



Minutes of the UK Sport Board Meeting held on 30th June 2009

Present

Chair Sue Campbell

Attendees:

Philip Carling
Nigel Walker
Rod Carr
Louise Martin
Jonathan Vickers
Philip Kimberley
Chris Holmes
Richard Lewis

UK Sport Staff

John Steele	Chief Executive
Liz Nicholl	Chief Operating Officer
Tim Hollingsworth	Director of Policy & Communications
David Cole	Business Support Director
Andy Parkinson	Director, Drug Free Sport
Chris Walker	Finance Director
Peter Keen	Performance Director

In attendance

Simon Le Fevre	Head of Investment & Governance
Russ Langley	Head of Communications

Board Secretary

Jackie Freeman	UK Sport
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Introduction and Apologies for Absence

Action

The Chair received apologies from Dominic Walsh.

Declaration of Interest

Members were reminded of the need to declare their interest in any items requiring a decision and to remove themselves from such decision making.

No members declared an interest for this meeting.

Approval of Minutes

Members agreed and the Chair signed off the minutes of 12th May 2009.

Matters Arising

No matters arose for discussion.

Executive Team Report

Chair introduced the Executive Team report.

Finance

CW sought approval for two financial commitments:

- Grants of up to £930,000 to British Council and £1,150,000 to UNICEF in respect of the International Inspiration programme
- £925,00 for IT infrastructure services through to 2014 which are subcontracted out to BT.

Board approved these requests.

Anti-Doping

FA Update

UKS have received a draft of the 2009/10 season regulations and while there are a number of concerns regarding compliance, UKS is hopeful that The FA will agree to complaint regulations. The Minister had met with the CEO of the FA and UKS' Chair had also been in communication with the Chair of the FA. The FA has been informed that non-compliance would have an impact on grass root funding and Sport England has been kept informed of progress to date. Home Country Chairs asked to be kept up to date with progress.

Weightlifting

The meeting noted that BWLA had challenged for additional UK Sport funding to cover costs of CAS anti-doping prosecutions, which is not available. If the association takes the matter to judicial review, this will be defended by UK Sport.

Sport Governance

Snowsport GB

LN confirmed to the Board of that, having asked the previous CEO to step down, the Chair and Directors of Snowsport GB were progressing a financial recovery package to address the body's current cash-flow shortfall. UK Sport officers were monitoring the situation closely and liaising with the BOA and DCMS on any logistical support that might be appropriate.

Boxing

Progress had been made and the ABAE had offered to make monthly payments over 3 years in settlement of the unspent award, with the possibility of earlier full re-payment if an ABAE-owned property could be sold in the near future. UK Sport officers were preparing a response.

sports coach UK

Chair explained some concerns about the process and governance issues surrounding the departure of the CEO of sportscoach UK. UKS had made a decision, jointly with Sport England, that they would as major investors seek the appointment of an Interim Chair for the organisation, whose role would be:

- To look at governance and board structure
- To review procedures and processes
- To look at the organisational structure as a whole

The appointment of the Interim Chair would be ratified on Wednesday 2nd July at the sportscoach UK Board meeting

In answer to questions from Members LN explained that, if serious concerns about the competency of the organisation emerged, then advance notice of an intention to consider suspension of the UK Sport grant to scUK could be given. It was decided to ask the Interim Chair to report back to the UK Sport Board in September when any further action would be decided, if needed. It was also recognised that consideration should be given to protecting the work that has already been done by scUK.

Chair recorded her thanks for the support received from Richard Lewis and Sport England.

1.1 Vancouver 2010 Olympics and Paralympic targets

LN introduced paper UKS25. The reason for Board to consider this paper now was the need for UKS to agree a high level target for Vancouver with the DCMS in July as part of its funding agreement.

Board agreed a UK Sport high level target for GB Teams at the Vancouver 2010 Olympics to win 3 medals and at the Paralympics to win 1 medal.

