

**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 Seminar Room, Toryglen Regional Football Centre, Glasgow on 19 October 2011 at 10.30am.

- Present: Councillor George Redmond (Chair)
Sir Angus Grossart
Mr Mel Young
Bailie Jean McFadden
Councillor Stephen Curran
Councillor Allison Hunter
Councillor Chris Hughes
Dr Bridget McConnell
- Attending: Susan Deighan, Director of Corporate Services and Community Planning, Stephen Wilson, Financial Controller, Jill Miller, Director of Cultural Services, Mark O'Neill, Director of Policy and Research, James Doherty, Media Manager, and Allan Drysdale, Liaison Officer, all Culture and Sport Glasgow.
- Apologies: Bailie Allan Stewart, The Rt. Hon. George Reid and Stephen Phillips, Burness.

1. Appointment of Chair approved.

In terms of Article 62 of the Company's Articles of Association it was noted that Councillor George Redmond had vacated office as Chair of the company at the conclusion of the company's AGM on 7 September 2011.

Sir Angus Grossart, seconded by Bailie Jean McFadden, moved that the Board re-appoint Councillor George Redmond as Chair of the Board. The Board unanimously agreed.

2. Welcome, notice, apologies and quorum.

Having heard the Chair advise that relevant notice of the meeting had been issued and a quorum was present, the Board agreed to proceed to business.

The Board were advised that apologies had been submitted by Bailie Allan Stewart, the Rt. Hon. George Reid, and Stephen Phillips, Burness.

3. Minute of previous meeting approved.

The minute of the previous meeting of 7 September 2011 was submitted and approved.

4. Matters arising noted and approved.

With reference to the minute of 7 September 2011 and those paragraphs:

- 7(1)(iii) The Board noted that a report in relation to pay award options was included under the Chief Executive's report at 9(2).
- 7(3)(ii) The Board noted that the Minute of the Nominations Committee was included at Item 6.
- 5(ii) The Board noted that a report proposing amendments to the Scheme of Delegated Functions was included at 13 (2) on the agenda.
- 9(1) (ii) & (iii) The Board noted with regard to the Glasgow Boys and the suggestion by Lord Macfarlane that the success of the exhibition be highlighted, the report that came to the last Board meeting had been distributed to all who previously received a Glasgow Boys calendar.
- 11(1) The Board noted that with respect to the Board Appraisal Action Plan, the actions in relation to items 2.1 and 2.2 in the report to the September Board were covered under the Chief Executive's report on Board Governance.
- 11(7)(ii) The Board noted that the Collections Annual Report had been submitted to Glasgow City Council.

The Chair informed the meeting that at the AGM held on 7 September 2011 KPMG had tendered their resignation as the Company's Auditors with immediate effect, and as a result of this the meeting agreed to appoint PricewaterhouseCoopers as Auditors.

The Chair then asked the Board, that in respect of this, to acknowledge that KPMG did not resign until 28 September when the final audited accounts were signed off, and as a result of KPMG continuing to hold office beyond the AGM the appointment of PricewaterhouseCoopers as the Company's Auditors was not approved effectively.

The Board, after due consideration, resolved that PricewaterhouseCoopers be appointed as the Company's auditors, on a casual basis, until the conclusion of the next AGM.

5. Minute of meeting of Nominations Committee approved.

The minute of the Nominations Committee held on 29 September 2011 was submitted and approved.

6. Minute of meeting of Audit Committee approved.

The minute of the Audit Committee held on 6 October 2011 was submitted and approved.

7. Appointment of Chair of Audit Committee approved.

In terms of Article 62 of the Company's Articles of Association it was noted that Sir Angus Grossart had vacated office as Chair of the Audit Committee at the conclusion of the company's AGM on 7 September 2011.

The Chair, seconded by Councillor Stephen Curran, moved that the Board re-appoint Sir Angus Grossart as Chair of the Audit Committee. The Board unanimously agreed.

8. Update by the Chief Executive noted and agreed.

There was submitted a report by the Chief Executive updating the Board on a number of issues during which she advised

(1) With regard to Board Governance that

- (a) guidance issued by the Office of the Scottish Charity Regulator (OSCR) included a recommendation that a charity established by another body should have a majority of trustees independent from that body;
- (b) in light of this guidance discussions had taken place between senior officers from Culture and Sport Glasgow and Glasgow City Council, along with the Company's independent legal advisers regarding what action was required to ensure compliance with charities legislation and guidance;
- (c) as part of the organisation's internal audit programme for 2011/12 the organisation's compliance with OSCR had been reviewed and a number of recommendations made as detailed;
- (d) there had been discussions with Glasgow City Council who were proposing to change the membership of Culture and Sport Glasgow's Board by increasing the number of charity trustees from eleven to twelve, reducing the number of Partner Directors from six to five, and the appointment of two additional Independent Directors; and
- (e) it had been further proposed to change the membership of the Board of Culture and Sport Glasgow (Trading) CIC, to be drawn wholly from the Charity Board and its membership reviewed on an annual basis.

