



Minutes of the UK Sport Board Meeting held on 11th/12th December 2012

Present

Chair Sue Campbell

Attendees:

Laura McAllister
Louise Martin
Jonathan Vickers
Mark Hanson
Philip Kimberley
Rod Carr
Chris Holmes
(12th December)
Richard Lewis
(11th December)

UK Sport Staff

Liz Nicholl	Chief Executive
David Cole	Chief Operating Officer
Sophie du Sautoy	Acting 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	Head, Performance Programmes
Jonathan Bennett (part)	Sport Investment Manager

In attendance

Simon Timson	Director of Performance designate
Ros Francis	Director of Finance designate

Board Secretary

Jackie Freeman UK Sport

1. Introduction and Apologies for Absence

Action

The Chair welcomed Members to the meeting. Apologies were received from Frances MacLeod, DCMS. Chair reported that since the last Board meeting, Brian Henning has been appointed as Chair of Sport Northern Ireland but he was unable to join the meeting.

2. Declaration of Interest

Members were reminded of the need to declare their interest in any items requiring a decision and also that they would therefore be unable to participate in decision making in relation to those interests. PKi declared a conflict with regard to discussions around investment decisions for Hockey and Sportscoach UK; RC declared a conflict in respect of Sailing, RL declared a conflict for Tennis and MH declared a conflict for Modern Pentathlon.

3. Approval of Minutes

There were no amendments to the minutes of the meeting of 26th September 2012 and they were approved as a true record of the meeting.

4. Matters Arising

LN re-affirmed the commitment for the EIS to have a more formal relationship with the Home Country Sports Councils and it was noted that a meeting of Performance leads would be taking place within the first quarter of 2013.

LN informed Board that DCMS hoped to be in a position to advertise for a new Chair of UK Sport in January.

5. Chair's Update

Chair gave an update on EIS governance. A meeting had taken place with EIS to discuss potential for change and a follow up letter had been received from the EIS Chair outlining proposals for future governance arrangements of the EIS. The aim would be to put these in place by April 2013. A copy of the letter was tabled and Board members were invited to review and feedback any comments to the Chair (SC) so that progress can be maintained.

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6. Executive Report

LN introduced the Executive Team Report. She thanked Board for the Major Event investment decisions to support bidding and hosting that had been progressed and agreed outside of the normal meeting structure; these being an award of up to £980k towards the 2016 European Swimming Championships in London and an award of up to £1.75m towards the opening stages of the 2014/15 Tour de France across Britain.

PKi asked about the item referring to the proposal to maintain and oversee the use of LOCOG's London 2012 database. SM confirmed that UK Sport is working in partnership with Sport England and London & Partners to form a consortium to submit a bid for the database. LOCOG were undertaking a competitive process. A decision will be made in the New Year and, if successful, UK Sport, with SM in the lead, will plan and communicate how access will be managed with the NGBs and HCSCs.

Members had also received a copy of the latest HR report and noted that annual staff turnover is now down to 5%.

7.1 Finance Update

SdS reported that a full year forecast outturn as at 31 October is breakeven on Exchequer funds and a surplus of £33.12m on Lottery funds compared to a budget of breakeven and a surplus of £31.91m. This surplus of

£33.12m when added to the surplus brought forward from previous years, gives a projected Lottery balance of £72.13m as at 31 March 2013. Board was aware that a significant proportion of this would need to be drawn down to support 2013-17 investments. SdS highlighted that there was no change to Lottery income projections and that on a straight line basis; we are not seeing Lottery income projections being exceeded as has happened in previous years.

SdS pointed out a small increase in staffing costs due to the improvement in staff retention and a few additional temporary posts which were within the overall head count and pay remit for UK Sport. There was an increase in programme expenditure due to timing differences with drawn downs from winter sports happening now and not next year.

Board was informed that a full reforecast of expenditure will take place at 31 December 2012 and Lottery income will continue to be monitored closely on a monthly basis.

8.1 Mission Control update

LN introduced paper UKS40 which gave a summary of the 'pre-season' reviews for winter sports. None of these sports rated their submission as overall red in status, therefore no matters had been escalated for Board attention. The red status of the athlete dimension for Alpine Skiing was noted and explained. While acknowledging that the winter season is nearing its mid-point and an Annual Review is scheduled to be considered at the June 2013 meeting, Board noted that Sochi 2014 is only one season away and requested a more detailed overview of the progress of the season's performances to date at the January Board meeting.

At the last Mission Control Panel meeting, a discussion had taken place on the roles and responsibilities of the Panel going forward through the next cycle and also reflecting on lessons learnt from Rio planning to influence the Mission going forward. A proposal for the role of the Panel will be developed in the first quarter of 2013 with recommendations presented to the UK Sport Board in June.