1.2 M2012 Panel report

JS presented paper UKS26. The main themes that the Olympic Panel focussed on were facilities, the whereabouts system and coaching; and the Paralympic Panel focussed on classification and high performance culture.

Members acknowledged the work Sport England has carried out to improve various sports facilities around the country. It was proposed to set up a Mission 2012 facilities task force to gain support to address performance facility needs.

The UK Sport Board agreed to endorse the approach proposed by the Olympic Panel to address the facilities theme.

LN reported that Handball and Sitting Volleyball had an overall 'red' rating. After consideration, the Board decided that:

- **for Handball no action is taken until the position of the sport is considered at the annual review later in the year;**
- **for Sitting Volleyball the Board acknowledges British Volleyball's partnership with Volleyball England to support Sitting Volleyball;**
- **Board accepts the decision of the sport of Volleyball to prioritise investment in Beach and Indoor disciplines; and**
- **Board agrees to an adjustment to the UK Sport/NGB Funding Award Agreement to reflect this change of investment focus.**

1.3 M2012 Panel review

LN introduced paper UKS 27 which outlined the revised terms of reference and the proposal to increase membership of each panel by one. Members agreed that they felt the Panel was having an impact on sports and helping them face the challenges and also supporting one another.

Board agreed to approve the amended Terms of Reference and to delegate the appointment of the additional members to the Chief Executive, as Chair of both panels.

1.4 British Cycling

Dave Brailsford and Ian Drake joined the meeting to give an update of their 4-year plan and in particular their sponsorship with Sky and plans to enter a team in the Tour de France. They explained that at the heart of the partnership with Sky is the use of their elite success to promote cycling from grass roots to elite level. Team Sky will aim to improve British Cycling's chances of winning 6 out of the 18 available medals in London 2012; create the first British winner of the Tour de France within five years; inspire people of all ages to ride their bikes; and add further support to competitive cycling in Britain. They stated that there would be no duplication of funding between Team Sky and their UK Sport funded Performance Programme and no dilution of focus on 2012 success. Team Sky will be operated and entirely funded by Sky through a wholly owned subsidiary company, Tour Racing.

2.1 Annual Accounts for approval

CW talked members through paper UKS 28 which had been circulated prior to the meeting. One of the issues most likely to have a significant impact on UK Sport going forward was the shortfall in the pension scheme. Currently, there is a £3m deficit and a plan to address the situation will be prepared for consideration by Audit Committee in December 2009.

CW also referred to the Audit Completion Report and noted that the NAO had not raised any significant queries, except for a non statutory payment to a member of staff who left during the year. JS noted that this was approved by the CEO and Chair on the basis that it represented the best course of action for the business and was within the UK Sport Financial Memorandum. The matter had been considered by Audit Committee and accepted as appropriate.

Russell Langley left the meeting.

2.2 Finance Update

CW gave members a presentation on the DCMS funding for 2009-2011. Members discussed various options for efficiency savings should they be required and the impact each one would have on the organisation.

Chair suggested that a paper be brought to the next Board meeting for discussion but in the meantime, further clarification and dialogue would be sought with DCMS.

2.3 Capital Investment – Boxing Accommodation

LN introduced paper UKS 29.

SLF reported that Derek Mapp had confirmed that the figure of £740,000 would include fitting out costs. It was expected that building work will take 6 months to complete. UKS is awaiting a formal response from the DCMS regarding authorisation to convert the relevant amount of the existing grant award from revenue to capital; and the Board noted that legal advice was being sought as to whether UK Sport's financial support for the purchase might be considered to be state aid.

