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## **Minutes of the Meeting: 18 March 2004 (held at the Sports Council for Northern Ireland)**

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### **Present**

Chair Sue Campbell

Members

Nick Bitel	Louise Martin
Patrick Carter	Adrian Metcalfe
Philip Carling	Eric Saunders
Alastair Dempster	Gavin Stewart
Zahara Hyde Peters	Connie St Louis

### UK Sport Staff

Andrew Barnett	Head of Communications
Liz Nicholl	Acting Chief Executive and Director, Performance Services
John Scott	Director, International Relations and Major Events
Neil Shearer	Director, Corporate Services

### Observers

Roger Draper	Sport England
Huw Jones	Sports Council for Wales
Eamonn McCartan	Sports Council for Northern Ireland
Ian Robson	SportScotland

### **Introduction**

- 1 Sue Campbell welcomed members to the meeting thanking Eric Saunders and Eamonn McCartan for their hospitality. Council welcomed Phillip Carling, the new chair for the Sports Council for Wales, to his first meeting as a member.

### **Apologies for Absence**

- 2 Tanni Grey Thompson and Laura McAllister sent their apologies.

### **Minutes of the Meeting held on 29 January 2004**

- 3 An appendix to the minutes had been omitted as had the costs for the reform programme.
- 4 It was brought to Council's attention that in item number two, Zahara Hyde Peters' name was spelt incorrectly.
- 5 An issue on accuracy was raised concerning item 29. At the previous meeting, members asked for affordability to be further considered. This would be covered at this meeting.
- 6 Members were informed that they would be given a verbal update on the governance review which took place on 9 March, and that they would receive

a full set of recommendations to consider at the additional meeting scheduled for Friday 2 April. Members were informed that the paper would be sent out to Members week commencing 22 March 2004, so as to provide an opportunity for Members to make comments.

## **Business Planning: Progress Report**

- 7 The chair informed Council that the purpose of the next item was to discuss the principles of the business plan including core purposes, measures of success and key financial implications. Liz Nicholl presented some of the principles contained in the plan. A full copy would be circulated to members in time for further comments to be received by the meeting on 2 April. As part of the discussion which followed, Council was encouraged to challenge the principles.
- 8 It was stressed that UK Sport did not have UK wide authority but that it needed to work on its responsibilities throughout the UK with UK-wide agreement adding value to the system nationally and utilising international networks and influence for the benefit of sport throughout the UK.
- 9 The importance of creating clarity in roles and responsibilities of different partners was emphasised. In particular, it was stressed that UK Sport does assume responsibility for delivering high performance support but seeks to bring together all those agencies that are responsible for delivery and work with them to maximise collective impact.
- 10 During discussion, the importance of the commercial sector was referred to by members. Officers pointed out that we do have many relationships with the commercial sector which UK Sport has built through, among other activities, its involvement with the Department of Trade and Industry and in particular through a special committee of UK Trade and Investment which focuses on the British sports industry. UK Sport also participates in the Whitehall Group. Such relationships with the private sector are important for UK Sport's international work and it was acknowledged that officers should highlight this work more.
- 11 Council discussed the performance targets and were informed that more work could be done on defining these once investment levels had been confirmed. Members were informed that as part of this officer's would seek to quantify the number of medals being targeted, the proportion of funded athletes winning medals that would be sought, and work would be done on assessing the development of the performance system itself. Council was informed about the need to improve the impact of anti-doping education and strike the appropriate balance between anti-doping testing, taking a more targeted approach, and anti-doping education. On events, it was noted that the aim is to increase not just the number of events secured but to find a way of measuring the influence that had been deployed in order to help secure them.
- 12 Members raised the issue of the modernisation programme and suggested there is a need for clarity as to what is meant by "modernisation". Officers pointed out that the "Investing in Change" project had identified a series of models that governing bodies could use to self assess where they are now and to action plans for change. It was also stressed that the process should be a learning one in which lessons from one governing body's experience of modernisation could be used to benefit another. It was acknowledged that this

