

SCOTTISH RUGBY UNION  
SC748672

MINUTE OF MEETING OF THE BOARD OF SCOTTISH RUGBY UNION

16 DECEMBER 2024 AT 1 PM  
HELD IN-PERSON AND BY TEAMS AV PLATFORM

MONCRIEFF SUITE, SCOTTISH GAS MURRAYFIELD

**Present:**

Lorne Crerar	(LC)	SRU Chair and Custodian Director
Cheryl Black	(CB)	Custodian Director
David Grevenberg	(DG)	Custodian Director (By Teams AV) (Item 4 onwards)
Maxine Manditsch	(MM)	Custodian Director
Alison Milne	(AM)	Custodian Director
Colin Rigby	(CR)	Immediate Past President and Custodian Director
Hazel Swankie	(HS)	Vice-President and Custodian Director
Keith Wallace	(KW)	President and Custodian Director

**Attending:**

Shona Bell	(SB)	SRL Chief People Officer
Oliver Colling	(OC)	SRL Interim Chief Financial Officer
Megan Gaffney	(MG)	SRU Board Adviser
Robert Howat	(RH)	SRU Company Secretary
John McGuigan	(JM)	SRL Chair
Stuart McInally	(SM)	SRU Board Adviser

**Apologies:**

None

**1. INTRODUCTION**

LC noted that a quorum was present and opened the Meeting.

LC on behalf of the Custodians congratulated HS on becoming Vice-President of Scottish Rugby Union and welcomed HS to the SRU Board as a Custodian Director.

There were no apologies. No conflicts of interest were declared or noted.

**2. MINUTES**

The Minutes of the Meeting held on 31 October 2024 were **APPROVED**.

LC explained that the declared intention of the Custodians was to have the Minutes of Reporting Meetings with SRL published upon the Scottish Rugby website as soon as practically possible following the meeting. The optimum position would be to have the draft Minutes available within 7 days of the conclusion of the meeting with a further 7 days for agreement and amendment (if necessary) by the Custodians, including consultation with the SRL Chair. RH explained the current staffing constraints but would ensure every effort was made to speed up production, circulation and approval of the draft Minutes. **RH/ All**

**3. ACTION LIST & MATTERS ARISING**

All outstanding actions had been completed except the delivery of the Report and Recommendations of the Joint Working Group on Inclusion & Diversity. This was expected from DG by the end of the current week. DG

#### 4. SRL CHAIR REPORT

##### 4.1 SRL Chair Overview

JM referred to the circulated Summary Report, highlighting the following:

*Recruitment* – Alex Williamson was expected to take up his post during the week commencing 9 February 2025, at the latest.

*High Performance Director* - David Nucifora (DN) was very active in meeting relevant people within Scottish Rugby, examining performance structures and functions and also conducting some media activity.

Further to a question from MG, it was explained that this also included the women's team structures. A primary focus of DN's attention was the pathways, with an interest in the club game. He would work with OC on financial aspects of rugby events but was not primarily responsible for that. He had discussed some first impressions with SRL Board members and would meet with the SRU Board during the 6 Nations period. JM/  
RH

*SRL Board composition* – Frank Mitchell had attended the most recent SRL Board meeting following upon his appointment by the Custodians. LC explained that the SRU Board had determined to exercise its right to appoint a second non-executive director to the Board of SRL. Further to a question from JM, CR as Chair of the SRU Nominations Committee, undertook to consult with JM regarding desirable criteria for candidates in relation to the further appointment.

*Financial performance* - following on from a successful Autumn Nations Series SRL remained on track to meet the budgetted statutory loss figure of [ REDACTED – COMMERCIALY CONFIDENTIAL] for FY24/25, with the SRL Board looking to better that position if possible. The additional revenues generated had offset revenues from commercial revenue generating projects not progressed so far.

In relation to FY25/26, the changes to Employer National Insurance, National Minimum Wage increases and the cost of the new Chief Customer Officer role created an additional challenge of c.£1m to the breakeven objective. Similar pressures were being experienced in other unions and in this context, meeting the objective of a breakeven position by the end of FY25/26 would be a good result.