Taking account of the above, Board agreed:

- **to continue its support for BABA's investment in the freehold of an accommodation block in Sheffield on the basis of ownership of the property lying with BABA; and subject to:**
 - **provision by BABA of a satisfactory funding model for the purchase;**

- **the necessary approval from the DCMS for the use of the relevant amount of UKS funding award as a capital grant to BABA; and**
- **BABA agreement to the de-commitment of part of the existing WCP Programme funding award and its replacement by the relevant capital grant.**

2.4 Team2012 Update

- Athlete deed and sign up

TH reported that around 300 athletes have still to sign the deed – almost all of them from the three sports of athletics, aquatics and cycling. In the latter two sports, this was primarily because of a delay in sending the documentation out to athletes due to a long, but successful, legal process. There are also delays across all sports due to the start of the competition season and athletes being distracted. However it was also the case that despite the assurances received a number of athletes, particularly in Athletics, were still not signing because of their agent representatives advising against. TH stated that an action plan was being drawn up to overcome this, including contacting athletes direct, and involving the BAC. All three sports have committed to ensuring sign up as soon as possible

- Presenting Partner Threshold

In terms of meeting the contractual requirements for the Presenting Partner, a key issue is the ability to deliver the days required to meet the Threshold for medallists and Olympians/Paralympians in particular. It would be very difficult for UK Sport to sign up to a sponsor contract until this is achieved.

- Possible sanctions

TH presented various possible approaches sanctions for athletes and sports not participating in the signing of the deed. These were discussed by members together with the risks and benefits of each option. The Board categorically agreed that while there might be strong pressure to apply funding sanctions, it did not want any action to be taken that might compromise performance or put the tax status of either the Team 2012 programme or indeed the whole World Class Performance Programme at risk.

The Board agreed:

- **that the Presenting Partner contract should only be entered into once the threshold of required athletes had been reached regarding sign up to the Deed**
- **that rather than funding sanction, it strongly supported the option to focus on individual athletes and to seek to influence them directly. This should include the public promotion of the positive elements of athletes being part of the 'collective' of Team 2012.**

2.5 Paralympic Events Review

Simon Morton joined the meeting.

SM introduced paper UKS 31. UK Sport Major Events Panel and UK Sport Board had asked UK Sport officers to review the lottery investment into Paralympic sports events to ensure that any further investment in events in this cycle follows its funding principles and works towards Mission 2012 goals.

A summary of the current situation, feedback from sports and future opportunities were outlined in the paper. It was acknowledged that due to the financial limits of the World Class Events Programme, UK Sport cannot support every event and 2 options for a future strategy were presented.

Board welcomed the paper and found its arguments persuasive. It agreed that UK Sport would support only events that are performance focussed and provide world class competition opportunities, at a World or European level, within a strategy which prioritises the staging of single sport Paralympic championships and broadens the numbers of Paralympic sports hosting events ahead of London 2012. A multi-sport event could still be considered if it followed the agreed funding principles.

It was agreed that applications would be considered on merit, and an opportunity would be given to the Paralympic World Cup organisers to consider whether the event could respond to the performance needs of sports. If so, UK Sport would consider an application developed in partnership with the relevant NGBs.

Simon Morton left the meeting.

2.6 Athlete Personal Awards Funding Eligibility – policy development

SLF presented paper UKS 32 to the meeting.

Members supported the contents of the paper and no additional observations were made.

2.7 Commonwealth Games – policy statement

LN introduced the draft policy statement setting out UK Sport's position on the Commonwealth Games. After discussion, it was agreed that the policy would be as follows:

- UK Sport supports the Commonwealth Games movement and will promote understanding within the UK Performance system
- UK Sport will encourage UK Performance Directors in Commonwealth Games sport to:
 - pro-actively engage with their home country governing bodies and the Commonwealth Games Associations to maximise the opportunity that the Games presents
 - attend the Games and support the inclusion of World Class programme athletes in Commonwealth Games representative teams
- UK Sport acknowledges the significance of the Commonwealth Games at a home country level noting that for some non-Olympic and Paralympic home country based sports, the Games represents the pinnacle of achievement
- UK Sport is aware that the Games can also provide a valuable multi-sport and competitive experience for athletes and support teams preparing for or aspiring to compete in an Olympic or Paralympic Games.
- UK Sport expects Olympic/Paralympic and World Championship

preparation programmes that benchmark performances against the world's best to take precedence over other competitions and so understands that there may be valid performance reasons for a UK level athlete not to compete in a Commonwealth Games.

