

# BOARD MINUTES

June 2022

Company Number: SC656048

2023 Cycling World Championships Limited (the "Company")



Minutes of the 19<sup>th</sup> meeting of the Company held on Saturday 16 June 2022 09:00-13:00 in the Duncan Room, Easterbrook Hall, The Crichton, Dumfries, DG1 4UQ

## PRESENT - DIRECTORS

Paul Bush OBE – The "Chair"  
Billy Garrett  
Danielle Every  
Rachael McKechnie

Shanaze Reade  
Nick Peel  
Susan Ahern

## IN ATTENDANCE

Trudy Lindblade, CEO  
Phil Heselwood, Director of Sport  
Paul Stark, Head of Governance and Business Services  
Jonathan Rigby, Director of Commercial, Marketing and Communications  
Rob Arbuthnot, Head of Marketing and Communications

Craig Burn, Director of Strategy and Policy Impacts  
Kate Steven, Director of Operations  
Rhona Corscadden, Head of Sport Delivery  
Anne-Marie Greer, VS Head of Financial Services (attending virtually, Item 4)  
David Berry, DB Consulting (attending virtually, Item 4)

## OBSERVERS

Kevin MacCuish, UCI (attending virtually)  
Esther Britten, UK Sport  
Supt. James Royan, Police Scotland

Lucy Carmichael, Scottish Government  
Julie Pearson, Glasgow Life  
Robbie Clyde, EventScotland

## APOLOGIES

Colin Edgar MBE  
David Hornby  
Alexandra Innes  
Hugh Gillies, Transport Scotland  
Stewart Leggett, Transport Scotland

Steven Elworthy MBE  
Stewart Harris  
Stuart Turner, COO  
Peter van den Abeele, UCI  
Colin Young, Financial Controller

## MINUTES

Annika Wolf, Project Executive

### 1. Welcome and Apologies

- 1.1. The Chair welcomed Directors, attendees and observers. Apologies noted from Alexandra Innes, Colin Edgar MBE, David Hornby, Hugh Gillies, Stewart Leggett, Steven Elworthy MBE, Stewart Harris, Stuart Turner, Colin Young and Peter van den Abeele.
- 1.2. The Chair noted that due notice of the meeting had been given and that a quorum was present. Accordingly, the Chair declared the meeting open.
- 1.3. No further declarations of interest were noted.
- 1.4. Congratulations were extended to Colin Edgar on the award of his MBE.
- 1.5. The Chair thanked the Executive and partners who attended the stakeholder engagement event with Scottish Borders Council, SOSE, The Crichton Trust and Dumfries and Galloway Council on 15 June 2022 and noted similar sessions with Local Authorities would be set up in the future to facilitate partner engagement.
- 1.6. The Chair advised item 7.1 *Glasgow Cooperation Agreement* would be tabled straight after item 4.1 *V3 Budget Check In*.



## 2. Governance

- 2.1. The Chair referred to the Company's articles of association ("Articles") and reminded the Directors that, pursuant to Article 19.4, VisitScotland (the sole member of the Company) is prescribed to appoint up to five Independent Directors of the Company following an open recruitment process.
- 2.2. The Chair reported that, following the resignation of the Senior Independent Director and Chair of Audit & Risk Committee, the purpose of this item was to consider and, if thought fit, approve the appointment of a new Independent Director to the Board through the following:
  - 2.2.1. The consent to act as a Director of the Company from David Cameron;
  - 2.2.2. The appointment of David Cameron as an Independent Director by VisitScotland (the Company's sole member), in accordance with Article 20.3; and
  - 2.2.3. The letter of appointment of David Cameron to be issued by the Company in respect of his role as an Independent Director.
- 2.3. Furthermore, in accordance with the Articles of Association, the Board were also asked to consider and, if thought fit, approve the appointment of an Independent Director as a Senior Independent Director, in accordance with Article 19.4.2.
- 2.4. The Chair nominated Susan Ahern for the position of Senior Independent Director, Susan advised that she would be happy to undertake this role.
- 2.5. The Chair reminded the Directors of the need to have regard to their duties (including those contained in the Companies Act 2006 (the "Act") and the Articles) in considering the matters to be dealt with at the meeting.
- 2.6. **DECISION:** After due consideration by the Directors of their duties (including those contained in the Act) IT WAS RESOLVED that:
  - 2.6.1. Pursuant to the nomination and appointment of David Cameron as an Independent Director by the Company's sole member, VisitScotland, the appointment be approved; and
  - 2.6.2. the Appointment Letter be approved to be signed on behalf of the Company for issuing to David Cameron, and
  - 2.6.3. Susan Ahern be appointed as Senior Independent Director.
- 2.7. **ACTION:** The Chair reminded the Directors that a new director must be provided with a full, formal and tailored induction pursuant to Article 19.9.
- 2.8. **ACTION:** The Chair instructed a copy of the Resolution, Form AP01 and Form TM01 to be filed with the Registrar of Companies and for the Company books to be updated.
- 2.9. Following the appointment of Rachael McKechnie to the Board on 9 March 2022, and the approval to appoint David Cameron to the Board as per Item 2.1 at this Board meeting, the Chair proposed the following for the Board's approval:
  - 2.9.1. The appointment of Rachael McKechnie to the Audit and Risk Committee for the lifetime of the company, and;
  - 2.9.2. the appointment of David Cameron as the Chair of the Audit and Risk Committee for the lifetime of the company.
- 2.10. **DECISION:** After due consideration by the Directors of their duties (including those contained in the Act) IT WAS RESOLVED that:
  - 2.10.1. Rachael McKechnie be appointed to the Audit and Risk Committee for the lifetime of the company, and;
  - 2.10.2. David Cameron be appointed as the Chair of the Audit and Risk Committee for the lifetime of the company.

