

**Minutes of the CGLMC Ltd Meeting held  
in the Greenkeeping Sheds on Monday 2<sup>nd</sup> December 2013**

Present: G Wilson (Chairman), P Sawers (Vice-Chairman), J McLeish, C Yule, W Thompson, G Paton, R Reyner, H Oswald, J Gilbert, B Boyd, G Murray, K Sampson, L Gordon, A McArtney, A McKeown.

In Attendance: G Duncan (General Manager), C McLeod (Golf Services Manager), A Reid (Links Superintendent).

Meeting began 1900 hours.

**Apologies**

There were no apologies.

**1. Any Additional Agenda Items**

There were none.

**2. Declarations of Interest**

There were none.

**3. Seagreen Update – G Wilson**

G Wilson advised that following on from the update at the last full meeting, he had met with Angus Council to discuss the joint approach they would take in dealing with Seagreen and the Outline Planning Application. G Wilson advised that CGLMC Ltd submitted an objection to the Outline Planning Application due to the lack of details / technical data provided by Seagreen. The Outline Planning Consent was approved by majority by Angus Council. G Wilson has arranged for another meeting with Angus Council and is trying to arrange a meeting with a senior representative of Seagreen before the end of the year. Seagreen currently do not have any information in regards to any tournaments that are to be held at Carnoustie which have not formally been announced. C McMahon is working alongside CGLMC Ltd as a consultant in regards to any compensation claims that should be made.

**4. Junior Golf Program**

W Thompson advised that he had produced this paper which had not yet been discussed at a sub-committee meeting but had been discussed by the directors in the past. W Thompson advised that after the August full meeting last year, he asked all local clubs whether they have an active Junior section. All clubs replied and 3 of them advised that they did have Junior sections. W Thompson then had meetings with all of the Junior Convenors to discuss the ways it could be possible to make Junior Season Ticket holders into active players. W Thompson advised that the paper suggests that all Junior Season Ticket holders be invited to become associate members of all 3 clubs (boys could only be members of 2 clubs).

It was advised that in the past year, the Ladies club and Junior girls have done particularly well, whereas the boys have been falling behind.

W Thompson advised that the paper was for debate.

W Thompson suggested that the money gifted by the R&A be used to initiate, run and improve this scheme. He also advised that CGLMC Ltd need to look into the way in which juniors and adults currently apply for Season Tickets as it is difficult for an adult to get a Season Ticket in order to play golf with their child. The main aim of the paper is to find ways of getting juniors to join clubs and play golf, along with encouraging more juniors to play competitively.

R Reyner enquired to whether CGLMC Ltd could give out handicaps to juniors. W Thompson advised that it would be encouraged that CGLMC Ltd host an event for juniors to play, but that they be members of clubs which will in turn issue their handicaps. This can be discussed further.

G Wilson thanked W Thompson for his work on this report.

A McKeown enquired to whether W Thompson is going to look at ways of making Junior lessons more about training than just being a 'babysitting service'. W Thompson advised that he will be looking into this. He would like to encourage juniors to join clubs and may have to change the current approach to Junior coaching.

J Gilbert suggested that the 3 clubs with Junior sections should be given the money from the R&A in order for the clubs to improve their facilities, and clubs would then submit their expenses to CGLMC Ltd. G Wilson suggested that he would not be keen to give the lump sum of money to each of the clubs, but would welcome any requests for funding that the clubs may make to benefit Junior golf.

G Wilson then suggested that this be discussed further at the next Pro-Shop committee meeting which the Junior Convenor also attends. The directors agreed in principle to approve anything that promotes and improves Junior golf in Carnoustie. Proposals will be brought to the next full meeting.

## **5. Approval of Minutes of the CGLMC Ltd meeting of Monday 4<sup>th</sup> November 2013**

Approved: G Murray

Seconded: P Sawers

### **a) Matters Arising Therefrom**

J Gilbert asked for the cost per hour of the Junior coaching scheme. G Wilson advised that the 210 hours plus the input from the Junior convenor cost CGLMC Ltd £21.33 per hour. J Gilbert suggested that this was good value for money.

## **6. Greens Business**

### **a) Approval of Minutes of the Greens Meeting of Monday 11<sup>th</sup> November 2013**

Amendment: Pg 287, A Reid asked that the sentence 'L Gordon advised that in her opinion...' be amended to advise that the mound was being erected to reduce the risk of flooding, and not that the removal of the gorse would reduce flooding.

Approved: C Yule

Seconded: K Sampson

**b) Matters Arising Therefrom**

In regards to the 5 trees that were to be removed from the Buddon Course, J Gilbert has agreed with the greens staff that only 3 trees should be removed.

A meeting between A Reid and C Sinclair took place to discuss the 1<sup>st</sup> hole of the Buddon Links course. Plans will be submitted to the Greens Committee meeting this coming Monday.

**13. Environment Business**

(This item was brought forward in order for A Reid to take part in discussions).