- required some qualitative measures to be developed.
- 13 A question was raised about the cost of drug testing programme. Officers explained the cost of testing in the UK is very expensive as a result of a number of factors including the reliance on a single laboratory. Council was informed that officers are currently working to contract an additional laboratory. It was also pointed out that the issue of whether we should contract a laboratory abroad is a critical decision that Council will have to address. Whilst offering potential savings, this could compromise the UK's status as a "leading" nation in the WADA community.
  - 14 The question of whether the hosting of International Federations is part of UK Sport's aim was raised and it was stated in response that this was contained in the business plan and the international strategy which sits behind it. However, it was also pointed out that the resources put into this whole area of international influence have been small compared with many competitor countries. On influence generally, it was explained that talks had taken place with the Foreign and Commonwealth Office and the British Council who are doing a lot of work to produce a much more focused approach to international activity. UK Sport's work can have much greater impact if we work in partnership with other agencies.
  - 15 On world class performance plans, draft submissions had been reviewed. On the basis of these plans alone, costs would rise by £23million over the Olympiad. Some of this rise is felt by officers to be unreasonable but it was acknowledged that preparation for the Beijing Games would have additional costs. It was pointed out that some sports had taken a bold approach requesting additional funds while offering significantly increased medal return. In other sports, there is a desire to invest more heavily in science and technology. At the same time, the plans provide for funding fewer athletes and so more focussed. Once a headline budget is agreed as part of the business planning process, the next task is to assess the plans in greater detail. On the basis of current plans, officers' assessment is that growth in the order of £8million (£2million per year) would be required to maintain progress towards overall medal goals.
  - 16 The issue of making athletes and governing bodies aware of the services on offer through the institute network rather than going abroad was brought up and it was explained that one of the purposes of one stop planning is to take a more sophisticated approach to planning demand for the services.
  - 17 Discussion continued about the funding gap and how this had been reduced to £15.7 million from what might have been £60million. Work is still being done to see what can be done to pull that cost even further down and indeed to see if there are new ways of achieving breakeven. It was explained that research into new income sources was being undertaken and that steps had already been taken on seeking commercial funding to support certain aspects of UK Sport's work. The aim is to find a way of filling the £4million per year gap. In addition, the financial implications of implementing the review into drug-free sport need to be considered.
  - 18 Council thanked officers for the work that had been done on the business plan and agreed the approach that had been taken. Full copies would be circulated to members who were invited to raise any specific issues as soon as possible with the Chair so that these could be taken into consideration before the meeting on 2 April.

## **Drug Free Sport Review – verbal update**

- 19 John Scott introduced discussion on the PMP report into UK Sport's responsibilities for drug-free sport, a copy of which had been circulated.
- 20 Discussions focused primarily on the issue of whether a separate board for Drug-Free Sport should be set up. It was agreed that clarifications should be obtained from PMP to explain what they meant by having a separate board. It was suggested that it might be more of an issue of establishing the right relationship between UK Sport's Council and this board rather than having a board which was completely separate. Council discussed whether this board might be more of a management board than one with strategic responsibilities. It was agreed to re-visit this particular recommendation.
- 21 The issue of the cost of drug tests was raised once more and it was explained that for us to have a laboratory in this country, the national anti-doping agency has to guarantee a minimum of 1,500 tests as is required by the WADA Code. It was pointed out that this issue had been debated by Council some time ago as to what we as a nation aspire to in terms of an anti-doping programme. It was also pointed out that a laboratory was seen to be a measure of our commitment to drug-free sport because a laboratory can undertake research and not just analysis. Council previously decided that the UK should have a laboratory not least as one is needed for an aspiring Olympic host.
- 22 One member referred to a number of detailed drafting points and some potential contradictions in the report's text. Officers noted these points and agreed to raise them with the report's authors.
- 23 Members noted the report's conclusion that a number of different countries had moved towards an independent agency solution following a series of crises. It was therefore agreed that UK Sport's testing and results management system should be "stress tested" for its robustness as Council needed to be sure the processes and the IT system itself could withstand a number of potentially threatening scenarios.
- 24 Members accepted the recommendations of the PMP report with the exceptions noted and ask for further work to be done particularly in relation to lines of reporting and the role of the proposed new board.
- 25 The timing and method of publication of Council's response to the PMP report was discussed. It was agreed that the report could be put into the public domain with the caveats Council had expressed clearly made and that management would decide on when and how best to approach this in consultation with the Chair.

## **Approach to WADA compliance and pre-testing programme for Paralympic sports (UKSC 015 2004)**

- 26 John Scott introduced this item explaining that we had the ability to test some of the high priority Paralympic sports but that some others had issues which were more complicated and that it might take some time before the systems met expectations. Discussion took place on the appropriate response to these challenges and agreed a pragmatic, incremental approach was preferable.

27 Members accepted the recommendations in the paper.

### **Financial Management Reports and Budgets (UKSC 016 2004)**

28 Neil Shearer introduced this item and explained that at the end of this year a surplus was expected which is to cover contingencies for commitments. For 2004-05, we now use the Lottery forecast produced by DCMS which is virtually unchanged from this year.

29 It was explained that, for the financial year 2004-05, UK Sport has additional grant-in-aid funding for drug-free sport and for Cunningham recommendations, and a proportion of that is to be used to support the Lottery short-fall. Discussions are also on-going with the National Audit Office about the statutory treatment of commitments for exchequer accounting. The plan over the period means that increasingly UK Sport will use exchequer funding for commitments that would previously have been funded through the Lottery.

30 On administration costs, it was explained that CEO and HR increased costs reflect the expected outcomes of dealing with personnel issues. Staff costs have risen 9% due to increasing employers' pension contributions.