In connection with a question by KW around the cost of the professional game, JM commented on the inflationary pressures on player wages and the need to balance the desire to win and be competitive on the field against the cost of developing and retaining high quality players and coaches, particularly in a flat broadcast market. The Nations Cup in 2026 presented an opportunity for additional revenues but this was not being assumed into forecasts at this stage.

*Strategy* - some aspects were being advanced in the meantime, with this to be picked up by Alex Williamson on his arrival. Further reporting would then follow.

*Stadium* – investment was on a relatively small scale at the moment, mainly on remedial works and safety-related improvements but with some refurbishment for commercial purposes. Addressing water supply issues was part of the capex programme but there was also a need to add improvements to the female toilet provision to the project list.

*World Rugby* – the outcome of the recent WR Chair and Executive Board elections had been widely reported and mentioned in the papers. SRL would be engaging with World Rugby in January in connection with participation in the work of WR Committees.

*Rugby Development Budget Composition - Future Years*

Continuing attention was being paid to the approach to be adopted to ensure clarity on composition, financial implications and outcomes. See Item 4.4.

#### **4.2 SRL Executive Update**

Reference was made to the circulated Report. The following were highlighted:

*People* – SB explained the outcomes from the recent restructuring and redundancy process. Having reduced headcount and with a number of vacancies unfilled pending the outcomes of the consultation process, the organisation now had a much lower employee base.

Vacancies were being held where possible. Filling those was based on affordability, with priority applied towards roles which were revenue generating or needed for reasons of safety and addressing critical business risk. A platform for future commercial growth was also important – the commercial team was currently at 50% of its revised personnel model due to vacancies.

The SRL Board were monitoring the position closely, with the Remuneration Committee due to be briefed in detail shortly and the incoming CEO being kept up to date.

Elements of the c£800k annualised payroll cost of the vacancies attributable to the remainder of the financial year had been built into the current forecasts for FY24/25 financial performance. Not all vacancies were expected to be filled in the current year, recognising the impact these would have on costs in the following year.

*Culture and values* – good progress was being made with thanks expressed for the contributions to workshops made by Custodian Directors.

*Recruitment of the CFO and Chief Customer Officer (CCO) roles* was progressing. External firms had been engaged to lead on those.

Comments were taken from the Custodians in relation to the proposed new role of the CCO. SB explained the broad scope of the CCO role which included strategic and customer-focused elements.

Further to questions from AM, SB confirmed that the work that had been done on communication around the roles and responsibility of the Custodian Board would be reactivated in the New Year. This had paused pending receipt of questionnaire responses from some of the Custodian Directors.

Further to a question from LC, SB confirmed that morale amongst Scottish Rugby staff was low for various reasons. Some departments were increasingly stretched, with the Company having its lowest overall headcount (excluding players) for some years.

JM observed that the incoming CEO would provide much needed leadership and stability.

The detail of the remainder of the Report was noted.

#### **4.3 SRL Interim CFO Update**

Reference was made to the circulated management accounts for the period to end October 2024. The management accounts to end November 2024 were being finalised, with potential for further upside on Autumn Nations Series revenues post reconciliation, promising 6Ns ticket sales to date and positive signs for the 1872 Cup games.

Cost control remained rigorous, particularly in connection with the approach to filling vacancies. Difficult decisions on resource were having to be made.

The current year forecast incorporated the Employer NI and minimum wage increases for 24/25 and the impact of not proceeding with the columbarium project at the moment.

In response to comments, OC confirmed that other initiatives were being pursued to compensate for some revenue initiatives not being pursued including introducing new project management methodologies to better manage spending and examining travel costs and initiatives. The columbarium project was more likely to be considered as part of wider campus development, to avoid the risk of having to relocate a facility later. KW observed that the financial impact of not proceeding with the columbarium was greater in 25/26, than 24/25.

While confident that the out-turn for 24/25 would meet the budget objective, the National Minimum Wage, Employer NI changes and cost of the CCO post created an additional £1m challenge to the breakeven objective for FY25/26. Detailed budgeting work would commence in January 2025 and examine a 4 year rolling cycle, including delay to the columbarium project further to KW's comments.

JM confirmed that Summer Tour 2025 costs were being examined closely. The National Team were looking to achieve efficiencies, such as for travel arrangements.

