

Board Meeting – Approved Minutes

4pm, Thurs 10th August 2023 – The Granary and online via Zoom

Directors: Brian Shackleton (President & Chair); Nigel Clark; Jo Dytch; Lucy Fraser; Ilona Turnbull; Hazel Meehan; Dominic Hall; Alistair Todd; Andrew Walker; Pete Crane

CEO & Company Secretary: Stuart Younie.

Observers: Derek O’Riordan (sportsotland); Helen Gestwicki, Hugo Allan, Brendan Hughes

1.0 Welcome and Apologies

BS opened the meeting and welcomed HA and BH who are attending as observers and DO’R who was joining his second meeting of the board as sportsotland partnership manager.

Apologies we noted from HM.

2.0 Declaration of Interests

Directors were reminded of the need to ensure they submit an up-to-date declaration of interest form on an annual basis from April. The form was circulated following the last board meeting with the action note on the 19th May and SY would resend with the minutes.

3.0 Draft Minutes of the Full Board meeting of 18th May 2023

NC noted a typo in the last sentence under item 8.5 which should read:

“AT also supported the approval of the policy at an EGM in advance of the AGM.”

Subject to this change the minutes were agreed.

4.0 Actions and matters arising not tabled elsewhere in the agenda.

BS invited SY to review the actions from the last meeting which were noted as follows:

- NC had requested the inclusion of an article about the steep ground course in the next edition of Scottish Mountaineer which would be planned into the November edition.
- FK has assessed the impact of the recent staffing changes on the reserves position and adjusted the budget accordingly. IT to work with SY to review the current salary structure.
- Congratulations and thanks were passed on to DL on her retirement and particular thanks to HM who had arranged for a card and gift to be sent on behalf of the board.
- JD had shared the directors adverts on the clubs Facebook page and LinkedIn
- SY had circulated the notes and slides from presentation to board by DB.

- SY to follow up with DB to check the figures in Manifesto for the Mountains to see if they can be updated or removed if out of date.
- SY had circulated a copy of the sportscotland investment agreement for 23/24
- SY had separated out the Finance and Corporate Governance in the policies and procedures schedule.
- AT was progressing the implementation of the health and safety review.
- SY to update on the AGM under CEO report.

BS also noted a legacy action relating to the revaluation of the Granary.

5.0 Call for AOCB

No additional business had been tabled.

6.0 Operational & CEO report

SY explained that the operational report was the first one in the new format which had been updated and reformatted for 23/24 to combine the plan and the report into one document. The following items were highlighted from the report:

CEO Update

- Mountaineering Scotland had been in communication with safety partners in relation to the incident in Glencoe at the weekend. The instructor involved had been named and a joint statement had been prepared in response. The situation was still evolving, and an investigation into the incident would be taking place.
- FK was settling in well since starting on the 19th of June and KH was now planning to retire at the end of Dec 2023 instead of August as previously indicated.
- Although a provisional booking had been made with Glenmore Lodge to host the AGM the challenge in delivering a break-even position for the event was highlighted given the budget situation. More detailed costings are required to inform final decision and the staff were meeting tomorrow to review the position.
- The passing of Honorary Member of Mountaineering Scotland, Mike Newbury was noted and a letter had also been received from solicitors acting on behalf of member Peter Currie Mann who had left a legacy donation to Mountaineering Scotland in his will.
- Concerns were noted in relation to the evolving situation facing the BMC & GB Climbing following the review of CCPG. SY confirmed that he was due to meet with Paul Davies in a fortnight.
- SY confirmed that a planning application has been submitted by Forestry and land Scotland to extend the North Face Car Park and new signage had been installed following the introduction of parking charges. Concerns had been raised by the SMC regarding the wording on the sign indicating that the car park was for day visitors only when this was the main carpark used by those overnighing in the CIC hut. A meeting was to be set up with FLS to discuss the issue and raise these concerns. It was noted that communication on this issue

was difficult as the informal position from FLS was that climbers leaving their cars overnight would not be penalised if they paid for the number of days their vehicle was parked.

Operational Report

- SY reported on the proposals to remove the remove designated stalking seasons to assist in the management of the deer population, and the increase in onshore wind applications following relaxation of planning restrictions. The joint statement on the Shared Rural Network had been issued and following media attention a meeting with the SRN had taken place and we were currently awaiting a response to the issues raised.
- At the last meeting of the Mountain Safety Group MSG partners have agreed to adopt a framework to support the development of a national action plan for Mountain safety and a new post course survey has been implemented to evaluate impact of the courses on participants.
- SY noted the risks around loss of external funding for key student events which had been raised at the FAG.
- ClimbScotland were working with sportscotland on support for the talent squad climbers and the development of new philosophy to underpin the approach to the performance pathway. The need to review squad targets for ClimbScot due to changes in GB pathway was noted. A key focus for the team was on workforce development and engagement with climbing walls.
- There had been limited interest from club members in developing more activities for children and families following the survey and further work was needed to identify the reasons for that.
- The positive engagement by staff on projects relating to equality diversity and inclusion through both the ClimbScot and Mtn Safety teams was noted.