31 In Drug-Free Sport there will be more testing next year moving UK Sport to the target set out in the plan. It was explained to members that UK Sport will increase both the number of commercial tests as well as the public interest tests. Commercial tests will increase at a lighter rate and there are plans to increase the price per annum of those tests.

32 The budget for 2004/05 also include £800,000 for replacement drug testing technology. It was explained that this is something officers have had concerns about for a period of time and that the increased funding granted for the financial year 2004-05 allows this issue to be addressed. Should the cost of replacing the system be less than that budgeted for, the surplus can be used to cover any further Lottery shortfall. It was explained that a tender has been issued for the work and that, whilst it would be preferable not to design a new system as it would reduce development costs, there are very few models internationally to work with. An outside option is to work with the Americans who are looking at a new system but this may not be possible. A particular challenge for any new system is the need to cope with the new WADA code requirements on athletes' whereabouts and therapeutic use exemptions. Members asked for all options to be explored including systems used in other government departments.

33 Council noted the financial report and thanked officers for preparing it.

### **Council and Panel Members allowances (UKSC 017 2004)**

34 Council approved the Council and Panel Members allowances paper.

### **Cross Distributor Common Complaints Process (UKSC 018 2004)**

35 Council agreed the Cross Distributor Common Complaints Process paper.

## **UK Awards Panel: recommendations from Meeting of 16 February 2004 (UKSC 019 2004)**

- 36 Liz Nicholl introduced this item explaining that at the previous panel meeting there were a number of organisations whose funding was being phased out or reduced. It was explained that the “safety training” issues targeted at sports such as caving and hang and paragliding were no longer a high enough priority to justify continued funding beyond March 2005 and the responsibility should rest with the Governing body.
- 37 Members examined the case for ending support to the National Sports Medicine Institute. Members agreed funding for the winding down of NSMI’s activities and Council agreed that any amount over £50,000 would have to have the Chair’s approval.

## **British Olympic Association partnership and funding for Olympic preparation camps (UKSC 020 2004)**

- 38 Liz Nicholl introduced this item explaining that the key issue is effectiveness and efficiency, and a partnership with the British Olympic Association is needed because we have too often done things in parallel and wasted both resource and effort. The objective in this relationship is to strengthen working together to make better use of both human and financial resources.
- 39 In presenting the paper, the financial circumstances of the BOA were outlined including the challenges of raising sponsorship in the current economic environment. It was explained that what was absolutely essential was not to prejudice any preparation for the Athens Games and that funding for pre-game camps sat within UK Sport’s own goals.
- 40 A discussion took place as to whether funding was best channelled through governing bodies as part of their world class performance plans as they could then pass it on to the BOA for use of the Olympic preparation camps, or whether it was more effective passed directly to the BOA. It was explained that both were possibilities but it was simpler to fund BOA direct and officers were confident that BOA was working with the Governing bodies to deliver their needs. The additional benefit of funding the BOA direct was the leverage it afforded in respect of developing a closer working partnership.
- 41 In discussion, it was suggested that the paper would be strengthened if some of the outputs and some of the outcomes were looked at in terms of what we are going to get for an investment of £800,000. It was suggested that a signal should be given to the BOA indicating UK Sport is prepared to give it the funding but it must provide expenditure plans so as to show how the money will be spent. Liz Nicholl explained that full details of the expenditure budgets has been received and reviewed.
- 42 In concluding the discussion on funding, Council agreed the grant in principle and the Chair asked Gavin Stewart to act for Council to ensure the details and issues raised by Council are dealt with properly. He was asked to report back to Council in due course.
- 43 On the draft partnership agreement, the question of whether UK Sport support the BOA’s bylaws were raised and whether the partnership proposed is a legal

- partnership with liability. It was stressed that this was not the case.
- 44 Council welcomed moving towards a partnership. It was noted that some wording in the paper required minor revision to bring it into line with Business plan terminology.

### **Major Events Panel: Recommendations from meeting of 11<sup>th</sup> February 2004 (UKSC 021 2003)**

- 45 John Scott introduced this item explaining that there were four awards for Council to recommend.
- 46 Members agreed to provide a grant contribution of up to £275,000 towards the bidding for and staging of the Sudirman Cup 2007.
- 47 Members agreed to provide up to £250,000 towards the staging of the World Mountain Bike Championships 2007 this was agreed.
- 48 Members agreed to recommend that UK Sport provides a grant contribution of up to £110,000 towards the staging of the World Junior Wheelchair Basketball Championships 2005, with a further condition that at least eight teams participate in the event and should the numbers fall below eight the award is to be reviewed.

### **Date of next meeting**

- 49 Council agreed to move the meeting scheduled for Thursday 14 October to the day before, agreeing Wednesday 13 October as a meeting date. The meeting in Glasgow in December would remain on Thursday 9 December.