



Minutes of the UK Sport Board Meeting held on 27th June 2012

Present

Chair Sue Campbell

Attendees:

Laura McAllister
Louise Martin
Jonathan Vickers
Mark Hanson
Philip Kimberley
Rod Carr
Chris Holmes

UK Sport Staff

Liz Nicholl	Chief Executive
David Cole	Chief Operating Officer
Chris Walker	Finance Director
Debbie Lye	Director International Development
Vanessa Wilson	Director Commercial and Communications
Simon Morton	Director of Major Events and International Relations
Vijay Parbat	Legal Advisor
Vikki McPherson (part)	Head, Performance Programmes
Scott Drawer (part)	Head, Research & Innovation
Paul Buxton	Head, Performance Solutions
Nigel Walker	National Director, English Institute of Sport

DCMS

Frances MacLeod (part) Head of Sport

Board Secretary

Jackie Freeman UK Sport

1. Introduction and Apologies for Absence

Action

The Chair welcomed Members to the meeting. Apologies were received from Dominic Walsh, Richard Lewis and Peter Keen. In PK's absence, Chair passed congratulations of the Board on his appointment in the Honours List

to CBE. Congratulations were also given to Debbie Lye and her team on International Inspiration receiving the Beyond Sport International Leadership award.

Chair informed the Board that PKi and DW had both had their terms renewed as Board members. SC would now be reviewing Board member inclusion in the membership of UK Sport's sub-committees and would report back to the Board in September.

UKS

Chair also informed the meeting that CW would be leaving at the end of July to take up another post. Chair thanked him for all the work he has done and wished him well in his new role.

2. 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 declarations were received.

3. Approval of Minutes

There were no amendments to the minutes of the meeting of 2nd May 2012 and they were approved as a true record of the meeting.

4. Matters Arising

LN gave an update on the funding request from the BOA. Following the last Board meeting, UK Sport had written to the BOA setting out its position and offering an in principle award of up to £350,000, uniquely for the London Games, subject to certain conditions which would secure an on-going acknowledgement of the National Lottery's investment in TeamGB (via BOA member bodies) and provide a series of rights and opportunities over the period of the Games.

UKS

Initial feedback from the BOA was that they were seeking to find a range of solutions for their significant shortfall from a number of different sources including UK Sport, Camelot and the Olympic Lottery Distributor. Negotiations were still on-going. The situation should be clearer within the week and LN would keep Board informed of developments.

Executive Team Report

LN introduced the Executive Team Report and drew Board's attention to the following:

- **Major Events** – LN drew Board's attention to the completion of the 6-year pre-Games programme which attracted and staged 118 World and European level events in the UK, trebled the previous period. The good work of the Major Events Team was acknowledged.
- **Director Recruitment** - LN informed the Board of plans to advertise for the roles of Director of Performance and Director of Finance & Investment. Job descriptions had been agreed by the Remuneration Committee with a view to adverts being placed just before the Games to maximise opportunities around this time. Meanwhile interim management within the Performance Directorate was fully operational and CH reported that Audit Committee had had a good discussion around the role for the new Director of Finance & Investment. DC reported that staff turnover was down to 11%.

6.1 KPIs

DC presented paper UKS 17 seeking Board's approval for a set of key performance indicators (KPIs) to be submitted to the DCMS. Members discussed each KPI in detail and agreed that the KPIs around the Merger were not aligned with the stated objective and needed further refinement.

UKS

6.2 Final Accounts

CW presented paper UKS 18 to accompany the final accounts. He confirmed that the audit has been completed and that the final accounts were approved by the Audit Committee at their meeting on 22nd June. The National Audit Office have proposed a clear, unqualified audit opinion on both Lottery and Exchequer accounts but have chosen to add an "emphasis of matter" paragraph to draw attention to the uncertainty around the proposed merger with Sport England. CW informed Board that an equivalent paragraph would be included in Sport England's audit certificate. CH, as Chair of the Audit Committee, confirmed that the matter had been discussed in full at Audit Committee and FM informed the meeting that discussions had also taken place between DCMS and the NAO over this inclusion.

CW drew Board's attention to the net asset position, which was due to the Accounting treatment of the Pension Scheme, and had been reviewed by Audit Committee.

The Accounts and Letter of Representation were approved by Board, and Members recommended that they should be signed by the Accounting Officer and Chair as a true & fair view of activities for the year. Members also requested the opportunity to feedback any detailed points to CW after the meeting.