After consideration the Board

- (i) noted
 - (A) the recommendations of the Internal Audit Report into Culture and Sport Glasgow's compliance with OSCR requirements; and
 - (B) following legal advice and subsequent discussions with Glasgow City Council the proposed changes to the membership of Culture and Sport Glasgow Board; and
- (ii) agreed, that subject to Glasgow City Council approving changes to the Charity Board, to approve the proposed changes to the Culture and Sport Glasgow (Trading) CIC Board and that the Chair and Chief Executive meet with the Chair of the CIC Board to discuss the proposed changes and their implementation.

(2) With regard to Service Reform and HR that

- (a) a paper had been circulated providing information on the pay environment across the Scottish Public Sector, setting out a number of pay award options and the budget implications of these;
- (b) the response from staff with regard to voluntary redundancy/early retiral in respect of Phase 2 of the Service Reform Programme had been very positive; and
- (c) UNISON had advised that they were balloting for strike action in relation to pension reform, and if there was a positive response anticipated that action would be on 30 November.

After consideration the Board

- (i) agreed that there should be no pay award for staff in 2011/12, but consideration be given to a pay award for 2012/13 as part of the budget process for 2012/13;
- (ii) noted the update provided with regard to Service Reform; and
- (iii) noted that UNISON had advised that a ballot would be taking place with regard to strike action.

(3) With regard to the Commonwealth Games 2014 that

- (a) work in relation to the capital projects continued to progress well; and
- (b) meetings were continuing with respect to the cultural programme which Culture and Sport Glasgow were expected to be heavily involved in.

After consideration the Board noted the update on the Commonwealth Games 2014.

- (4) With regard to Staff Engagement that
- (a) the inaugural Glasgow Life Staff Recognition Awards had been held at Kelvingrove Art Gallery and Museum on 29 September, which was a great success, and positive feedback had been received from staff; and
 - (b) a proposal had been put forward by the Business Development Group for a “Dare to do Differently” scheme which would encourage staff to come up with ideas for revenue generation and pitch these to a judging panel, with the best ideas then being given support to get up and running.

After consideration the Board noted the information provided with regard to the Staff Recognition Awards and the “Dare to do Differently” scheme.

Sir Angus Grossart then raised a question with regard to the structure of national museums funding.

The Board, having heard the Chief Executive, agreed that the Chair should write to the Cabinet Secretary for Culture and External Affairs to invite her to meet with members of the Board for a discussion on this area together with a tour of venues

9. Reports by Director of Finance.

(1) Bribery Act noted and approved.

There was submitted a report by the Director of Finance

- (a) advising the Board of the work undertaken by officers to review, and revise where appropriate, codes of practice and other documentation that required to be amended to take account of the Bribery Act 2010, which came into effect on 1 July 2011;
- (b) outlining the six principles required to minimise the risk of an offence occurring, and detailing the offences under the Act, along with the relevant penalties;
- (c) setting out the actions taken by officers to identify any areas of risk to the Company, and steps taken to reduce these; and
- (d) proposing a Policy Statement on Bribery for adoption by the Company.

After consideration the Board

- (i) noted the actions taken, and planned, by the Company in respect of the Bribery Act; and
- (ii) approved the Policy Statement on Bribery.

(2) Financial Results to 30 September noted.

There was submitted a report by the Director of Finance informing the Board of the Company's financial performance to 30 September advising that

- (a) the overall position at Period 7 was a surplus of £958k, giving a positive variance of £1,183k against budget;
- (b) overall income was £120k behind budget, with shortfalls in operating income being focused on Sport and Music;
- (c) overall expenditure had a positive variance of £1,303k, this was due to underspends on employee costs, as a result of a continuing number of vacancies, and supplies and services in Sport, principally an underspend on ground maintenance contracts; and
- (d) there had been a solid start to the year from the CIC with a profit to date of £1,020k, which was £62k ahead of budget.

After consideration the Board noted the Period 7 financial position.

10. Report by Director of Cultural Services.

(1) Riverside Museum noted.

There was submitted a report by the Director of Cultural Services providing information on the success of events held at Riverside Museum, pre and post opening, and detailing proposals for future events.

After consideration the Board noted the information provided in the report with regard to the events programme at Riverside Museum.

11. Report by Director of Sports and Special Projects.

(1) Capital Programme Update noted.