- UK Sport will, in such circumstances, request that the sports and the athletes concerned convey the reasons for it as early as possible to the Commonwealth Games Association concerned so that expectations can be managed.

It was agreed that LN would communicate the above to sports.

2.8 Intellectual Disability

SLF presented paper UKS 34 to consider a request from the UK Sports Association for People with Learning Disability (UKSA-PLD).

Pending the outcome of the decision by the International Paralympic Committee as to whether intellectual/learning disability athletes will be re-admitted to the 2012 London Paralympic Games, Board agreed:

to endorse the recommendation to make a grant to UKSA-PLD of £25,000 for the period to 31 March 2010, limited within the specific conditions outlined in paper UKS 34.

2.9 Major Events Panel – Terms of Reference

LN introduced the revised terms of reference for the Major Events Panel.

Board approved the Terms of Reference for the Major Events Panel and endorsed the addition of a section on fees and expenses in line with the position agreed by Board in a separate paper.

2.10 Fees

CW presented paper UKS 36 on revised Board/Committee fees and expenses and asked members to consider the basis on which fees are paid and agree a way forward.

It was decided that all Groups established by Board should be eligible for fees, in accordance with DCMS guidelines, and in particular the Major Events Panel. The Home Country Sports Council Members advised that attendance at UK Sport Board was not covered by their engagement to their local Councils and it was agreed that fees should be paid on the same basis as for individual appointees.

Members discussed whether fees should be available to cover preparation work. It was confirmed that this is within DCMS guidelines and agreed that members may claim up to half a day for work required to be done in advance of attending meetings. CW asked that this should be applied judiciously in view of budget constraints.

Members queried whether travel expenses are subject to tax and CW advised that this area is currently under review and a full update will be presented to the next Board meeting

4.1 UK Sport International Foundation Board

In the absence of Debbie Lye, JS presented paper UKS 37.

Board agreed

- **That the Board of UKSIF should be structured as follows:**

Nominated Directors

- **director nominated by UK Sport**
- **director nominated by BOF**
- **director nominated by British Council**
- **director nominated by the Youth Sport Trust**

Independent Directors

- **charity law specialist**
- **finance specialist**
- **communications/marketing specialist**
- **international development specialist**
- **sport NGB (or equivalent) specialist**
- **research, monitoring and evaluation specialist**

Board also agreed the proposed appointment process and the extent of UK Sport Board's involvement in appointments.

5.1 Drug-Free Sport – Project Milestones

AP gave Members a short presentation on the project milestones. A significant risk to the timely delivery of the project has been mitigated by the recent news from Treasury agreeing to a London location. The focus of the project is now on the physical transition to the new location and the development of case management procedures so that UK Anti-Doping can confidently manage a case on the first day of operation. Members were advised of the forthcoming publication of DCMS's consultation paper and specifically the impact the revised National Anti-Doping Policy will have on UK Sport once UK Anti-Doping is formally established.

6.1 Major Events Panel - minutes

Members approved the minutes of the last meeting of the Major Events Panel.

6.2 Board Events calendar

Paper UKS 39 was accepted.

7. AOB

International Inspiration Foundation

At the International Inspiration (II) Shadow Foundation Board meeting on 23rd June, the decision was taken to proceed to establish the Foundation with Members signing a Memorandum and Articles of Association. UK Sport's legal advisor has reviewed the Memorandum and Articles of Association and confirms that they do not present UK Sport with any undue legal risk. UK Sport will be a Member of the new Foundation and Sue Campbell will serve on the Board as UK Sport's nominated Trustee. The Secretary of State has confirmed that UK Sport can be a member of the Foundation.

Board agreed that UK Sport may sign the Memorandum and Articles of Association to become a member of the Foundation.

8. Date of next meeting

24th September at 9am at UK Sport's offices.

