



**MINUTES OF THE MEETING OF
MUSSELBURGH RACING ASSOCIATED COMMITTEE**

**MONDAY 18 MAY 2020
MEETING HELD BY CONFERENCE CALL**

Committee Members Present (via Skype/Phone):

Councillor F O'Donnell (Chair)
Councillor S Currie
Councillor K Mackie
Mr R Miller-Bakewell
Mr R Anderson Green

In Attendance (via Skype/Phone):

Mr B Farnsworth, Racecourse General Manager
Mr D Kennedy, Racecourse Financial Controller
Mr A McCrorie, Depute Chief Executive, ELC
Mr C Grilli, Service Manager – Legal, ELC
Ms J Allen, Communications Officer

Clerk (via Skype):

Mrs L Gillingwater

Apologies:

Councillor A Forrest

Declarations of Interest

None

1. PUBLIC MINUTES OF MEETING ON 5 MAY 2020 FOR APPROVAL

The Committee agreed to approve the public minute of the meeting of 5 May 2020 as a true record, subject to the date of the meeting being amended to read 'Tuesday 5 May 2020'.

2. PROCUREMENT UPDATE

A verbal report was delivered by the Council's Service Manager – Legal and Procurement, providing an update on the procurement process.

Mr Grilli advised that work to conclude the contract with Chester was continuing positively, and that the transfer date would be no later than 30 June 2020.

Mr Anderson Green sought assurance on a number of matters relating to the terms of the contract. He was informed that the terms of the contract could not be discussed during the public session of the meeting. The Chair agreed that these matters could be raised during the private session.

Councillor Currie welcomed the update and the progress made in concluding the contract. He hoped that, in the interests of both parties, matters would be finalised at the earliest opportunity. His comments were supported by the Chair, who added that the Racecourse staff would be feel reassured by this progress. She thanked Mr Grilli for his work on the contract.

In response to a question from Mr Farnsworth as regards informing the staff of the transfer date at the earliest opportunity, Mr McCrorie advised that the staff should be informed that the transfer would take place on 30 June at the latest. Mr Grilli undertook to update Benny Rankin of the GMB on the situation.

Mr Miller-Bakewell asked Mr Grilli if any additional professional fees had been incurred. Mr Grilli confirmed that the only additional fees separate to the contract were those that related to TUPE.

Decision

The Committee agreed to note the update.

3. GENERAL MANAGER'S REPORT

A report was submitted by the Racecourse General Manager providing an update on the financial forecast, the resumption of racing, and other associated matters.

Mr Farnsworth presented the report, advising that he had produced an updated report (circulated to the Committee) to take account of recent developments. He reported that the draft accounts for 2019/20 showed a profit of £321,790 (up from £293,000, as noted in the previous report). After CAPEX and exceptional costs were deducted, the closing position on the balance sheet would be £125,658. He confirmed there would be no racing at Musselburgh in June 2020, and anticipated

that racing would resume on 1 July 2020. Due to the COVID-19 situation, he forecast a loss in 2020/21 of £340,137. He explained that this estimate had been reached by making assumptions, which were set out in the report. He drew particular attention to a number of these assumptions, including: the rent being set at £0 for 2020/21, the first fixture taking place on 1 July 2020, and all fixtures scheduled between July 2020 and March 2021 taking place. He also pointed out that if every Racecourse chooses to race behind closed doors then it may be that only 70% of fixtures are allocated; therefore if only 5 of the 7 fixtures were staged, then the loss would increase by £60,000. He noted that he and Mr Kennedy were preparing updated forecasts on a weekly basis, and that they would be able to provide a more accurate forecast once they have received data from the first racing fixtures taking place behind closed doors.

In response to questions from the Chair regarding the resumption of racing in Scotland, Mr Farnsworth reported that the Scottish Government had not yet confirmed a date. However, in Ireland, racing would be resuming on 8 June, and there was a push for a similar start date in Scotland. He added that Kenny Macaskill MP and Colin Beattie MSP had been very supportive of the industry, as had politicians in other areas with racecourses, and that they fully understood that racing behind closed doors could be conducted safely. He also made reference to a recent meeting involving Joe FitzPatrick (Scottish Minister for Public Health, Sport and Wellbeing) and a representative from Scottish Racing, advising that although no decisions had come out of that meeting, Mr FitzPatrick now had a better understanding of how racing behind closed doors would work, and that further detailed discussions would be taking place.

The Chair indicated that her main concern was the safety of staff and of those participating in racing, as well as the general public, and was keen to see details of how this would be managed. Mr Farnsworth highlighted the challenges specific to Musselburgh, namely that the Racecourse was situated on Common Good land and that people could not be prevented from viewing the racing from Linkfield Road and from parts of the golf course. However, the Racecourse staff had experience in managing access to the links on racedays, and he believed that Musselburgh was easier to manage in this respect than many other courses. The Chair asked about the management and risk assessment arrangements for people congregating on pavements around the Racecourse and entering from the lagoons area. Mr Farnsworth assured her that measures were already in place to control access from the lagoons – this was included in the operational plan – and he had already been in contact with Police Scotland in this regard.

