

**Culture and Sport Glasgow (trading as Glasgow Life)
(A Company which is a Scottish charity (Scottish charity number SC037844)
incorporated in Scotland under the Companies Acts with company number SC313851)**

MINUTE of a MEETING of the Board of Directors of Culture and Sport Glasgow held in the Recital Room, City Halls, Candleriggs, Glasgow on Wednesday 12 September 2018 at 10am.

Present: Councillor David McDonald (Chair)
Councillor Maureen Burke
Bailie Elaine Ballantyne
Iain MacRitchie
Bailie Norman MacLeod
Dr Bridget McConnell CBE
Lee McConnell
John McCormick
Professor Lesley Sawers OBE

Attending: Susan Deighan, Director of City Marketing and External Relations; Jan Buchanan, Director of Finance and Corporate Services; Alan Milner, Head of Sport; Jill Miller OBE, Director of Cultural Services; Linda McClure, Governance and Risk Manager; and Allan Drysdale, Governance and Liaison Officer; all Culture and Sport Glasgow.

In attendance for Item 9 only: Annemarie O'Donnell, Chief Executive; and Martin Booth, Executive Director of Finance; both Glasgow City Council.

Apologies: Councillor Christina Cannon
Sir Angus Grossart
Benny Higgins
Sir Anton Muscatelli
Dilawer Singh MBE

1. Welcome, Notice and quorum noted.

Councillor McDonald welcomed those present to the meeting, and having noted that the relevant notice had been issued and a quorum was present, the Board proceeded to business as hereinafter minuted.

2. Apologies noted.

The Board noted that apologies had been received from Sir Angus Grossart, Benny Higgins, Sir Anton Muscatelli, Dilawer Singh MBE, and Councillor Christina Cannon.

3. Declarations of Interest noted.

There were no declarations of interest made.

Professor Sawers raised an issue at the point with regard to the leakage of information relating to the budget discussions, and asked to reaffirm the sensitivity of information and that conversations held at Board meetings and the Budget Working Group were strictly confidential.

It was noted that the Chair would write to Board Members in this regard.

4. Appointment of Company Secretary Agreed.

There was presented a report which informed the Board that there was a requirement to appoint a Company Secretary for both Culture and Sport Glasgow, and Culture and Sport Glasgow (Trading) CIC.

After consideration the Board agreed to appoint Jan Buchanan, Director of Finance and Corporate Services, as Company Secretary for both Culture and Sport Glasgow, and Culture and Sport Glasgow (Trading) CIC.

5. Minute of previous meeting approved.

The minute of the previous meeting of 13 June 2018 was submitted for approval.

In relation to section 10(1) of the minute in relation to the Sport Business Improvement Plan, Bailie MacLeod highlighted that it had been agreed that a report in relation to football pricing would come to this meeting and he was disappointed that this was not on the agenda.

He further advised that he had agreed to chair the Golf Working Group which wasn't mentioned in the minute.

Having noted the points raised by Bailie MacLeod, the Board agreed to approve the minute as a correct record.

6. Matters arising agreed.

With reference to the minute of 13 June 2018 and paragraphs:-

10(1)(ii) that an update on the Sport Business Improvement Strategy was included at item 14(1) on the agenda;

11(4)(b) that the Risker Register now included information relating to the date risks had been added; and

12(2) that an update in relation to Cordia would be provided under the Chief Executive's verbal update.

7. Note of Board Away Day held on 30 July 2018 noted.

The note of the Board Away Day held on 30 July was presented for information.

Professor Sawers expressed thanks to Board members for their support in terms of the content of her correspondence to Annemarie O'Donnell, and noted that the Away Day had been a very useful session.

The Chief Executive made reference to the Local Governance Review which was being carried out and noted that tight timescales for feeding in to this. She informed the meeting of the suggested budget allocation across the Council Family and recognised the absolute pressure which budgets were under and the need to review funding arrangements, adding that a co-ordinated approach was required to make our case to the Scottish Government.

The Board noted the importance of being provided with time in order to have an opportunity to revision Glasgow Life.

8. Draft Minute of Audit Committee meeting held on 15 August 2018 noted.

The Draft Minute of the Audit Committee meeting held on 15 August 2018 was submitted for information.

The Board noted the minute.

9. Budget update.

The Chief Executive and Executive Director of Finance, Glasgow City Council joined the meeting for this item.

Dr Bridget McConnell set out the position of the Glasgow Life Board in terms of budget planning, and the need to explore new income streams, relationships and networks.

Professor Sawers thanked the Chief Executive and Executive Director of Finance for attending the meeting, and informed them that she was chairing a working group to look at the budget. She advised that the Board had a number of concerns around the ability to continue to deliver services while making further cuts, and recognised the challenging situation and the need for all parties to work together to identify solutions.