JM and Chris Stewart (a Board Member of the SRL) were due to meet the Chief Executive of Edinburgh City Council shortly to introduce themselves and among other things discuss  
[ REDACTED – COMMERCIAL CONFIDENTIAL ]

[ REDACTED – COMMERCIAL PROPOSAL UPDATE – COMMERCIAL CONFIDENTIAL ]

#### **4.4 Composition of Rugby Development Budget**

A copy of the financial modelling paper produced for the SRL Board had been included for the Custodian Directors' information.

This included illustrations of potential financial outcomes in various scenarios taking account of the principles agreed by both Boards at their recent meetings, so that there was an awareness of potential implications for future years before finalising budgets for FY25/26. The SRL Board had asked for further work to be done, before taking KW and HS and the CRB through updated models in the New Year.

KW confirmed that the previous papers on the topic had been shared with SCOG, who were keen to understand which elements of the pathways would be included within the Rugby Development budget, and which would sit with the Performance Department. The treatment of the Scottish Gas support for the club game also needed to be checked.

JM confirmed that the approach to the 15% benchmark and Club Rugby budget for FY24/25 remained as agreed with the SRU Board in June 2024.

#### **4.5 Material Matters**

Notes had been included in the papers.

There were no material matters to report formally at the Meeting except:

4.5.1 *Acquisition or disposal of any equity or debt securities in any company*  
This had been discussed earlier in the Meeting.

4.5.2 *Ongoing or threatened litigation or arbitration over £125k or material in nature*  
RH referred to the status of the Cattigan family matter and the circulated paper. [ REDACTED – CONFIDENTIAL AND LEGALLY PRIVILEGED ]

JM confirmed that SRL continued to work with the family on various activities to commemorate Ms Cattigan’s life and outlined those undertaken most recently. JM also confirmed that liaison with the Cattigan family was being undertaken by Graham Law.

4.5.3 *Appointments to regulatory, representative regional or international bodies*  
The circulated papers contained a list of representative appointments recently considered by the SRL Nominations Committee and recommended to the SRL Board.

This had included a review of the temporary appointments arising from the departure of the former CEO and the vacancies arising from the resignation of John Jeffrey from appointments at World Rugby and 6 Nations.

The SRL Board had accepted the recommendations of the SRL Nominations Committee but subject to consultation with the Custodian Directors, as required by the RMA.

The Custodian Directors confirmed that the suggested appointments had been discussed earlier in the day. No adjustments were proposed. The list of representatives was noted as follows, taking account of the impending arrival of the new CEO:

<b>International Body</b>	<b>Representative(s)</b>
World Rugby Council 3 reps	G Fay (no change) A Williamson (on joining SRL) J McGuigan
6Ns: Council 2 Reps	A Williamson (on joining SRL) J McGuigan
6Ns: N6NUL Board (investor vehicle) 2 Reps	A Williamson (on joining SRL) J McGuigan
6Ns: N6NL Board (operating vehicle) 1 Rep	J McGuigan continues then A Williamson on joining SRL
URC: CRDAC Board (investor vehicle) 2 Reps	I Rankin but recruit replacement. R Howat meantime.
URC: PRCDAC Board (operating vehicle) 2 Reps	R Howat, until new CCO. A Kellock.
URC: Sporting & Regulatory Committee 1 Rep	D Struth (no change)
British & Irish Lions Board 2 Reps	G Hastings (no change meantime). J McGuigan, as alternate for A Williamson. Consider again after Australia Lions Tour.
EPCR: General Assembly nominees (1 delegate)	M Soutar
Rugby Europe General Assembly nominee (1 delegate)	J Halliday meantime. Consider role and succession.

Great Britain Sevens Limited Board 1 Rep	R Howat until clarity on 7s set-up and new personnel in place.
Washington DC Professional Rugby LLC (Old Glory) 1 Rep	R Howat meantime

**5. COMMITTEES & WORKING GROUPS**

**5.1 CRB Update**

KW, as outgoing Chair of the CRB, advised that the CRB had not met since the last SRU Board meeting on 31 October. Events organised by the Rugby Development Department during the year had been well received. Feedback would be sought from clubs in connection with arrangements for the 2025 AGM.