A Reid advised that a GEO representative will be visiting CGLMC Ltd on Wednesday to assess and hopefully accredit the course. This visit will take a full day. The representative will receive a tour of all three courses and the buildings. A Reid advised that it is reasonably straight-forward to receive the GEO accreditation, but the harder part is to constantly improve your rating. The STRI have been very helpful and produced a report on behalf of CGLMC Ltd which will be submitted for the GEO.

Sederunt (A Reid left the meeting).

**7. Finance Business**

**a) Approval of Minutes of the Finance Meeting of Monday 18<sup>th</sup> November 2013**

Approved: G Wilson

Seconded: P Sawers

**b) Matters Arising Therefrom**

Salary Increase

G Murray advised that the correct figure for CPI is 2.7%, and this is the proposed cost of living salary increase for 2013/14. G Murray requested approval. A McArtney asked whether the figure could be increased to 3%, but there was no seconder for this proposal.

The directors agreed

- i) to approve a cost of living salary increase of 2.7% for all staff from April 1, 2014.

Trade Mission to China

It was advised that full costs have not been received yet. A McKeown advised that he suspected the cost to send 2 CGLMC Ltd representatives would be between £5,000-£6,000, but he will confirm these figures on Tuesday (3<sup>rd</sup> December).

The directors agreed

- i) in principle to the proposal to send two representatives on the Angus Council Trade Mission to China in March 2014, dependent upon final costs being agreed.

Christmas Party

G Murray asked for approval to host the Christmas Party in the Caledonia Club at a cost of around £3,000. £3,600 has been accrued in the accounts for this event.

The directors agreed:-

- i) to approve the budget at £3000 for the Christmas party to be held in the Caledonia Golf Club.

VAT

G Murray advised that he and W Thompson held a meeting with the accountants in which discussions took place regarding compensation for their error. They have tasked CGLMC Ltd with looking at the decisions that were made due to the financial position of the organisation before the mistake was recognised and whether any of these decisions would not have been made if the board were aware of the true amount of VAT that was to be paid to HMRC. All outgoings will be looked at, including salary increases, bonuses, pension contributions, etc. G Wilson enquired to whether costs would be incurred should CGLMC Ltd seek legal / professional advice on this matter. G Murray advised that there would be costs. G Duncan advised that the basic information required by G Murray could be done in house. The directors stated that no further costs should be incurred.

**8. Pro Shop Business**VIP Membership Scheme

W Thompson advised that discussions have been held in the past in regards to the profitability and sales figures of the Pro-Shop. He advised that C Sinclair has been challenged to get more business out of the shop. W Thompson advised that along with C Sinclair, he produced a proposal of a VIP membership scheme for Season Ticket holders. This is a scheme that runs in many private clubs. W Thompson advised that the majority of sales in the shop are currently made to visitors. The VIP scheme would allow local golfers to receive a discount on all merchandise in the shop. The membership would cost £120 (£100 + VAT) and would give members substantial discounts. W Thompson also suggested that the shirt and t-shirt deal should be included in the Season Ticket letters this year, encouraging more locals to use the shop.

Another scheme that W Thompson and C Sinclair would like to introduce is custom club fitting in the shop. This would be a base level fitting and customers would be given the details to purchase their clubs wherever they preferred. Concerns were raised over staffing issues. W Thompson advised that this scheme could work without the shop stocking golf clubs. J Gilbert advised that he was supportive of the VIP scheme and believed it would bring in more business without cost to CGLMC Ltd. G Wilson advised that he had concerns of timescales as it is getting very close to the time it would need to be issued for this year. W Thompson assured G Wilson that it would be ready in time. W Thompson advised that the joining fee could be reduced on an annual basis. H Oswald suggested that most membership costs increase yearly, not decrease. W Thompson advised that this would have to be monitored.

J McLeish enquired to why the cost was set at £120, and was this just to break even? W Thompson advised that this cost would mean CGLMC Ltd would make a profit. Members will still save substantially using their membership.

P Sawers enquired to whether Season Ticket holders would still receive a 10% discount if they didn't sign up for the VIP membership, W Thompson advised that they would.

It was enquired to why VAT was being charged on this item. W Thompson advised that the VAT situation would have to be looked in to. A McKeown will look into this and report back. Appropriate advice will also be sought.

R Reyner suggested that the directors have to decide whether they want to have a 'Pro-Shop' or a retail outlet. He advised that there was no reason to have professional golfers working in a shop and not using their services.

A McCartney questioned the profitability of the shop, and he advised that he thought the shop was estimated to be making in excess of £1m per year by this stage. R Reyner agreed that this was the advice given when the shop was taken on, but the actual sales have not reached this target. W Thompson advised that the shop is profitable, but it is difficult to increase the sales with the current system and the outgoings to the hotel.

W Thompson advised that the current golf market is almost fully reliant on custom fitted clubs. W Thompson advised that it would be advantageous for CGLMC Ltd to work with one club manufacturer and fit the shop out with shafts and heads to allow for the custom fitting to take place in the shop using the Flightscope. CGLMC Ltd would then be able to sell custom fitted logo'd clubs. This service is now affordable for almost all buyers. Players would still be able to buy their clubs at any store they prefer, but they would have the option to purchase at CGLMC Ltd. Concerns were raised in regards to the informal agreement made with another store owner in Carnoustie which said that CGLMC Ltd would not sell clubs in the shop. R Reyner enquired to whether this agreement was legally binding, G Duncan advised that it was not. It was agreed that the Chairman should arrange a meeting with all associated parties after decisions have been made in regards to whether this scheme should go ahead.