## 3. Minutes, Actions and Matters Arising

- 3.1. The Director of Commercial, Marketing and Communications (Director CMC) and the CEO provided updates on actions 5.5 and 5.6 from 23 April 2022 as well as 8.2 from 2 February 2022, please refer Matters Arising for detail. All other open actions were covered as part of the agenda.



- 3.2. **ACTION:** In relation to Action 5.5 from 23 April 2022, the Chair requested that confirmation of the agreed position on Zwift from all funding partners was provided in writing.
- 3.3. **DECISION:** The minutes and actions from the 2023 Cycling World Championships Ltd Board meeting held on 23 April 2022 were agreed as true and accurate records (Items 2.1 and 2.2).

#### 4. Finance

- 4.1. The CEO referred to item 4.1 *V3 Budget Check In* which was taken as read and advised this had been presented to Principal Funders prior to the meeting. The CEO noted that the Glasgow Activities V1 budget had also been received.
- 4.2. The Chair welcomed David Berry (DB Consulting) who presented his initial observations with regard to the V3 budget, a snapshot comparison of the bid budget versus V2 budget and an overview of costs submitted by Glasgow for delivery of the Glasgow Activities with associated next steps.
- 4.3. The Board thanked David Berry for his presentation and discussed how current budget risks can be further investigated and addressed through benchmarking and value engineering.
- 4.4. The CEO reassured the Board that the V3 budget is the organisational top priority and outlined the overall review process, next steps and associated timeline. Principal Funders and UCI will be closely involved in discussions to ensure the Board is able to make informed decisions on budget matters in August 2022, while considering the partners' and funders' ambitions to deliver a world class event.
- 4.5. Positive developments in relation to Local Authority discussions were noted.
- 4.6. The Board requested focus should also be given to commercial income generation.
- 4.7. Glasgow confirmed their support for a collaborative approach to further investigating and refining the Glasgow Activities budget.
- 4.8. Bringing item 7.1 *Glasgow Cooperation Agreement* forward on the agenda, the Head of Sport Delivery referred to the associated paper (taken as read) and provided an update on progress and next steps for the finalisation of the Glasgow Activities budget in line with the V3 budget review.
- 4.9. It was noted that a further V4 budget review would take place in December 2022 with particular focus on finalising Spoke budgets.
- 4.10. **ACTION: The Head of Governance and Business Services (Head of GBS) to circulate the V3 budget process and timeline showing gateway points and meetings with UCI, partners and Principal Funders.**
- 4.11. **ACTION: The Principal Funders SRO Meeting of 11 August 2022 to be scheduled as a half-day, in person meeting to enable full discussion of the draft V3 budget.**
- 4.12. The VS Head of Financial Services referred to item 4.2 *Finance Update* which was taken as read and advised this paper was now presented in a new format as requested by the Board. Any further questions or suggestions regarding format should be submitted to the Head of GBS.
- 4.13. The VS Head of Financial Services introduced item 4.3 *Revenue and Income Policy*, providing an overview to the Board as to the purpose of the policy.
- 4.14. **DECISION: The 2023 Cycling World Championships Ltd Board approved the Revenue and Income Policy as presented in item 4.3.**

#### 5. Sport and Operations

- 5.1. The Board noted item 5.1 *Sport and Operations Update*. The Directors of Operations and Sport provided further context and updates in a presentation.
- 5.2. The Board discussed the implications of inclusion of Enduro as an additional event, considering a range of factors including stakeholder resource and budget impacts.
- 5.3. **DECISION: The 2023 Cycling World Championships Ltd Board agreed that additional events, including Enduro, should not be included into the 2023 UCI Cycling World Championships.**
- 5.4. The Board discussed current accommodation challenges and agreed the current accommodation supplier contract should be reviewed.