Chair thanked CW for the work done to prepare the Accounts and also to the Audit Committee. CW acknowledged the strength of the financial team at UK Sport in putting the accounts together.

Board agreed to approve the 2011/12 Statutory accounts.

6.3 Remuneration Panel – Terms of Reference

Paper UKS 19 provided members with updated terms of reference for the Remuneration Panel following internal audit recommendations. After discussion, it was agreed to amend the section referring to frequency of meetings. It was agreed that the revised Terms of Reference would be brought to the September Board meeting.

UKS

7.1 Merger Update

Following discussions at the Board meeting on 2nd May, Members agreed to progress on their commitment to working towards a solution that will result in a more integrated landscape for sport in the UK. Paper UKS 20 provided one option for consideration a draft of which had been circulated to Members in advance of the meeting and this version incorporated the feedback received.

Board debated the paper and whereas some members felt that the proposed 'Commission' had the potential to improve the sporting landscape through information exchange and debate while respecting devolution, others felt that it would not be acceptable to the Home Countries or added little value. It was agreed that the Chair would consult further with the Home Country Chairs and, upon FM's suggestion, would consider writing a paper for further discussion by UK Sport Board and the Sport England

UKS

Board. LMc offered to share proposals being considered by Wales. Meanwhile officers would continue to progress collaboration across the UK.

LMc

8.1 EIS

Vikki McPherson, Scott Drawer and Nigel Walker joined the meeting.

LN reminded Board that UK Sport had undertaken to come back with a business case for the integration of the R&I work into the EIS. Work had progressed on this but LN advised that it would be more appropriate at this stage for NW to take Board through the EIS journey, highlighting the changes at the point of transfer to UK Sport in 2006 and the further changes post Beijing, the strengths of the current system and the opportunity for the next step up for the Rio cycle to inform Board discussion.

NW presented an overview of the EIS from Sydney to 2012, with over 250 staff in a network of centres providing performance focused, multi-disciplinary support for 1700 athletes across 50 sports. The strengths of the system lie in the sports science and medicine, operational and professional development expertise. Future opportunities were identified to more strongly align research innovation and technology functions with EIS science and medicine expertise to offer a more rounded and expert technical service support system and solutions to sports. This would assist EIS in moving from an operational/ transactional relationship to a technically led performance partnership. He reiterated that the EIS was committed to working collaboratively with all Home Countries to benefit the UK wide system.

LN talked members through the proposals and the transfer of the Research & Innovation function to sit within the EIS subject to there being some changes to the current governance arrangements. It was noted that the current relationship felt more like that of a funded partner and should be closer. It would be important for a reconstituted EIS Board to be more technically focussed.

DC introduced a proposed model whereby UK Sport would retain the wholly owned subsidiary status of the EIS and the EIS Board would be re-constituted to become more of technical group (akin to a UK Sport Panel) of the UK Sport Board.

After discussion, Board agreed in principle to the transfer of the R&I function to the Institute subject to changes to the current governance arrangements for the responsibilities which should be a model of best practice.

Any change to the name of the Institute should be considered when the governance structure has been addressed. Members agreed Members that Home Countries would need to be consulted, including those not present at the meeting.

Chair would meet with Chair of EIS to discuss in more detail and DC and Nigel Walker to follow up with HCSC leads and Chairs regarding proposals.

Chair

NW and SD left the meeting

8.2 Rio Planning

VM gave a presentation to accompany paper UKS 21 which looked at proposals to enhance alignment of UK wide performance pathway activity and investment. The presentation covered aspects of best practice and some of the current challenges.

Board agreed to endorse the following proposals:

- **Proposal One** – UK Sport formalise, and publish, principles to guide UKS decision making re talent initiatives to be funded within a WCP budget;
- **Proposal Two**- UK Sport further explore with HCSCs the merits and implications of adopting the approach that talent investment at HC level is proportionate to WCP investment;
- **Proposal Three** – UK Sport and HCSCs collectively explore the practicalities of the GB Performance Director being required to sign off on the KPIs associated with HCSC funded talent activity;
- **Proposal Four** – Transitional WCP funding is offered to 2014 Commonwealth Games athletes moving onto HC funding packages post London 2012;
- **Proposal Five** – Additional staffing resource from UKS and HCSCs is devoted to enhancing alignment of UK wide performance pathway activity and investment;
- **Proposal Six** – A joint UKS and HCSC communique is issued to sports evidencing our commitment to work collaboratively to deliver a step change in this area.

