



Minutes of the UK Sport Board Meeting held on 27th January 2010 at UK Sport's offices

Present

Chair Sue Campbell

Attendees:

Philip Carling
Nigel Walker
Rod Carr
Philip Kimberley
Chris Holmes
Dominic Walsh
Louise Martin
Jonathan Vickers

UK Sport Staff

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

In attendance

Simon Le Fevre	Head of Investment & Governance
Vijay Parbat (part)	Legal Advisor
Aimee Twine	

Board Secretary

Jackie Freeman UK Sport

Introduction and Apologies for Absence

Action

The Chair welcomed everybody to the meeting. Apologies were received from Richard Lewis.

The Chair recorded the Board's thanks to Phil Carling who was retiring from the Board and thanked him for his contribution and support over the years. She also wished Rod Carr a happy and enjoyable retirement from his position as CEO at the RYA.

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.

Rod Carr declared an interest in relation to item 2.4 of the Agenda.

Approval of Minutes

Members agreed and the Chair signed off the minutes of 8th December 2009.

Matters Arising

There were no matters arising.

Executive Team Report:

JSt introduced the Executive Team report which had been circulated prior to the meeting. He highlighted additional information on two issues:

- Dutton Report – JS reported that Audit Committee was keen that the Board engages with the recommendations of the Dutton Report in a practical and meaningful way, but at the same time ensuring that it did not become a burdensome exercise. UK Sport has drawn up a paper summarising its own existing governance arrangements, and those shared with Sport England, as initial follow-up to the Dutton Report. Further work is being undertaken on how to respond to the recommendations, and this will be submitted to DCMS in due course.
- Snowsport GB – SLF informed the meeting that Snowsport GB had notified UK Sport that the NGB was still operating at this point. The fundamental issue is that there is no equity to service the organisation's debt. Neither does it have high levels of income. Given the continued uncertainty about Snowsport GB's future, UK Sport officers had been in contact with our 2 funded athletes to reassure them that contingency measures are being put in place. The Board agreed that UK Sport could provide some limited financing to support these athletes if needed for their participation in Vancouver. The Board noted that UK Sport officers continue to keep a watching brief on the situation and are in close contact with BOA.

2.1 Finance update

CW introduced paper UKS 01 for information. The full year forecast result as at 31 December 2009 is a surplus of £0.4m on Exchequer fund and a reduced deficit of £1.43 on the Lottery Fund, compared to budgeted deficits of £0.03m and £3.61m respectively. CW noted that there was potential for a modest upside on Lottery income given actual income to 31 December 2009.

CW advised that following agreement at December Board, discussions are now in hand with DCMS officials to agree phasing of the Grant-in-Aid clawback. The 09/10 contribution will be funded from the forecast surplus of £0.4m and there was some discussion around the composition and likely scale of the final outturn..

It was noted the there was an improvement in the figures. CW explained that this was as a result of sports deferring payment later this year to next financial year; and a small element of corporation tax and service charge rebate.

2.2 Annual Investment Review Update

LN introduced paper UKS 02, which gave an update on follow-up and feedback from the sports whose funding or governance was the subject of special consideration as part of the Annual Investment Review. The Board then considered the following items in more detail.

Cycling - Since the paper had been sent, JSt had met with the CEO of British Cycling and agreed to set up a joint review of the interaction between the World Class Performance Programme and Team Sky. The Investment & Governance Team has drawn up terms of reference, including a set of questions around sponsorship and intellectual property. The thrust will be to ensure visibility against UK Sport grant funding and other income received and the balance between the track teams and professional road team. Other issues were being addressed regarding the exposure given to UKS branding and seeking to redress the balance against other sponsors. An independent firm of consultants will be appointed to undertake the work. It was agreed that officers would report back to the Board meeting in May.

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Table Tennis - The Board of the British Table Tennis Federation had requested a review of the decision made by the UK Sport Board on 8th December. Board were referred to the written submission that the BTTF had chosen to make. The Board reviewed the submission; and in particular the BTTF's request for an agreement that, once GB Table Tennis' own review was completed, UK Sport would allocate a ring-fenced £1.2m for the period 2011-13 with the standard terms and conditions. The Board understood that GB Table Tennis was seeking certainty and a context for its planning.

After consideration and discussion, the Board came to the view that - in making the important changes that the Board recognised the BTTF has acknowledged are needed - GB Table Tennis should be encouraged to focus on a small athlete/coach unit for its very best young athletes with potential for 2016. For them, the 2012 Games would then be a significant development opportunity. The current limited resource that the BTTF has, needed to be aligned with this approach. The Board wished to see progress being made with such an approach before considering whether additional funding would be merited. The Board also restated that it will need to consider any additional funding in the round when again reviewing the relative merits of all sports and the economic conditions at the time.