HS, as incoming Chair of the CRB, confirmed that an informal CRB meeting was being arranged for the 2 new members of the CRB to meet their colleagues. Inductions were underway. 2 CRB positions were still to be filled following the retirement of the East and Borders representatives. The next CRB meeting was due to be held on 22 January 2025.

**5.2 Joint Working Group on Inclusion, Diversity & Complaints**

The Group’s Report and Recommendations were awaited – see Action List.

**5.3 Standing Committee on Governance (SCOG)**

LC confirmed that SCOG was meeting with the CRB and its new CRB members to outline the responsibilities of the CRB and relationship with the Rugby Development Department under the current governance framework. SCOG are also drafting a new Code of Conduct for both SRU and SRL.

An update on the Committee’s work in reviewing the RMA and the CRB was expected in the early part of the New Year.

JM advised that the SRL Board would be interested in the work being done by SCOG. It was agreed that the SRL Board should be briefed. **LC**

SB confirmed that she and the Head of Legal & Governance had met with N Johnson of SCOG to discuss gap analysis and the approach to Board recruitment within SRU and SRL.

**5.4 Joint Meeting of Nominations Committees on International Representatives Appointments**

LC confirmed that the Custodian members of the Joint Meeting Group would now be Colin Rigby and Keith Wallace. The purpose of the change was to ensure knowledge of available talent from within the Club environment was available to the joint meeting when considering vacancies for appointments. It was agreed that JM should chair the Joint Meeting in succession to LC.

JM advised that the nominations for chairs and members of Rugby Europe Committees had now opened. Details were to be circulated to the SRU Board’s new representatives on the Joint Meeting group. **JM**

**6. CUSTODIAN FEEDBACK & DISCUSSION**

The Chilean and Portuguese Federations had expressed their appreciation for the welcome and support extended by Scottish Rugby to their teams during the recent Autumn Nations Series window.

KW expressed his unhappiness that the papers for this meeting had only been received on Friday 13 December. The Company Secretary and SRL Chair apologised for the papers for the Meeting being distributed later than usual – clearance of reports had taken longer than expected.

[ REDACTED – COMMERCIALY CONFIDENTIAL]

In relation to new legislation on workers' rights and sexual harassment, SB confirmed that the SRL ESG Committee had been briefed and the SRL Board made aware. Training was being arranged for SRL and then SRU and a new policy prepared. Thought would be given to materials that clubs could use.

[ REDACTED – CONFIDENTIAL & PERSONAL DATA ]

JM advised that KW was invited to attend the next SRL Board meeting to present his thoughts on what he wished to achieve during his Presidency.

RH

*SB, OC and JM left the Meeting.*

## **7. SRU BUSINESS**

### **7.1 SRU Nominations Committee**

The membership of the SRU Nominations Committee was amended. The **APPROVED** membership was now Cheryl Black, Colin Rigby and Keith Wallace, with the Committee to be chaired by Colin Rigby.

### **7.2 Risk Register Update**

RH referred to the circulated note. There had been no significant changes in the Register or the SRU allocated risks since the last Meeting (31 October 2024).

### **7.3 SRU 2024 AGM**

The outcomes from the 2024 AGM were noted. Preliminary dates for the 2025 AGM in November 2025 had been circulated previously, including midweek and weekend options.

The date and platform for holding the meeting – in person, online or a hybrid – would be confirmed at a future SRU Board meeting.

The Custodians were reminded by RH that the Chair of SCOG had indicated that a general meeting might be required in the Spring of 2025, depending on the outcome of SCOG's review of the CRB structure. Timing would need to be considered carefully due to the notice periods for general meetings, as well as the method for holding the meeting, if one was to be called. There would also be a cost implication; the Group budget had allowed for only one general meeting in the financial year.

### **7.4 Independent Review - Update**

LC confirmed that information had been provided by SRL to the Review Panel and that progress was being made. An update would be provided in the early part of next year.

MM and DG were SRU's nominated liaison with the Panel. SRL had been invited to nominate someone but had yet to confirm their position. RH was requested to check with JM.

RH

## **8. AOB**

**REDACTED FOR PUBLICATION**

There was no other business. The Chair thanked those attending for their contributions, and closed the Meeting.

**APPROVED BY THE SRU BOARD  
13 JANUARY 2025**