NGB Investment overview

VM updated Board on Rio planning and reported that 45 draft business cases had been received and reviewed. Indicative numbers on athletes and performance potential were shared confidentially with Board.

8.3 2012 Medal Targets

LN introduced paper UKS 22. The paper set out the current position on performance target ranges for the forthcoming London 2012 Olympic and Paralympic Games. A paper was tabled giving a sport specific target range for each sport which will be shared with the media on 4th July. LN emphasised that the medal (and non-medal) sport specific target ranges have been agreed with each National Governing Bodies and it is believed that the targets are realistic. The ranges (40 -70 Olympic and 95 – 145 Paralympic) were noted and inform UK Sport’s KPIs with the DCMS. It was agreed that the KPI to be proposed to DCMS should reflect the ambition to win medals across more sports than Beijing and so would be at least 48 Olympic medals in at least 12 sports and at least 103 Paralympic in at least 12 sports. While acknowledging that gold medals were not specifically targeted, the high level goals would remain as Top 4 in the Olympic medal table and 2nd in the Paralympic medal table in line with intentions set out in 2006.

8.4 Mission Control update

Paul Buxton joined the meeting and introduced paper UKS 23 which gave a summary of the mid-season reviews for summer sports and end of season reviews for the winter sports. A telephone-conference meeting of the Mission control panel had taken place the day prior to the Board meeting and there had been a change to the traffic light ratings for four sports:

- Sitting Volleyball - the system element changed to amber from

- green
- Swimming – system changed from amber to green
- Judo – system changed from amber to red
- Visually impaired Judo – system changed from green to amber.

Board noted these changes.

8.5 Winter sports review

VM introduced paper UKS 24 which summarised the outcomes of the recent winter sport annual review and provides a set of recommendations for additional and new investments.

Board agreed to the following:

- **Additional investment in Short Track Skating – one additional podium place (from 1 October 2012)**
- **New investment in Bobsleigh (Men) – eight podium potential places (from 1 July 2012)**
- **New investment in Figure Skating – two enhanced podium potential APA places (from 1 July 2012)**
- **No change to investment in six winter sports – Bobsleigh (Women), Bob Skeleton, Curling, Ski and Snowboard, Para Alpine Skiing and Wheelchair Curling.**
- **Delegated authority for Officers to determine specific conditions of award as appropriate.**
- **No investment in Cross Country Skiing**

LMartin noted that Nordic Skiing is funded by Sport Scotland and VM agreed to follow up with Mike Whittingham to provide further detail re the decision not to invest in Cross Country Skiing at this point in time. LMartin also highlighted a problem around British Ski and Snowsport and their relationship with Snowsport Scotland. DC agreed to investigate.

UKS

VM and Paul Buxton left the meeting.

9.1 International Development Strategy

CH offered apologies to leave the meeting.

DL introduced paper UKS 25 which outlined a revised mission and strategic framework for 2013-17 aimed at aligning the international development work to other UK Sport priorities and to position international development as a core objective of UK Sport.

The Strategic Framework for 2013-17 outlines four priority areas: policy influence, legacy, sport development, development through sport which are intrinsically linked and more directly aligned to UK Sport objectives such as International Relations, Major Events, Communication, demonstrating that International Development can contribute directly to UK Sport's mission and the wider development of British sport through international knowledge sharing and partnership

Board discussed the proposals outlined in the paper but had reservations

about International Development being considered as a core objective. It was agreed, however, that International Development is a significant supporting objective for UK Sport which has a positive reputational impact and creates positive climate for international relations for UK sport and for sport in the UK.

10.1 Global Events Series

Simon Morton introduced paper UKS26 to discuss the Global Events Series which is a project designed to recognise and package the strong list of major legacy events being supported by the UK; to align and publish the support provided to major events by UK Sport and the DCMS; to drive greater connectivity between major events hosted across the UK and to develop a promotional and commercial platform to support hosted events. If all progresses well with the project planning then a potential launch in November has been identified.