P Sawers enquired to whether it is hoped that this scheme would generate more income, or provide a better service to golfers. W Thompson advised that primarily it would provide a better service and will likely be most used by local golfers, not visitors.

A McCartney advised that security issues would have to be looked at. W Thompson agreed but advised that there are already high value items in the shop.

W Thompson advised that in regards to the profitability of club fitting, it may be most profitable to hire a self-employed salesperson which would mean CGLMC Ltd would not need to employ another member of staff.

A McKeown enquired to what other clubs in the area did in regards to club fitting. He was advised that with the exception of St Andrews, most clubs have a day where a nominated club manufacturer will carry out a club fitting day using a mobile unit. It was enquired to whether C Sinclair was happy to provide club fitting and sales. W Thompson advised that he was.

P Sawers advised that a disadvantage CGLMC Ltd has is that the clubs cannot be tested outside and they would need to be tested on the Flightscope.

J Gilbert raised concerns over the profitability of the club sales, and suggested that a loss could potentially be made. G Wilson suggested that only an agreed number of fitting times should be made available per week to limit staff being over stretched. W Thompson advised that PGA interns can be employed, in the past they have been very beneficial to the shop.

W Thompson is to provide costs for the VIP membership scheme, the club fitting and club sales. After discussions, G Wilson proposed that the VIP membership scheme be approved in principle, but all costs and details should be discussed at the forthcoming Pro-Shop and Finance meetings, and that detailed recommendations presented to the directors at a full meeting for final approval. If approved, the VIP scheme should be rolled out for next season. The next appointed chairman should then arrange a meeting with the local business owner to discuss the plans should they be agreed. The directors agreed to this approach.

## **9. Major Projects**

There was no business.

## **10. Tournament Business**

There was no business.

## **11. PR Business**

### **a) Approval of Minutes of Public Relations meeting of Monday 11<sup>th</sup> November 2013**

Approved: P Sawers

Seconded: J Gilbert

### **b) Matters Arising Therefrom**

The use of the logo on the 'Carnoustie Story' app is currently being investigated. The result will be reported back to the directors.

## **12. Season Ticket Business**

There was no business. A Season Ticket meeting will take place on 16<sup>th</sup> December after the Finance Committee meeting.

## **13. Environment Business**

(This was discussed after item 6 in the meeting).

A meeting will be held on 11<sup>th</sup> December at 9.00am.

## **14. Golf Services Managers Report**

C McLeod attended the Golf Tourism Awards with G Wilson. He advised that this event was a very useful event for networking as many tour operators attend the event.

C McLeod attended the International Golf Travel Market conference last month. He held 39 formal appointments and made many new connections. C McLeod advised that he has brought in £7,000 worth of business from the event to date, which included room bookings for the hotel.

C McLeod advised that a proposal has been received from Kingsbarns and Gleneagles golf courses to host a 3 day, 3 course pro-am event to generate income in the lead up to the St Andrews Open in 2015. Golf sales always fall in the local area when an Open is held at St Andrews, and this event would hopefully counteract this downfall in sales. R Reyner raised concerns that organisers might want to make this an annual event. C McLeod advised that this would have to be considered and could be declined or held at another, less busy, time of the year in future. It may be agreed that this event only be held when St Andrews host an Open. The directors agreed that C McLeod should hold further discussions with Gleneagles and Kingsbarns regarding this event.

CGLMC Ltd will be assisting with the Angus Schools Junior Ryder Cup event. Tee times, caps and a buffet will be supplied. The buffet is being catered for by the Club-masters who will receive tee times in January as opposed to payment.

#### **15. General Managers Report**

G Duncan advised that he met with representatives from the Commonwealth Games. He advised that an implication of the shooting event being held at Barry Buddon is that the Golfers car park will be out of use for 1 month prior to the event for security reasons. Adequate spaces will be made available on the Links and will be manned by Commonwealth Games staff to insure that golfers can use the car park. There will also be no access to the Practice Ground via the Barry end.

J Gilbert asked that due to CGLMC Ltd not being able to use the Golfers car park for 1 month, would a rebate on the rental be granted by the hotel. G Duncan is to enquire into this matter.

The Buddon Links received a Standard Scratch Score of 69, and the SSS for the Ladies course is still being calculated. The yellow course of the Burnside was given a SSS of 70 and the blue course 68, and this will be circulated to the clubs.

The first board meeting of 2014 will be held on Monday 13<sup>th</sup> January at 7.00pm.

#### **16. Performance Indicators**

There were no issues.

#### **17. Companies House Matters**

There were no matters.

#### **18. Health and Safety Report**

There were no issues.

There being no other business, the meeting was then closed at 2030 hours.

KS