

Culture and Sport Glasgow
(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 at Glasgow
Royal Concert Hall, Glasgow on
23 June 2010 at 10.45am.

Present: Bailie Elizabeth Cameron (Chair)
Councillor Stephen Curran
Sir Angus Grossart (by telephone)
Councillor Allison Hunter
Lord MacFarlane of Bearsden
Dr Bridget McConnell (Chief Executive)
Councillor Anne McTaggart
The Rt Hon George Reid
Bailie Allan Stewart
Mr Mel Young

Attending: Martin Booth, Director of Finance, Susan Deighan,
Director of Corporate Services and Community
Planning, Ian Hooper, Director of Sport and Special
Projects, Jill Miller, Director of Cultural Services, James
Doherty, Media Manager and Anne Gilmour, Liaison
Officer all Culture and Sport Glasgow and Stephen
Phillips, Burness

Apology: Bailie Gordon Matheson

1 Welcome and opening remarks.

Bailie Cameron having welcomed all present to the meeting

- (1) advised that this was her final meeting of the Board as Glasgow City Council, at its meeting on the 24 June 2010, was recommending that she be appointed as Executive Member for Development and Regeneration Services and that she would no longer be on the Board of Culture and Sport Glasgow; and
- (2) expressed thanks to fellow Board members and Culture and Sport Glasgow Senior Management team and staff for their assistance and support during her tenure as Chair of the Board.

2 **Apology noted.**

The Board noted an apology from Bailie Gordon Matheson.

3 **Notice and quorum agreed.**

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

4 **Minute of previous meeting approved.**

The minute of the previous meeting of 31 March 2010 was submitted and approved.

5 **Matters arising.**

With reference to the minute of 31 March 2010 and those paragraphs-:

6(1)(A) The Board requested an update at the next meeting regarding the result of the Trade Union ballots for industrial action. The Chair confirmed that this was included in the Chief Executive's update at item 8 (4) of the Agenda.

6(1)(B) The Board requested reports on the following be submitted to the next meeting of the Board

- options for the future use of the Kelvin Hall. The Chair confirmed that a report was included at item 12(1) of the Agenda
- outcomes of the recent seminar on future service provision. The Chair confirmed that a report was included in the Chief Executive's update at item 8 (6) of the Agenda
- details of proposed partnership working with outside bodies. The Chair confirmed that a report was included in the Chief Executive's update at item 8 (5) of the Agenda.

(6)(1)(C) The Board requested that the Chief Executive arrange a Board Away Day to discuss, in detail, future provision in light of the economic downturn. The Chair confirmed that an update on this was included under the Chief Executive's update at item 8(7) of the Agenda.

(8)(1)(ii) The Board recommended that the Chief Executive inform Glasgow City Council of the Company's continuing positive performance in respect of sickness absence. The Chair confirmed that this information formed part of the performance report to Glasgow City Council

(8)(2)(II) Collections Report – The Board instructed the Director of Corporate Services and Community Planning to forward the report to Glasgow City Council for Information. The Chair confirmed that the report had been sent to Glasgow City Council.

6 Minute of the Culture and Sport Glasgow Board held on 9 June 2010 approved.

There was submitted and approved the minute of the Culture and Sport Glasgow Board held on 9 June 2010.

7 Minute of the Audit Committee held on 15 June 2010 approved.

There was submitted and approved the minute of the Audit Committee held on 15 June 2010.

8 Reports by Chief Executive

(1) Chief Executive's Update.