- 5.5. **ACTION:** The Executive to investigate if a change in the accommodation supplier contractual arrangements is possible.
  - 5.6. **ACTION:** The CEO and Chair to discuss the recommended official hotel option with the UCI Executive team.
  - 5.7. **ACTION:** The Head of GBS to schedule a budget meeting with the UCI prior to 11 August 2022 to discuss budget implications, including the proposal to bring forward their official meetings and Congress.
  - 5.8. The Board discussed innovative solutions to secure required fleet vehicles in a currently challenging market.
  - 5.9. **ACTION:** Scottish Government to investigate potential use of their and Local Authorities' fleet vehicles during 2023 UCI Cycling Worlds.
  - 5.10. **DECISION:** The 2023 Cycling World Championships Ltd Board approved the proposed process to procure required fleet vehicles and the submission of an application to tender for a fleet vehicle supplier to the VisitScotland Board as outlined in item 7.4., subject to any spend above the V2 budget figure being brought back for approval.
  - 5.11. The Board discussed the challenges posed by an integrated Track schedule and potential impact on athlete and spectator experience.
  - 5.12. The Board were informed the UCI has proposed a change in the Competition Schedule which includes reversing the order of the Men's and Women's Road Race events to mitigate schedule challenges and to support equality diversity and inclusion ambitions.
  - 5.13. The process to consider this change was discussed which is to include consultation with UCI, Principal Funders, Sport Advisory Group and broadcast (including EBU and BBC) at a minimum.
  - 5.14. **ACTION:** The Head of GBS to schedule an out-of-cycle Board meeting before 30 June 2022 to enable the Board to endorse the Competition schedule prior to its release in early August 2022 around the one-year to go activities.
  - 5.15. The Board discussed challenges in recruiting Road Race resource and appointing an event delivery company for the Road Start Spoke. The Director of Sport proposed the solution of a combined tender which incorporates the road race starts and road race route delivery.
  - 5.16. **DECISION:** The 2023 Cycling World Championships Ltd Board agreed to progressing the delivery option of a combined tender subject to market testing and careful risk analysis.
  - 5.17. The board noted the importance and quality of information provided in the Sport and Operations Update and requested the report be presented at future meetings.
  - 5.18. **ACTION:** The Directors of Operations and Sport to submit an update using item 5.1 as a template with the addition of RAG ratings and success criteria to the November 2022 Board.
  - 5.19. Referring to item 5.2 *Hospitality Plan Development*, the Director CMC advised a subject matter expert had been appointed, the formal Hospitality Strategy will be brought back to the Board in due course. Consideration should be given to innovative solutions to ensure maximum uptake of hospitality opportunities, linked to V3 budget.
  - 5.20. **ACTION:** The Director CMC to follow up with Rachael McKechnie with regard to Hospitality Strategy development.
- 6. Chief Executive Officer's Report**
- 6.1. The CEO noted that Item 6.1 CEO's Report would be taken as read and thanked EventScotland and sportscotland partners for their support with the Community Cycling Fund.
  - 6.2. **ACTION:** The Senior Project Manager to include a RAG rating for 'Budget' in CEO Report and to remove 'Local Authorities' RAG. Management to consider whether 'People' should be rated as amber or red.
  - 6.3. **ACTION:** The Senior Project Manager to raise appointment of ticketing partner as a risk due to increased time pressures.
  - 6.4. Referring to item 6.2 Commercial Update, the Director CMC advised signature of the first Major Partner contract was anticipated for the end of June 2022. The recent ticketing tender returned no compliant bids, market feedback is being sought and compliant processes to appoint a ticketing partner are being investigated.



- 6.5. Referring to item 6.3 *MarComms Update*, the Head of Marketing and Communications presented an update on the Operational Marketing Plan.
- 6.6. The need to raise awareness of the brand-new event early on, especially with non-core audiences through appropriate campaigns and initiatives was clarified. The Board requested the narrative and call to action in awareness raising activity should be carefully considered.
- 6.7. The Board stressed the importance of support from funding partners and UCI in reaching target audiences such as athletes and national federations alongside consumers. All partners were requested to consider how they can support marketing efforts.
- 6.8. **DECISION:** The Board noted to be content to commit media spend for 2022 only as outlined in item 6.3, pending review of targeted channels.

**7. Governance**

- 7.1. Items 7.1 *Glasgow Cooperation Agreement* and 7.4 *Application to Tender of Contracts* were covered earlier in the agenda. All other items submitted for information (7.2 Gateway Review Update, 7.3 Risk and Issues Update, 7.5 ARC Flash Report) taken as read.

**8. Committee and Advisory Group Minutes**

- 8.1. The Board noted the Committee and Advisory Group minutes submitted for information under Items 8.1 to 8.4. No further questions were raised.

**9. Any Other Business**

- 9.1. The paper accompanying item 9.1 *Track Nations Debrief* was tabled on the day, no further questions were raised.
- 9.2. The Board voiced sincere thanks to the 2023 Cycling World Championships Ltd team for their work.
- 9.3. The next Board meeting was confirmed for 24 August 2022 in Stirling, Board members will be invited to attend a meeting and dinner the evening before. Further details to be circulated.

**Close of meeting** - There being no further business, the Chair declared the meeting closed at 13:00.

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**The Chair**