With reference to Mr Farnsworth's notification that the next race meeting at Musselburgh would take place on 1 July, Councillor Currie asked if the BHA had confirmed this. He shared the concerns raised by the Chair as regards the health and safety of the public, and asked if the risk assessment could be shared with the Committee. On the assumption made about the rent, he stressed the importance of the Council applying a consistent approach to all of its leased premises. He was concerned about the assumption made by Mr Farnsworth on this matter given that no decision had yet been taken by the Council, and asked what this assumption had been based on. Regarding fixtures between July 2020 and July 2021, Councillor Currie warned that there was a danger that racing would not be opened up to the public and asked if forecasts could be provided for various

scenarios that included rent payments being required and no racing taking place on 1 July 2020.

Mr Farnsworth reiterated that discussions were ongoing with the Scottish Government with a view to restarting racing in Scotland on 8 June; he stated that it was important to have a target date in order for the industry to plan. He noted that the earliest date racing could start in Musselburgh would be 1 July, and that there were plans in place to hold a race meeting on that day. In the event that that race meeting did not go ahead, the plans would be adapted accordingly. He added that the fixture list for June would be published during the w/b 18 May, and that the list for July and August would be published at a later date.

Mr McCrorie spoke in support of comments made by Councillor Currie on Mr Farnsworth's assumption that racing in Musselburgh would resume on 1 July. He emphasised the need for this to be confirmed in order to provide a clear public message. Mr Farnsworth commented that he had made this assumption based on available information, and was confident that racing would take place on 1 July. The Chair stressed the importance of recording that this had not yet been confirmed by the Scottish Government or the BHA. Councillor Currie requested that, should a race meeting be confirmed for 1 July, the Committee should meet to discuss the health and safety aspects. The Chair agreed with this suggestion, in order to reassure everyone concerned that risks were being managed.

Mr Anderson Green asked if an update on the finances of the Racecourse could be provided on the basis that the transfer to Chester takes place on 30 June. Mr Farnsworth agreed to provide this.

Whilst recognising the issues that had been raised as regards health and safety, Mr Miller-Bakewell asked if the contract with Chester would be breached if the Committee determined that racing should not go ahead on 1 July. Mr Grilli advised that in any contract situation, there had to be an element of goodwill between both parties to ensure that predetermined events could go ahead. In this particular situation, there would be a discussion with Chester, but he did not have any concerns about a potential breach of contract.

Councillor Mackie asked about the arrangements for removing staff from the furlough scheme if racing were to go ahead on 1 July. Mr Farnsworth explained that two members of groundstaff had already been taken out of the scheme in anticipation that racing would resume in June. Those employees were preparing the course during the w/b 11 and 18 May, following which they would be re-furloughed. He anticipated that any racing behind closed doors could be conducted without bringing back any additional furloughed staff. He added that staff had to be furloughed for at least three weeks in order to qualify for the scheme. Councillor Mackie was reassured that staff would not be adversely affected as regards qualifying for the furlough scheme should racing not go ahead on 1 July.

Responding to comments made by Mr Miller-Bakewell, Councillor Currie reiterated that regardless of who was operating the Racecourse, public safety was paramount; if Police Scotland or Environmental Health had any concerns, then the

race meeting would not go ahead. The Chair requested that the Committee should see the plans for racing on 1 July.

Mr Farnsworth informed the Committee that the BHA was looking to retain scheduled fixtures as far as possible. However, due to the suspension of the jump season, there were now some gaps in the fixture list, and there were some racecourses which could not stage racing behind closed doors. Therefore, only 70% of fixtures would be allocated. He noted that the BHA had expressed disappointment that there would be no racing in Musselburgh in June, so he assumed a fixture on 1 July would be welcomed by the BHA. As regards the financial projections, he advised that these had been updated a number of times since March to take account of the latest available information, and that any removed fixtures would add £30,000 to the deficit. On the situation with the rent, he hoped that the Racecourse would not need to pay the full amount in 2020/21, but was waiting to hear from Mr McCrorie on this; any rent payable would be deducted from the bottom line. He stressed that he was not expecting the Racecourse to be given special treatment by the Council.

Councillor Mackie asked if racing had resumed in other countries. Mr Farnsworth advised that a number of countries, including Germany, France, Australia and China (Hong Kong) had held race meetings. Mr Anderson Green added that he had had horses racing in France the previous weekend and that the arrangements had worked well.

In response to a question about the Stables Café and discussions with EnjoyLeisure, Mr Farnsworth reported that he had made contact with EnjoyLeisure, and that there would be further discussions once the situation with the first race meeting was confirmed.

Councillor Mackie commented that both the Racecourse and golf course were in very good condition at the moment.

Decision

The Committee agreed:

- i. to note the report; and
- ii. that plans and risk assessments relating to the resumption of racing at Musselburgh would be provided to the Committee.

SUMMARY OF PROCEEDINGS

The Chair informed the MRAC that they would exclude the public from discussion of Item 4, and the minute of private business from the meeting on 5 May 2020, which contained exempt information by virtue of Paragraph 6 (information concerning the financial or business affairs of any particular person other than the Authority) of Schedule 7A to the Local Government (Scotland) Act 1973.

HR Matters

A number of HR matters were discussed and approved.

Private Minute of the MRAC Meeting of 5 May 2020

The private minute of the meeting of 5 May 2020 was approved, subject to one amendment.