There was submitted a report by the Chief Executive outlining key matters for the Board's consideration, during which she presented

- (a) information on proposed changes to the membership of the Culture and Sport Glasgow Board advising that Glasgow City Council, at its meeting on 24 June 2010, was proposing to remove Bailie Elizabeth Cameron and Councillor Gordon Matheson from the Board and appoint Bailie Jean McFadden and Councillor George Redmond;
- (b) an update on the progress of the arrangements for the Delhi Flag Handover where meetings and boot camps had now been arranged for those taking part and travel and accommodation booked;
- (c) a report on the business development of sport and events in view of the Commonwealth Games and its legacy
 - (i) detailing the opportunities to increase participation and generate additional income;
 - (ii) providing examples of the areas that could be considered including high profile Glasgow community engagement projects, review and expansion of major running events in Glasgow/Scotland and creation of a high profile event which would provide a focal point for existing and new diversionary projects across Glasgow; and
 - (iii) requesting that a working group be established to take this forward to be chaired by Mel Young who had significant experience in this field.
- (d) an update on HR issues
 - (i) advising on the position with regard to the current industrial dispute and that the most recent meeting with Trade Unions had not reached a satisfactory conclusion;

- (ii) noting the turnout for recent action and that a number of facilities had been kept open as a result;
 - (iii) informing the Board that specific events and facilities were being targeted but it was still hoped to deliver services particularly in relation to Kelvingrove, People's Palace and GOMA and that the British Swimming Masters at Tollcross Leisure Centre had taken place as planned as would the Super 8 Athletics meeting in July at Scotstoun Stadium;
 - (iv) indicating that a significant reduction in budgets was expected over the next 3 years and that senior management were involved in scenario planning sessions in light of this.
- (e) a report on the proposal to develop a closer partnership between the National Galleries of Scotland (NGS) and Culture and Sport Glasgow (CSG)
- (i) outlining the benefits and advantages of a collaboration between the NGS and CSG;
 - (ii) detailing the proposals in relation to the Collections, programming, professional development, shared services and acquisitions; and
 - (iii) advising that the Board of NGS had considered the proposal and requested that staff from both organisations work on a detailed scoping paper; and
- (f) details on the legal advice received in respect of procurement and the subsequent adjustment of the Articles of Association of the Trading Company which had been approved at the Board meeting of 9 June 2010.

After discussion the Board

- (A) requested a progress report on the Delhi Flag Handover to the September meeting of the Board;
- (B) indicated support for the Chief Executive and senior management team for the handling of the Industrial action;
- (C) agreed
 - (I) to the establishment of a working group to be Chaired by Mel Young to take forward the business development of sport and events in light of the Commonwealth Games and its legacy

- (II) to a Board 'Away Day' to discuss in detail the way forward for the Company in light of the above issues to be held on 2 September 2010 at the conclusion of the Board meeting scheduled for that day;
- (III) that staff from the National Gallery of Scotland and Culture and Sport Glasgow develop a detailed scoping paper on the proposed partnership, for consideration by both Boards; and
- (IV) to the Board of Culture and Sport Glasgow (Trading) CIC accessing legal advice to supplement the legal advice provided and that such advice be procured through the relevant procurement process.

9 Reports by the Director of Finance approved.

(1) Culture and Sport Glasgow Financial Statements to 31 March 2010

There was submitted a report by the Director of Finance detailing Culture and Sport Glasgow's Report and Group Financial Statements for the year ended 31 March 2010.

After consideration, the Board approved the Report and Group Financial Statements as detailed.

(2) Culture and Sport Glasgow Financial Performance to 14 May 2010.

There was submitted a report by the Director of Finance regarding the Culture and Sport Glasgow Accounts for the period ended 14 May 2010 (period 2)

- (a) advising of the spend against budget for the period; and
- (b) intimating that
 - (i) as a result of the low volume of transactions it was his intention to issue to all Directors a detailed period 3 report;
 - (ii) at the meeting in September the monitoring report would incorporate information up to period 5/6;
 - (iii) thereafter a monitoring statement would be sent to Board members with every second one being formally presented to the Board.

After consideration,

- (A) the Board noted the spend against budget for the period ended 14 May 2010; and

(B) approved the new reporting schedule as detailed above.

10 **Reports by Director of Corporate Services and Community Planning.**

(1) Annual Performance Report noted.

