



Standing Committee on Governance (SCOG) Report

November 2024

Following the changes in the governance structure which were approved at the November 2022 AGM, the Standing Committee on Governance (SCOG) was re-established with a general remit to assist in the improvement of corporate governance standards within the Union and its subsidiary companies.

In particular, the committee has initially been asked to report on the following matters:

- To review and, if thought fit, make recommendations in connection with the composition and remit of the Union's Club Rugby Board (CRB)
- To review and consider the suitability and compliance with the various governance codes for possible application by the Union and the Company in accordance with best practice
- To review the Relationship Management Agreement between the Union (SRU) and the Company (SRL)

SCOG has spent the last 12 months or so consulting with various individuals and other stakeholders in Scottish Rugby in order to consider these matters and objectives. We have met with some on a one to one basis and others collectively.

Club Rugby Board

A detailed survey has been carried out of the current CRB members in order to ascertain views on its current structure, composition and decision-making ability. In addition, SCOG has looked at the infra-structure operating below the CRB to ensure the different parts of the domestic club game are properly represented. Throughout this process SCOG has engaged with the boards as well as the Rugby Development Department given its role in the implementation of the strategy and structure of the club game in Scotland.

Having approached our task in this way SCOG now plans to consult with a wider range of clubs and stake holders in advance of a proposed SGM to take place in the first part of 2025 when SCOG will present a series of options to the clubs on the future structure of the CRB. Given the importance of the CRB in the running of the club game it is simply not possible for this to be adequately covered within the confines and time restrictions of the AGM taking place during the week, when there are many other important issues to be reported on.

Governance Codes

In addition, SCOG has looked at, considered and reviewed compliance with the UK Code of Sporting Governance, the UK Corporate Governance Code and the Sportscotland Principles. At this time we are satisfied that the current governance structure for Scottish Rugby is compliant with the requirements of these codes. SCOG has also made contact with the WRU and IRFU in order to compare and contrast the model in Scotland with their own. We anticipate that this process will be completed in early 2025.

Relationship Management Agreement

SCOG has also been asked to advise on the Relationship Management Agreement that exists between SRU and SRL. SCOG considers that this relationship is still settling down, particularly given the recent personnel changes to the Boards as well as the absence of certain executive positions within SRL. With appointments now being made to these positions SCOG is confident that interaction and communications between the two boards will continue to strengthen. In these circumstances SCOG will continue to liaise with those involved with a view to reporting further in 2025.

Finally, the committee would like to express its thanks to all those who have contributed to our work over the past year. Many individuals have given generously of their time to share thoughts and views within the work SCOG has undertaken. Their input, especially from those representing member clubs has been extremely considered and most welcome.

Sheriff RW (Bobby) Frazer

Chair,

SRU Standing Committee on Governance