Annemarie O'Donnell began by expressing the importance of the impact of what Glasgow Life delivers in a national and international sense, which is crucial to ensuring the current high profile of the city is maintained, and we continue to provide for both citizens and visitors. In this respect the partnerships which Glasgow Life has forged are vital to this continued success.

Martin Booth then provided an overview of the financial forecast, which he stressed was not yet in the public domain and was still in the process of being shared with political groups.

Timing of the local government settlement announcement was unknown at this stage, it was advised that this could be as late as January 2019 before budget allocations are known. The forecast being worked on by the City Council was for a 3 year period. Martin mentioned that there were some areas of potential for additional income such as Council Tax buoyancy (£5m), and that a 3% Council Tax increase would yield an extra £6.3m, however, this would be a political decision.

Martin concluded by advising that the anticipated budget gap was £61.7m, with the worst case forecast being a gap of around £99m and the best £42.5m.

Councillor McDonald acknowledged his appreciation to Annemarie and Martin for attending the meeting. He emphasised that the Council's financial situation was very difficult, and recognised the potential impact on Glasgow Life's budget as a result of this. Using the example of a number of English local authorities it was noted that over the years they had reduced their statutory obligations around culture and leisure to the bare minimum, and made it clear that this was not a direction the Board wished to go in.

He reminded the meeting of the important role of Glasgow Life in contributing to the City's strategic plan, and in particular with regard to the vibrancy strand.

On behalf of the Board he advised that the main wish of the Board was for the City Council to find scope within the budget to give GL time to explore further funding opportunities and models, and to look at how we work together to deliver a message to the Scottish Government in terms of how funding to the city is delivered in general.

Professor Sawers, whilst recognising the challenges faced by the city in general, stressed that a vision and strategy to take the city forward over the next few years was hugely important, and that this was about investment and not just operational spend. She urged that a window of time was required to enable a strategy to be drawn up.

Iain MacRitchie, noting the collective challenge for Glasgow, emphasised the social impact and contribution which is made by Glasgow Life, and suggested that we need to look at how we increase this by perhaps working together with Education and Social Work services. His perspective is that the public funding model needs to be redrawn, with a focus on how resources make the biggest social, economic, and commercial impact. He saw it as a task for the Board to come up with a 'new' Glasgow Life, with more emphasis on collaborative working.

John McCormick felt that Glasgow Life needed to continue to be ambitious and have imagination in terms of driving forward the organisation, and that among the Trustees there was the opportunity to come up with a number of new ideas given time. He stressed the importance of the Leadership role of Trustees in this regard.

Baillie MacLeod raised a few points which included:

- Concern that catering services were potentially being delivered by DRS, when he felt these should be delivered by GL in their own venues.
- The City Council should be putting pressure on UK Government for funds given the amount of asylum seekers taken in by the city.
- Stressed that we should be making the most of any access we have to the Cabinet Secretary for Finance and the Constitution in terms of putting the City's case forward.

John McCormick asked a question in terms of the potential for a tourist tax, and Annemarie advised that consideration was being given, however, it was important how this was presented and what any resulting income was spent on.

Iain MacRitchie referred back to the point made by Annemarie that although Glasgow gets 10% of the Scottish Budget, it generates 30% of economic output and that this point should be made clear in discussions at a national level.

Professor Sawers also enquired about the possibility of the Cabinet Secretary for Finance and the Constitution attending a Board meeting, and Councillor McDonald informed that he had previously proposed this, and we would look at options for facilitating a meeting.

Following the discussion, the Board thanked Chief Executive and Executive Director of Finance, Glasgow City Council for attending the meeting.

10. Chair's update.

The Chair provided a verbal update in which he reflected on the success of the recent European Championships, which had attracted over 500,000 attendances, and a significant

global television audience. He informed the meeting of the recent Scottish Government reception in Berlin and the enthusiasm to maintain and foster the link between the two cities.

He also expressed thanks on behalf of the Board to all staff who had been involved in the delivery of the European Championships.

The Board noted the verbal update, and that a report in relation to the European Championships would be provided to a future meeting.

11. Chief Executive's update

(1) Verbal report noted.

The Chief Executive provided a verbal update to the meeting in which she covered the following areas of business:

- Corporate Governance Review
- UCI Championships
- Cordia/Encore
- Budget Working Group
- Re-visioning and Fundraising Group

The Board noted the verbal update by the Chief Executive.

(2) Burrell Renaissance noted.

There was presented to the Board a report with regard to progress with the Burrell Renaissance project.

It was advised that the paper provided updates in relation to the international tour, fundraising, and communications and marketing, and that information with regard to the building project was now contained within the Capital Programme update.

The Board noted the update in relation to progress on the Burrell Renaissance project.

12. Reports by Director of Finance and Corporate Services

(1) Culture and Sport Glasgow Statutory Accounts 2017/18 agreed.

There was presented to the Board the Auditors Report and Group Financial Statements to 31 March 2018 for Culture and Sport Glasgow.

