

**ANGUS COUNCIL**

**12 AUGUST 2020**

**GOLF MEMBER/OFFICER GROUP – INTERIM PROGRESS REPORT AND RECOMMENDATIONS  
FOR CHANGE FROM MONTROSE GOLF LINKS MANAGEMENT COMMITTEE**

**REPORT BY VIVIEN SMITH, DIRECTOR STRATEGIC POLICY, TRANSFORMATION AND PUBLIC  
SECTOR REFORM**

**ABSTRACT**

The Angus Council Golf Member/Officer Working Group established in November 2019 has, due to COVID-19, been unable to fulfil the full remit of the group in the original proposed timescale but has now reconvened and agreed a course of action. However, a request for change to the Memorandum and Articles of Association for Montrose Golf Links Ltd (MGLL) has been received and has been considered by the MOG and now presented for consideration.

**1. RECOMMENDATIONS**

It is recommended that the Committee:

- (i) Note the work undertaken by the Golf Member/Officer Group (MOG) to date and agree an extension is required to complete the overall review due to COVID-19.
- (ii) approve the proposed interim changes to the Memorandum and Articles of Association as requested by Montrose Golf Links Ltd subject to Angus Council Legal and Democratic Services being satisfied that proposed changes to the Memorandum and Articles of Association covers only what has been proposed.
- (iii) agree the ongoing representation of two current Angus Council elected member representatives on the Board and note the resignation from the Board of the officer representative.

**2. ALIGNMENT TO THE ANGUS LOCAL OUTCOMES IMPROVEMENT PLAN/CORPORATE PLAN**

This report contributes to the following outcomes contained within the Angus Community Plan and Locality Plans:

We want our communities to be strong, resilient and led by citizens

**3. BACKGROUND**

- 3.1 Reference is made to Item 16(b) of the minute of meeting of the Policy and Resources Committee of 26 November 2019 which approved the establishment of a Member/Officer Group to undertake a review of all the courses in which Angus Council has an interest.

**4. CURRENT POSITION**

- 4.1 In 2019, it was identified that governance arrangements of the golf courses in which Angus Council had an interest was very varied and required review to ensure the sustainability of the courses and consider a governance model or models which were fit for the future. The Policy and Resources Committee of 26 November 2019 (Report No 404/19) agreed to establish a Member/Officer Group (MOG) to undertake a review of all the golf courses in which Angus Council had an interest; and appointed Councillor Boyd as Chair of the Member/Officer Group

The MOG met on 6 February 2020 and agreed that the remit would be: "To review the current governance and management models of the courses and determine any proposals for change that could strengthen the sustainability of these assets and enhance the cultural, social and economic value that they provide to Angus and its communities; and that any proposals would be consulted upon with the courses concerned. The scope of the review involves:

- a) Arbroath Golf Links
- b) Monifieth Golf Links
- c) Montrose Golf Links Ltd
- d) Brechin Golf Club
- e) Carnoustie Links Management

MOG members were presented with information relating to: -

- a) the impact of Golf on the Angus economy;
- b) current position of Angus Council stake in golf courses and boards noting the lack of consistency in approach and the need for good consistent working practices;
- c) governance models in other local authority areas including a SWOT analysis of each model; and
- d) next steps including engagement with the various boards and clubs.

The Chair of the MOG wrote to each of the Boards telling them about the MOG and setting out the purpose of the review and also how we planned to engage with them and work with them to review the memorandum and articles of association of the respective companies, set up to manage the courses and management agreements for each of the five golf courses in Angus.

However in light of the COVID-19, a further holding letter was issued by the Chair explaining that stakeholder engagement and the bulk of the work planned by the MOG was to be postponed but inviting Boards to speak to us regarding any ongoing plans or desire to amend the articles of association.

A survey was issued to all to gauge the current impact of COVID-19 (on staff, income, resources etc) the results of which were shared with the MOG.

The MOG met on 10 July 2020 to consider research work to date and next steps and is due to meet again in September 2020.

## **5. PROPOSALS**

- 5.1 At the time of the first MOG meeting Angus Council were aware that both Montrose Golf Links Limited (MGLL) and Monifieth Golf Links were actively looking to change their governance structure at their AGMs in June 2020 and would be making official requests to Angus Council to do so.

Due to COVID-19 pandemic Monifieth Golf Links did not pursue changes at that time however MGLL have approached Angus Council requesting changes to their governance structure which would improve on current arrangements and support the sustainability and growth of MGLL and golf in Montrose post COVID-19.

The interim arrangement is appropriate and will be reviewed in light of the findings of the Member/Officer Group and aligned to review of the lease agreement which ends in 2024. One of the critical aims of the interim arrangement is to provide confidence to Season Ticket Holders to support MGLL through purchasing their Season Tickets and other actions in the MGLL Business Plan

- 5.2 Currently the Articles of Association allow for up to 13 Board members. Angus Council can appoint up to 4 directors. One should be a Montrose elected member. There is no requirement for officer representation although Angus Council have in the past chosen to appoint 2 elected members and two officers.

Their proposal is to streamline to a Board comprising: -

two of existing Angus Council representatives, one member of Royal Montrose Mercantile Golf Club and one member of Montrose Caledonian Golf Club.

The directors above will be allowed to co-opt five further directors for a fixed period until 2024, when the lease agreement with Angus Council terminates. The co-opted directors will have appropriate business experience or specific Skills.

The voting on the board will be one director one vote and the board will appoint a chair. Thus, the board will comprise 9 directors until 2024.

This governance structure is an interim arrangement to move from the current arrangement that is not working to a workable method for more dynamic operation. These decisions will be in line with the adopted Business Plan and will be reported to and scrutinised by the new Board.

The Company's Memorandum and Articles of Association will have to be changed to reflect the change in Board structure. MGLL have sought their own independent legal advice on this but agreement will be subject to Angus Council Legal and Democratic service being satisfied that proposed changes to the Memorandum and Articles of Association covers only what has been proposed. The other current company members have approved the proposal.

The Member/Officer group recommend approval of this proposal.

- 5.3 It should be noted that one of the two Angus Council officer representatives resigned in May 2020 from the Board. Should this interim position be agreed, the other officer will also resign leaving the current two elected member representatives on the Board ie Cllr Boyd and Cllr Duff.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 There are no financial implications arising from this report.

## **7. CONSULTATION**

- 7.1 The Corporate Leadership Team have been consulted in the preparation of this report.

**NOTE:** No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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