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

- (a) outlining Culture and Sport Glasgow's third annual performance report;
- (b) highlighting some of the key achievements and measures of success during 2009/10 and performance against targets set within the Company's strategic objectives;
- (c) indicating plans for future improvement and challenging targets for 2010/11 taking into consideration the challenges of the current economic climate.

After consideration the Board

- (i) noted the Annual Performance Report for 2009/10;
- (i) agreed that the information contained in the report highlighted the success and impact of services provided by the company to communities and the general public and that these achievements should be more fully marketed; and
- (ii) requested
 - (A) a future report on the marketing tools used by the Company in particular the internet and use of social networking sites; and
 - (B) information on the Company's Risk register and in particular the main areas of risks, be issued to Board members for discussion at the September meeting of the Board.

(2) Culture and Sport Glasgow – Tender for the provision of insurance Services agreed.

There was submitted a report by the Director of Corporate Services and Community Planning regarding the recommendations for the placement of insurances for Culture and Sport Glasgow and Culture and Sport Glasgow (Trading) CIC

- (a) advising on the content of the contract and the tenders returned;

- (b) detailing the financial/quality selection criteria;
- (c) recommending acceptance of the undernoted tenders

<i>Insurer</i>	<i>Class</i>	<i>Cost(£)</i>
Travelers	Property	40,009.61
Travelers	Property Terrorism	2,714.75
Travelers	Liability including Professional Indemnity	227,722.60
Zurich	Excess Employers' Liability £25m/£25m	5,125.00
Zurich	Excess Public Liability £25m/£25m	5,125.00
QBE	Excess Liability EL & PL £50m/£50m	15,000.00
Chartis	Motor	10,920.00
Chartis	Fidelity	1,487.00
Chartis	Personal Accident/Travel	4,300.00
Chartis	Directors & Officers	9,598.15
Total Premium		322,002.11
Insurance Premium Tax		16,100.11
Total inclusive of Tax		338,102.22

After consideration, the Board agreed to accept the tenders for insurance services as detailed above.

(3) Performance Report noted.

There was submitted and noted a report by the Director of Corporate Services and Community Planning updating the Board on the company's non financial performance and staffing levels for the period from April to May 2010

- (a) advising that performance was on or exceeding target in relation to 3 performance indicators and below target in three indicators;
- (b) outlining the reasons for the downturn in performance relating to the number of visitors to Kelvingrove and visits to libraries; and
- (c) summarising full time staffing levels and the Company's sickness absence.

(4) Culture and Sport Glasgow Audit Committee adjustment of Terms of Reference approved.

There was submitted a report by the Director of Corporate Services and Community Planning advising that a recent Audit Review of the Company's governance arrangements had recommended an adjustment to the terms of reference of the Audit Committee to ensure that Audit reports were received by the committee and recommendations implemented and monitored.

After consideration, the Board approved the adjustments to the terms of reference of the Audit Committee as detailed in the appendix to this minute.

(5) Culture and Sport Glasgow Scheme of Delegated Functions revisions approved.

There was submitted a report by the Director of Corporate Services and Community Planning recommending revisions to the Scheme of Delegated Functions in respect of loans from the Collections, photo library services, co-publication agreements and venue hire agreements relating to Glasgow's Concert Halls.

After consideration the Board approved the revisions to the Scheme of Delegated Functions as detailed above.

11 Integration of School Library and Education Resource Service into Culture and Sport Glasgow delegated authority to Chief Executive and Directors

There was submitted a report by the Director of Cultural Services on the proposal to integrate the School Library and Education Resource Service into Culture and Sport Glasgow

- (a) advising that the Children and Families Service Review Group of Glasgow City Council had recommended that options for the integration of the School Library and Education Resource Service into Culture and Sport Glasgow be explored;
- (b) outlining the findings of the joint project team set up to consider the options including the benefits, the proposed service delivery, the associated risk and the financial provision; and
- (c) detailing the timescales and proposal to present a Business Model to Glasgow City Council and the Culture and Sport Glasgow Board in August and September respectively.