There was submitted a report by the Director of Sport and Special Projects regarding an update on projects included in the Capital Programme.

The Board were advised that

- (a) good progress continued to be made on the development of the Commonwealth Sports Arena and Sir Chris Hoy Velodrome (formerly the National Indoor Sports Arena and Velodrome), with the main construction works due to finish in May 2012;
- (b) Tollcross Park Leisure Centre would close fully in January 2012, and that Barr Construction commenced on site at the start of May 2011, with the forecasted completion date being February 2013;

- (c) the Kelvingrove Lawn Bowls Centre had now been completed, and the greens would take two years to fully bed in, although they would be available for play from next summer;
- (d) work had commenced on the Olympia Theatre renovation which was being undertaken by Clyde Gateway, and Glasgow Life have been in discussions with Clyde Gateway with regard to the relocation of Bridgeton Library to the Olympia; and
- (e) the proposal to create a new home for the Royal Scottish National Orchestra at the Glasgow Royal Concert Hall continued to take shape and a draft of the detailed design brief had now been circulated to key stakeholders.

After consideration the Board noted the progress of projects included in the Capital Programme.

12. Reports by Director of Corporate Services and Community Planning.

(1) Performance Report April to September 2011 noted.

There was submitted a report by the Director of Corporate Services and Community Planning updating the Board on the Company's non-financial performance from April 2011 to September 2011.

The Board were advised that

- (a) mid-year reviews had been introduced to enhance the strategic planning process for 2012/13, and that this would focus on progress against budget, marketing and performance plans, along with the evaluation of agreed 2011/12 targets, and would assist with the target setting process for 2012/13;
- (b) attendances at indoor and outdoor sport and leisure facilities were down on target, however, attendances had increased against the same period the previous year;
- (c) a Recovery Plan had been introduced at Scotstoun Leisure Centre to help increase attendances, and this had demonstrated early measures of success, a Recovery Plan would also be introduced at Bellahouston; and
- (d) with regard to libraries and usage of PCs and Wi-Fi, that although the number of users had been below target, there had been an increase in comparison to 2010/11.

After consideration the Board noted

- (i) the summary of performance from April 2011 to September 2011 and the details on the Company's staffing levels and sickness absence; and
- (ii) that mid-year reviews had been introduced to assist with the target setting process for 2012/13.

(2) Scheme of Delegated Functions approved.

There was submitted a report by the Director of Corporate Services and Community Planning

- (a) proposing the insertion of the following clause to the Company's Scheme of Delegated Functions which would allow the Chief Executive to exercise discretion in relation to Circulars from officially recognised bodies:-

“To instruct the implementation of any Circular from any officially recognised body which allows discretion to the Company. The terms of such Circulars and the actions taken shall be reported to the Board.”

and

- (b) inviting the Board to approve minor amendments to the List of Officers by whom delegated powers were exercisable to take account of changes to job titles and responsibilities within the organisation.

After consideration the Board approved

- (i) the addition to the Scheme of Delegated Functions detailed in the report to allow the Chief Executive to exercise discretion in relation to Circulars from officially recognised bodies;
- (ii) that in the absence of the Chief Executive the delegation would rest with the Director of Corporate Services and Community Planning; and
- (iii) the changes as detailed in the report to the List of Officers by whom delegated powers were exercisable.

(3) Risk Register noted.

There was submitted a report by the Director of Corporate Services and Community Planning informing the Board of the outcomes of the recent review of the risk register carried out in August/September 2011. The report further detailed the top 5 risks to the Company.

After consideration the Board noted the content of the report in relation to the risks to the Company to 30 September 2011, and that the risk register was formally reviewed on a 6 monthly cycle.

(4) Collections Agreement noted and agreed.

There was submitted a report by the Director of Corporate Services and Community Planning providing the Board with Performance information in respect of the Collections Agreement

- (a) advising that the Collections Agreement required that Culture and Sport Glasgow keep Glasgow City Council informed of progress of the performance of the Culture and Sport Glasgow obligation;

- (b) detailing a summary of information relating to the Collections Agreement for the period from 1 April 2010 to 31 March 2011; and
- (c) requesting that the Board recommend to Glasgow City Council the disposals which were detailed in the report at section 4.5.

After consideration the Board

- (i) noted the performance information relating to the Collections Agreement for the period 1st April 2011 to 30 June 2011;
- (ii) agreed to recommend to Glasgow City Council the disposals which were detailed in the report; and
- (iii) agreed that the report be referred to Glasgow City Council for information.

12. **AOB**

The Chair advised the Board that the next meeting would take place on Tuesday 6 December at Riverside Museum.

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Chair