IT asked whether MScot were considering a response to the proposed closed community development at Taymouth Castle and SY confirmed that it did not have a direct implication for mountaineering interests, so it was unlikely. AW raised the cancellation of the Pentland Hills Skyline and SY confirmed he had contacted his counterpart at Scottish Athletics to offer support on the issue. AT asked about the Erba pumped storage scheme and the public meeting proposed in Laggan in Sep and SY agreed to follow up with DB.

BS felt there were several ongoing issues and there was a need to be prepared for questions from members at the AGM about a perceived lack of progress. PC emphasised the need to be clear to members about where MScot can influence change given the changes to the planning system. DM suggested there was a need to reassess what members want MScot to do and increase the understanding of what is possible in the light of legislative changes. It was agreed that a consultation with members should take place on the Erba scheme before the AGM. JD suggested introducing a regular members webinar to provide an update on some of the issues.

Action: SY / DB to progress the members consultation on the Erba scheme and work with Directors on how the work on Access, Conservation and the Environment can be communicated to members.

7.0 Finance Report

7.1 2023/24 Budget update

SY provided an update on behalf of HM reporting that the original budget considered by the FAG had forecast a £41k deficit and further work has brought that into a break-even position, however risks remain around membership and the assumption of a £10k grant from the SMT.

Additional savings had been identified including potential slippage on staff replacement and a saving on not publishing the August edition of Scottish Mountaineer which were both detailed in the budget spreadsheet. FK has prepared a draft Q1 Report following her return from annual leave and it would be reviewed next week for circulation to the board.

BS reminded Directors about the challenges SY had faced in recruiting a replacement Finance Officer alongside other competing pressures and it was clear the budget position was difficult, noting the pressure from increased staffing costs. LF mentioned the increase in interest rates and whether this could realise some additional income. NC asked whether the budget for 23/24 had been approved and BS confirmed that it had not been agreed by the FAG. Following further discussion, it was agreed that following the Q1 report and updated membership data the budget would be reviewed to try and address the key risks for approval by the board.

Action: SY/ FK to update the budget removing the SMT grant funding and reviewing the membership projections based on most up to date figures for approval by the FAG.

7.2 Insurance Working Group

BS provided an overview of the insurance position confirming that costs were continuing to increase year on year. He had looked across the cover which other sports were providing, and it was a mixed picture with some cover as low as £5m and as high as £20m with a variety of different underwriters and brokers operating across the market. He asked Directors if there was anyone who could be recommended that could provide support and advice.

HA confirmed he had experience of dealing with Marsh who were good at implementing measures to reduce risk. He also advised that there were risks with the different approach in England and Wales and it was worth checking cover on household insurance as this sometimes included public liability. BS confirmed that some other sports had agreed to measures aimed at mitigating risk but Howdens had not been receptive to this approach. The issue of the value of the cover to members was raised and whether there was an opportunity to review the membership offer and differentiate the cover for provided for individuals and for clubs.

SY highlighted the need for professional advice and support in evaluating the options and the associated risks and opportunities. DO'R suggested engaging with the Chartered Institute of Sport and Physical Activity who had good contacts across the insurance sector. Following further discussion, it was agreed for the need to reconvene the working group and to produce a discussion paper summarising the current position and potential options.

Action: SY to look at reconvening the insurance working group and BS to circulate a request for advice and support from the SGB Chairs network.

7.3 A sustainable way forward?

BS introduced the next agenda item and given the nature of the subject and to allow existing Directors to have a free-flowing discussion he had agreed that DO'R would leave the meeting and he also asked that HA and BH as observers also leave the meeting for that agenda item. BS referred to email exchange amongst the Board prior to the meeting relating to the resourcing challenges facing MScot in the medium to long term and the need to identify solutions.

DO'R left the meeting and following a short discussion, it was agreed unanimously that as incoming Directors (subject to election at the AGM) HA and BH should have the opportunity to sit in on the agenda item and they rejoined the meeting.

BS invited Directors to start the discussion and NC referred to the SWOT analysis that had been carried out as part of the strategic review and that many of the issues under consideration had been identified at that time including several existential risks and he welcomed the opportunity to discuss these in a closed session.

BS referred to the budget situation and the introduction of new conditions into the sportscotland investment agreement which had been used as the basis for the KPMG audit carried out in Jan. The significant amount of time it had taken SY to try and resolve the concerns in the audit report was noted. BS also referred to a recent presentation at the SGB Chairs network emphasising the importance of having an independent Chair and these changes were providing an indication of what the future might hold. The feedback from clubs on the ED& I policy was referenced along with the current tensions within the BMC.