UKS

PKi suggested that sponsorship across events represented a significant opportunity and should also be co-ordinated and SM agreed that this would be looked at. After discussion, Board approved the contents of the paper and the draft guide attached to the paper, and agreed:

- **Its commitment to establishing one strategic programme of centrally supported events at the UK level across UK Sport and DCMS.**
- **The repositioning of UK Sport's major events activity under a new programme identity to enhance domestic and international recognition.**
- **To extend our range of technical support programmes so that they reach both 'up' the system to assist some of the very largest events being brought to the UK, and 'down' to assist events that sit just beneath those that we are able to fund.**

10.2 Major Events Panel – Recommendations

Members endorsed the following recommendations made at the Major Events Panel meeting held on 5 March 2012.

FISA Rowing World Cup 2013 (Eton Dorney)

Board agreed that UK Sport provide a grant of up to £450,000 towards the staging of the Rowing World Cup 2013, subject to the following specific conditions:

- £61,000 is ring-fenced as a contingency and only released with Officers' approval.
- £45,000 is ring-fenced as a retention and only released upon receipt of final accounts that demonstrate financial need.
- Written confirmation to be received of British Rowing's cash contribution of £100,000.
- Written confirmation to be received of British Rowing's underwrite of the event budget.
- A re-forecast balanced budget to be presented to UK Sport Officer's satisfaction
- The FISA hosting contract to specify an option for British Rowing to host the Rowing World Cup in 2015 and UK Sport Officers to be involved in those negotiations.
- An update of the following four areas to be presented at the next Major Events Panel to Member's satisfaction

- A budget reduction plan to achieve the appropriate level of savings.
- All contracts with suppliers to be subject to the correct procurement procedures
- Negotiations for TV Production and Broadcast to continue, to achieve a reduction in production fees and to generate income through the securement of rights fees
- A Commercial Business Representative to be identified by BR to attend Organising Committee meetings

European Judo Championships 2015 (Glasgow)

Board agreed that UK Sport provide a grant of up to £162,000 towards the staging of the European Judo Championships 2015, subject to the following specific conditions:

- Up to £83,000 is ring-fenced as a contingency and only released with UK Sport Officers approval. The exact figure to be determined following discussions with Glasgow Life and EventScotland on a potential pro-rata approach to contingency ring-fencing.
- £16,000 is ring-fenced as retention and only released upon receipt of final accounts that demonstrate financial need.
- Written confirmation to be received of British Judo Association's commitment to underwrite the event
- Written confirmation to be received of financial contributions from BJA (£23k), Event Scotland (VIK and £60k cash) and Glasgow Life (VIK and £150k cash)
- £15,000 ring-fenced against accommodation and only released once Officers are satisfied that the best possible accommodation rates have been secured.
- £15,000 ring-fenced towards Event Management and only released at Officers satisfaction.
- Officers to approve the pro-rata share of sponsorship monies allocated to this event as part of any wider sponsorship deal across other Judo events that might be forthcoming.

ITF Wheelchair Tennis Masters 2014 (Eton Manor)

Board agreed that UK Sport provide a grant of up to £80,000 towards the staging of the ITF Wheelchair Tennis Masters 2014, subject to the following specific conditions:

- £16,500 is ring-fenced as the event contingency and only released with officers approval.
- £8,000 is ring-fenced as the event contingency and only released following the submission of final accounts that demonstrate a financial need.
- Should the event make a surplus any such surplus would be clawed back by funding partners on a pro rata basis.
- £5,000 to be ring-fenced towards bid costs and only released upon Officers satisfaction.
- Confirmation of the Tennis Foundation's cash and VIK commitment
- Confirmation of LVRPA VIK commitment
- The Tennis Foundation is to present an organisation and delivery model for the event for Officers approval

All England Badminton Championships 2014 (Birmingham)

Board agreed to the recommendation that BE returns to the next Major Events Panel on 21st August to present a more detailed strategy regarding how a potential UK Sport investment could be used to introduce sustainability into future iterations of the event. BE would

need to demonstrate what measures could be implemented to increase the commercial potential of the event, in addition to considering the commercial implications of a future host city and venue. It was agreed that a proven plan to progress the event needs to be demonstrated before a final decision can be made on a grant award. Members were happy for UK Sport to provide strategic support to BE and the IF in terms of the value of the event to the UK.

10.3 Major Events Panel – Minutes

These were noted.

11.1 Audit Committee – Minutes

These were noted.

11.2 Board Events Calendar

This was noted.

11. Any Other Business

12 Date of next meeting: 26th September 2012