For these reasons the request from the BTTF was not agreed. The Board will consider a case for an additional award for Table Tennis within the 2010 Annual Investment Review, with final decisions at its meeting in early December.

During discussions, Board members stressed the importance of clarity on the difference between the separate focuses of the Mission 2012 process and the Annual Investment Review. For Mission 2012 to work properly with a sport, the process requires openness and transparency from both parties. The aim is that performance related WCP Programme issues arising with sports do not come to Board if they can be solved through the Mission 2012 process.

Boxing - Copies of correspondence between GB Boxing and UK Sport had been included in the meeting papers. The Board noted that UK Sport officers had given the British Amateur Boxing Association an explanation regarding medal targets and target ranges. The sport's concerns regarding the communication process and engagement were duly recognised. It was noted that JSt and PK have arranged a meeting with Boxing in Sheffield; and it was agreed that officers should provide a paper at a future meeting outlining progress and achievements since the GB Boxing Programme moved to BABA. Board members were keen to note that the sport had done a very good job and had come a long way compared to 18 months ago.

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Fencing – At the December Board meeting, it had been agreed to continue with the 2009/13 grant award to British Fencing, but for officers to include specific conditions. These would relate to the completion of an agreed action plan to address the issues identified in the Management & Governance Audit; as – although British Fencing remained financially viable - a report of 'no assurance' was given with regard to governance and leadership matters. The flow of funds would be conditional on progress against that plan.

It was noted that the sport were facing some tough challenges in this area. LN had attended their Board meeting and another meeting has been scheduled for early March to agree the action plan and way forward. Audit Committee would also be asking for regular reports on progress. LN agreed to update Board at the next meeting.

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JSt concluded that the general response from sports to the decisions taken at December Board, and the media coverage, were positive and there had also been strong political support.

2.3 Performance Investment Principles

LN presented paper UKS 03 which outlined proposals for a revised set of investment principles to be adopted for both winter and summer Olympic and Paralympic investment decisions. She explained that the principles needed some repositioning to address both environments. The investment principles would apply to the decisions on Winter Olympic & Paralympic investment after the Vancouver Games.

Board members recommended changing the order of the principles slightly and inserting a covering general statement. Some cross referencing between the principles was required and wording on the importance of corporate governance capacities of the governing bodies was needed.

Members referred back to the agreement at the previous meeting to gain a better understanding of how sponsorship and commercial funds flow into the high performance sports sector and the Chair noted the need to work on this for future investment decisions.

LN agreed to amend the paper to reflect discussions and once finalised, would be circulated to Board.

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2.4 Major Events Strategy 2013-18 and Investment Principles

Simon Morton joined the meeting and members discussed paper UKS 04. SM informed the meeting that NGBs have submitted their 2013-18 event-hosting targets and a scorecard has been developed which assesses the potential of each event to contribute towards the four previously agreed strategic objectives. SM was now asking Board to consider:

the weighting to be applied between these objectives from a strategic point of view;

the principles to be applied when prioritising major events taking into account merit and representation

Board agreed that the weighting, as set out in the paper, should be amended slightly with an increase for the legacy objective and a decrease in the objective covering the economic and social benefits to the UK.

Board felt that, taken in isolation, the principles could lead to sports with multi-disciplinary competition structures and high priority circuit events being ranked quite low. SM was aware of this and would ensure the ranking system addressed this concern.

Chair felt that the training of technical personnel to develop "appropriate technical expertise" should be given a higher priority and importance. She also felt that this was an important piece of Legacy work. She also thought the Events team should consider meeting with the Home Country Sports Councils to look at how participation could be driven through on the back of the events.

SM agreed that he would provide a more detailed presentation on the full prioritisation process and results at the next Board meeting.

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Subject to alternations as a result of the discussion, Board approved the investment principles and weighting of objectives.

2.1 Life after London

JSt and TH gave Board an update on the consultation process for this project. Following Board discussions at its last meeting, staff workshops had taken place and all NGBs had been invited to fill out a questionnaire. Common themes had emerged and would form part of the vision statement and narrative which will be drawn up by March 2010. All stakeholders will be able to share and use this document and it is expected that it will also be used in ongoing discussions with government officials, sports and the media. It is also hoped that it would feed into government legacy. During the rest of 2010, Phase Two would consider in more detail the impact on core elements of the world class programme and future strategic priorities. A Blueprint for High Performance Sport would then be finalised by the end of 2010. Members discussed the process and felt it was important to ensure all sports, including the PD/coach/athlete relationship, and Home Countries were fully engaged and endorsed the proposals. Questions were asked about funding requirements post London 2012 and how they would be addressed, in particular with a new government.

TH agreed that the Vision Statement and narrative would be presented to March Board and further details of the Phase Two process would be considered.

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3 Board events calendar

The date for the Sports Council Wales Board meeting should be 10th June.

4 Any other business

5 Date of next meeting: Wednesday 3rd March 2010