The Director of Finance and Corporate Services advised that these had been recommended for approval by the Audit Committee at their meeting on 15 August, however, following the meeting there had been a change in the pensions valuation.

Following amendment the revised accounts were circulated to Audit Committee members for who confirmed that they were content with the changes.

After consideration the Board agreed to approve the Report and Group Financial Statements to 31 March 2018 for Culture and Sport Glasgow.

(2) Financial update noted.

There was submitted a report which provided an update on Glasgow Life's financial performance for Period 5 (3 August 2018).

After consideration the Board noted the financial update for Period 5.

(3) People update noted.

There was submitted a report which provided the Board with an update in relation to industrial relations, the HR Scorecard, and employee engagement.

After consideration the Board noted:

- (i) that across Glasgow Life there is increased trade union activity, particularly in areas of proposed business change;
- (ii) the continuing strategy that arbitration is the most appropriate resolution to the dispute with Unite at the Emirates Arena and the investment Glasgow Life continues to make in managing its relationships with its Trade Unions;
- (iii) the information provided within the report, particularly in relation to further industrial action at the Emirates Arena and the potential for industrial action at the Mitchell Library;
- (iv) the information specified in the report including the attendance and employee relations data; and
- (v) the information with regard to employee engagement including the roll out of a staff survey across Glasgow Life and that an update will be provided to the next Board meeting.

(4) Risk Register noted.

There was submitted to the Board a report which detailed Glasgow Life's top 5 risks and provided an explanation of each.

It was highlighted that the majority of these risks related to budget/finance and people.

After consideration the Board noted:

- (i) the top 5 risks to Glasgow Life as at August 2018, and that a full review of the Risk Register was due to take place in November 2018; and
- (ii) the request that previous scores be included within the report.

(5) Bank Account Signatories agreed.

There was submitted a report which informed the Board that as a result of a number of changes to personnel, amendments were required to Culture and Sport Glasgow's authorised bank signatories.

After consideration the Board agreed to:

- (i) add as an authorised signatory to all and existing accounts of both Culture and Sport Glasgow, and Culture and Sport Glasgow (Trading) CIC the following:

Jan Buchanan, Director of Finance and Corporate Services (A - Signatory Group)
Billy Garrett, Director of Sport and Events (B - Signatory Group)
Lorraine Simpson, Accounts Manager (B – Signatory Group); and

- (ii) remove as authorised signatories to all and existing accounts of both Culture and Sport Glasgow, and Culture and Sport Glasgow (Trading) CIC, Mr Martin Booth and Mr Ian Hooper.

13. Reports by Director of City Marketing and External Relations

(1) Contract for the Delivery of Energy Efficiency Measures agreed.

There was submitted a report which advised the Board of the proposal to contract with Cynergin for the installation of energy efficiency measures at Scotstoun, Gorbals and Bellahouston Leisure Centres via the Scottish Government's Non-Domestic Energy Efficiency Framework (NDEEF).

Professor Sawers enquired whether due diligence had been carried out in respect of the company being contracted.

Bailie MacLeod advised that he had a number of areas on which he would like clarification, mainly relating to the procurement aspect of the contract, and the contract value.

After consideration the Board:

- (i) noted that Glasgow Life continue to refine the contract proposals with Cynergin; and
- (ii) agreed, subject to Bailie MacLeod, on behalf of the Board, being content with the due diligence and procurement processes being followed, to delegate authority to the Chief Executive of Glasgow Life to sign the contract with an estimated value of £979,612 and a guarantee that the final proposal will deliver and energy payback of 8 years.

****Lee McConnell left the meeting following this item.***

(2) Performance update noted.

There was submitted a report which provided the Board with information on the summary of Glasgow Life's performance from 1 April 2018.

After consideration the Board noted the content of the report.

(3) Capital Programme update noted.

There was submitted a report which updated the Board on progress with projects involved in the Capital Programme.

The report covered developments at the Kelvin Hall, Knightswood BMX Track, and the Burrell renaissance project.

Information was also provided in relation to the programme of works across the Glasgow Life estate as part of the Community Asset Fund.

After consideration the Board noted:

- (i) the update provided in relation to the Capital Programme; and
- (ii) the request to include target completion dates, along with progress status, in future reports.

14. Reports by Director of Sport and Events

(1) Sport Business Improvement Strategy update noted.

There was submitted a report which provided the Board with an update on the progress and current status of the Glasgow Sport Business Improvement Strategy.

After consideration the Board noted the update and progress to date.

(2) Glasgow Events Board – Membership and Remit noted.

There was a report submitted to the Board which advised that as part of a recent Internal Audit into Subvention, one of the recommendations was that the Glasgow Life Board should formally document the remit and membership of the Glasgow Events Board.

After consideration the Board noted the Remit and Membership of the Glasgow Events Board.

15. Date of Next Meeting noted.

There being no further business, the Chair advised that the next meeting would take place on Wednesday 28 November at 10am.