After consideration, the Board

- (i) approved the interim business plan for the School Library and Education Resource Service into Culture and Sport Glasgow; and
- (ii) delegated authority to the Chief Executive and her Directors to negotiate with Glasgow City Council the amendments of the Service agreements to take account of the additional service to be provided by Culture and Sport Glasgow.

12 Reports by the Director of Sport and Special Projects noted.

(1) Future of the Kelvin Hall Options Appraisal.

There was submitted a report by the Director of Sport and Special Projects on the future of the Kelvin Hall

- (a) advising that Culture and Sport Glasgow had been working with Glasgow City Council to identify a sustainable legacy use for the Kelvin Hall;
- (b) outlining the background to the need for the options appraisal in light of the new National Indoor Sports Arena currently under construction and the possibility that the SECC might become the boxing venue for the Commonwealth Games;
- (c) detailing the options for its future use including a possible partnership with the University of Glasgow.

After consideration the Board noted the update on the future use of the Kelvin Hall.

(2) Capital Programme Update noted.

There was submitted and noted a report by the Director of Special Projects regarding an update on the Capital Programme and of advising of the progress on a number of projects.

After consideration the Board noted the information on the projects included in the Capital Programme.

13 Valedictory.

Lord Macfarlane on behalf of the Board expressed gratitude and thanks to Bailie Cameron for her work as Chair of the Board with best wishes in her new role as Executive Member for Development and Regeneration Services within Glasgow City Council.

Bailie Cameron responded in suitable terms.

TERMS OF REFERENCE

APPENDIX 1

Audit Committee

Membership

The chair of the Audit Committee shall be a director appointed by the board of directors of the Company ("Board") to hold the office of chair.

Chair Sir Angus Grossart

The Audit Committee shall comprise of the chair and up to 4 individuals appointed by the Board.

Quorum

3

Meetings

Minimum of twice a year and more frequently if required.

Duties

- (a) To formulate policies and plans for the strategic management of the Company's financial resources, both revenue and capital.
- (b) To supervise, monitor and review the implementation of budget and service plans in the context of the Company's key objectives and priorities.
- (c) To assist the Board in approving the use of additional resources, reserves and balances, and changes to the Company's budget and service plan.
- (d) To supervise, monitor and review the strategic development of the Company's Information and Communications Technologies.
- (e) To manage and supervise the arrangements for the proper administration of the Company's financial affairs.
- (f) To liaise with Glasgow City Council with regard to requirements for Internal Audit.
- (g) To agree with the Board the Company's Annual and Strategic Audit Plan.
- (h) To assist the Board in fulfilling its responsibilities for oversight of the Company's systems of internal control regarding finances, accounting and financial reporting.
- (i) To promote value for money studies.

- (j) To monitor internal financial control, risk management and corporate governance.
- (k) To review the External Audit on Annual Accounts and Management letter and liaise with the Auditor.
- (l) To consider and assist the Board in approving the raising of external finance.
- (m) To consider and assist the Board in approving the Company's insurance arrangements.
- (n) To be responsible for oversight of pension arrangements.
- (o) To consider and monitor compliance with (i) all statutory requirements and (ii) all other regulatory requirements of external regulatory authorities (eg HM Revenue and Excise), in relation to finances, accounting and financial reporting.
- (p) To prepare minutes of all proceedings at the meetings of the Audit Committee and provide the minutes to the Board within a reasonable time period.
- (r) To investigate on behalf of the Board, any questions of financial irregularity or impropriety.
- (s) To obtain appropriate external professional advice in order to fulfil its role to the Board.
- (t) To advise and make recommendations to the Board with regard to matters falling within the Audit Committee's remit.
- (u) To obtain and consider internal audit assurance reports, including follow up reports.
- (v) To monitor the implementation of agreed recommendations arising from the internal audit reports.