involved in the first round of interviews, with the SRU Chair then involved in the second round, before the Nominations Committee then made a recommendation to the Board, and if that was accepted, the Custodian Directors being asked for their approval, in turn.

There were no questions on this aspect of recruitment processes/ process.

*SRU Custodian recruitment* – for information only, the CPEO advised that she continued to assist the SRU Board in the process for identifying potential candidates to fill the remaining 2 Custodian positions on the SRU Board. A good response had been received through the "Join Our Huddle" initiative.

The Chair thanked the CPEO for her update, noting this provided a helpful context and timeline for the decisions that the Board then needed to consider.

## **2.2 Pathway to restore minimum membership**

The Company Secretary advised that as a result of Mr Jeffrey's departure, the Board did not now have a designated Chair to conduct certain responsibilities incumbent on the Company. The Chair of the SRU Board had advised that, if desired, one of the Custodian Directors was willing to step down temporarily from the SRU Board and serve as an interim NED and interim Chair of the SRL Board, until the permanent Chair was appointed and took up post.

With the potential appointment of an independent non-executive director in the near term, a pipeline of other potential NED candidates, and recent progress on identification of a permanent Chair but with some weeks still to go, it was suggested that the Board consider a step-by-step approach which would restore the Board to its minimum number, return to a majority non-executive balance, and ensure that the Nominations Committee continued its work while involving an interim and then subsequent permanent Chair in recruitment processes.

- (i) The Board consider and decide, in principle, whether the appointment of an interim NED to also act as interim Chair was beneficial.
- (ii) If so, the Nominations Committee then consider the possibility of appointing one of the independent Custodian Directors as an interim NED and interim Chair, or identify an alternative candidate, and then make a recommendation to the Board.
- (iii) The interim Chair, if one was appointed, then meet with the preferred initial candidate for an independent NED post, before a final recommendation was made by the Nominations Committee to the Board on that position, so as to complete that recruitment process.
- (iv) The Interim Chair, if appointed, continue to serve until the permanent Chair was identified and took up post.
- (v) Further independent NED appointments then follow through the recruitment process being conducted, with input from the new permanent Chair.

The appointment of an interim NED and interim Chair would assist in restoring the minimum number of Directors to 7, and if one permanent NED was then appointed in the short term, Mr Mallinder could then step off the Board, with the balance of directors then becoming 4 non-executive and 3 executive, until the permanent chair took up office.

The Chair thanked the Company Secretary for this analysis.

## **2.3 SRL Board - Interim NED and Interim Chair**

The Board members then considered the situation, noting the status of the recruitment processes, the potential pathway outlined and the offer made by the SRU Board Chair for one of the Custodian Directors to step down temporarily and serve as temporary NED and temporary Chair of the SRL Board. The Board expressed its appreciation for the offer.

Following discussion, the Board agreed that a key objective was to restore the Board's membership to its minimum number as quickly as possible. Having previously appointed Mr Mallinder as an executive director, with the consequential change in executive/non-executive balance, that route was not favoured; it would make the balance worse and would not address the desire to have a designated non-executive chair of the Board, even if that was on a temporary basis.

Appointing a non-executive director on an interim basis was therefore considered by all of the Directors to be a reasonable and proportionate step, in the circumstances.

Accordingly, the Board **AGREED** that the Nominations Committee should consider the possibility of appointing an interim NED to serve as interim Chair and in particular, consider whether one of the Custodian Directors should be invited to join the Board and act as Chair, on an interim basis.

The CEO observed that both independent Custodian Directors were excellent candidates and capable of taking up the role, while noting one had more specific sports-related experience than the other. Any decision would also depend on diary commitments and other workload.

The CPEO confirmed that the preferred initial candidate for an independent NED post was thought to be available almost immediately after an offer was made. Other potential candidates in that pipeline might be available reasonably quickly after that, but with 2 perhaps only available several weeks later, and still having to be interviewed.

Taking account of the timescales involved the Board then **AGREED** the suggested pathway as being an appropriate way to repopulate the Board with relevant skills and experience.

## **2.4 Board Committees**

The Company Secretary advised that Board Committee membership had also changed as a result of Mr Jeffrey's departure. Board Committees currently had a minimum membership of 3, and operated with a quorum of 2 members. It was proposed that the minimum number for all Committees be amended to 2 members, consistent with the quorum requirement, for the time being, so that the Committees could continue to function and to avoid Committee business having to be postponed or brought to the Board.

Committee membership could then be adjusted once an Interim Chair was appointed and a new independent NED joined.

Following discussion, this was **AGREED**. The Terms of Reference of each of the Committees were to be updated accordingly. **RH**

## **2.5 Nominations Committee - Next Steps**

On the basis of the suggested pathway having been endorsed, the following were confirmed as next steps for the Nominations Committee:

- (i) The CEO would check on the availability and diary commitments of the 2 independent Custodian Directors **MD**

- (ii) The Nominations Committee would meet immediately after the meeting and would then consider whether to recommend one of the independent Custodian Directors as an interim NED and interim Chair, or whether to recommend an alternative candidate. **Noms**
- (iii) The Committee would then make a recommendation to the Board, for approval. **Noms/  
Board**
- (iv) The Committee would continue with the recruitment processes for independent NEDs and the permanent SRL Board Chair, involving the interim Chair in those processes. **Noms**

#### **4. AOB**

The Chief Executive updated the Board on discussions in connection with the National Team Head Coach.

On behalf of the Board, Mr Richmond expressed appreciation for John Jeffrey's contribution and commitment to Scottish Rugby's interests as the former Chair of the SRL Board, noting also his recent appointment as Vice-Chairman of World Rugby.

There was no other business and the Meeting closed.

**APPROVED BY THE BOARD 12 MAY 2023**