SY provided an overview of the financial situation which in his view was the immediate priority and the key contributing factors were summarised as:

- The agreement to maintain the commitment to fix the membership fees for three years in 2019.
- The significant increase in insurance costs which were confirmed after the 2019 AGM. Combined liability rising from £21.5k to £91k.

- Absorbing the rise in insurance during the following three years. To note healthy surpluses were delivered in 20/21 (£29.3k) and 21/22 (£39.7k) delivering an overall net surplus of £43.4k for the three years against the deficit of £25.6 for 22/23.
- The impact of inflationary and cost of living increase on the budget assumptions for 23/ 24 which were based on figures available in late autumn 2022 and used to inform the 15% increase in members fees. Since that budget was set costs had continued to rise and had overtaken the budget assumptions.
- Increase in staff costs as a result of agreeing to mainstream the Access and Conservation post previously funded by external grants and the increase in salaries required to recruit replacements for staff retiring.

Following contributions from Directors and further discussion the following points were noted:

- The financial pressures and in particularly the insurance were critical to the sustainability of the organisation.
- It was acknowledged that more time was needed for the Board to be able to discuss key strategic issues in detail.
- Consideration should be given to how the organisation can capitalise on the membership opportunities including increasing participation particularly in hillwalking.
- Organisational structure is a contributing factor due to the fixed level of funding from sportscotland which was not increasing in line with inflation.
- sportscotland investment was directed at supporting specific initiatives to meet the investment criteria and funding for ClimbScotland had limited added value to the wider membership.
- The timing of any strategic changes had to be considered in the context of the current strategic cycle and existing commitments.
- More detailed information was needed for Directors not on the FAG about the budget position.
- There were several conflating issues under consideration and Directors need to agree on the questions which need to be answered and how these are prioritised.
- The risks relating to insurance need to be clarified.
- There was time to be able to address the financial position given the financial reserves.
- Structure should be led by the purpose of the organisation and the delivery of the strategy.
- Consideration was required about whether too much expectation was being placed on the current strategy and operational plan which is putting the team under additional pressure.
- Should the long terms strategy be to reduce the level of dependence on sportscotland funding.

Action: It was agreed to schedule four further special board meetings on issue specific topics which were organisational structure, finance, insurance and income generation in that order.

The initial meeting would take place on 24th Aug and it was noted that HM was on leave for most of Aug and may not be able to attend the first meeting. Should Directors be able to attend any of

the meetings it was agreed that Directors would be able to submit written comments for consideration as part of the discussions.

8.0 Governance

8.1 Recruitment of President

No nominations have been submitted following the extension of the initial advert and there was a need consider a direct approach to a suitable candidate. The first choice would ideally be someone from the club network given the key role they play in the organisation and JD was in the process of preparing a communication to clubs and the vacancy could be included.

Action: BS / SY to consider a direct approach to a suitable candidate and JD to include the vacancy in the next club communication.

8.2 Membership and Communications

Due to timing this item was deferred to the next Board meeting in November.

8.3 KPMG Development Audit

The supporting statement which had been sent to KPMG and copied to sportscotland regarding the audit process and report was noted.

8.4 Equality, Diversity, and Inclusion - Policy Update

The final version of the ED & I Policy was approved, and it was agreed to defer the members vote on the adopting the policy until the AGM. It was noted that there would need to be a statement prepared to explain why the policy was not going forward for approval at an EGM as stated previously.

Action: IT, JD and AW to agree a short statement providing an update on the approval process for the ED & I policy.

8.5 Policies and Procedures Review Schedule status report

The report was noted.

9.0 Standing Agenda Items

9.1 Risk Register

The changes to the register were noted in red text and a RAG rating has now been applied as agreed at the last board meeting.

Action: SY to review the application of the RAG rating based on the risk scoring matrix.

9.2 Health & Safety

SY updated on a near miss incident relating to a real rock session held at Comic Crag Kingussie on 28th of May. The situation could have led to a lead fall which may have resulted

in injury to the participant and given the context could have been avoided by pre-clipping one of the bolts. A full report including the lessons learnt has been completed by the instructor and is on file.

9.3 Child Wellbeing

Reminder that all Directors are required to complete this training to be compliant with Children First MOR and sportscotland development audit: It was noted that to date only five Directors had completed the training.

10.0 Future meetings 2023

- **FAG** – 4pm, Thurs, 26th October
- **Board** – 4pm, Thurs, 2nd November
- **AGM** – 11th November 2023
- **Post AGM Christmas Meeting** – 4pm, Thurs, 14th December

The need to decide on a venue for the AGM taking onto account the budget situation was noted.

Issued by Stuart Younie, CEO & Company Secretary

Final version issued – 27/10/2023

Approved – 29/02/2024