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8.2. Engagement with non-World Class Performance Programme sports

LN introduced paper UKS39 and reminded Board that UK Sport's investment decisions are guided by ten Investment Principles that were agreed to inform preparations for the Rio investment decisions. They are the cornerstone of the 'no compromise' approach of the organisation and they guide UK Sport Board decisions on where, when, why and in whom UK Sport will invest its performance focussed resources. However, it is recognised that some UK/GB sports and disciplines will fall outside the scope of UK Sport World Class Programme investment in 2013-17 and the sports were categorised as follows:

GROUP A: UK level non-Olympic/Paralympic sports and non-Olympic/Paralympic disciplines in Olympic/Paralympic sports including those with medal potential at a World level.

GROUP B: UK level non-Olympic/Paralympic sports and disciplines with Commonwealth Games medal potential.

GROUP C: UK level or home country level non-Olympic/Paralympic sports on the radar for potential inclusion in future Olympics/Paralympics

GROUP D: Summer Olympic/Paralympic sports/disciplines, uniquely funded for the home Games for a creditable (as opposed to medal) performance in London and assessed as unlikely to medal in 2016 or 2020.

GROUP E: Winter Olympic/Paralympic sports/disciplines assessed as unlikely to medal in 2014 or 2018.

GROUP F: Olympic/Paralympic sports with medal potential in 2016 or 2020 but where there is an expectation that they should be self-funded e.g. golf, rugby, tennis, football.

LN pointed out that a significant number of sports and athletes fall into these categories. If Board were minded to invest in any of these groups, the Investment Principles would have to be reviewed and expanded and/or amended. Furthermore, a budget would have to be set aside to cover the investments and any staffing and operational resources required. Board were also reminded of the historical overview of investment and previous decisions to phase out investment into non-Olympic/Paralympic sports during the previous and current funding cycles.

Board discussed this in detail and gave due consideration to the impact on Rio investment decisions, the budget for 2013-2017 and the following factors:

- a significant number of sports and disciplines could fall into these categories;
- athletes in these categories and of equal talent would have to be treated equitably;
- a prioritisation exercise would be necessary;
- a budget would have to be set aside for this purpose;
- staffing and operational resources would be needed;
- any decision to expand its investments would require the Investment Principles to be reviewed and amended/expanded.

Board also noted that while some Summer Olympic/Paralympic sports/disciplines that do not meet UK Sport funding criteria will continue to benefit from some home country level investment, those team sports operating at a GB level and assessed as unlikely to medal in 2016 or 2020 will have limited access to investment from other sources and will face the greatest challenges.

After further discussion, Board agreed that its priority is to invest sufficient resources to support the ambitious goal of being the first nation in recent history to be more successful in the Olympic and Paralympic Games after being the host nation.

This would require significant resources to support World Class Programmes in sports with Olympic and Paralympic medal potential in Rio or 2020 and a significant investment in delivering a more sustainable performance system to support sustainable success.

Therefore Board saw no reason to move away from its core Investment Principles (which were re-affirmed) and decided not to consider investment in those sports/disciplines that fall outside the scope of UK Sport World Class Programme investment in 2013-17.

Board noted and reaffirmed its position with regard to Group A, B, C, D and E sports.

While considering Group D above, Board agreed that any Summer Olympic/Paralympic sports funded for the home Games and who, as an outcome of the investment decisions for 2013-17 are not in receipt of further investment, UK Sport would offer to coordinate a one day sport specific workshop for each sport and its partners to reflect on the journey and explore the challenges and opportunities.

While reviewing Group F above, Board agreed that Olympic Football, Tennis, Golf and Rugby should be excluded from 2013-17 WCP investment with the expectation that they self-fund and are invited to engage through Mission Control. Board also agreed that Paralympic Tennis and Football would be eligible for consideration for UK Sport investment via the Tennis Foundation and GB Disability Football Association respectively.

9.1 Rio Vision and Goals

LN gave a short presentation on the vision and goals for Rio 2016.

Board re-affirmed its support for the vision "For the UK to be at least as competitive in Rio 2016 as we are now, but with a stronger, more sustainable high performance sport system".

The goal is to do what no other host nation has done and win more Olympic and more Paralympic medals in the next Games. Board agreed that the goal could be summarised as being the first nation in recent history to be more successful in the Olympic and Paralympic Games post hosting.

The target therefore is at least 66 medals in the Rio Olympics and at least 121 medals in the Rio Paralympics.

In arriving at this conclusion, Board noted that sport specific 2016 medal targets had been agreed with sports and the sum of these targets confirmed that the high level goal is feasible. The sport specific targets will be reviewed and refined annually alongside annual milestone targets. They will be finalised and made public just before the Games in 2016.

Board agreed that a significant emphasis should also be given to creating a sustainable performance system and, reflecting on the fact that some sports will not receive investment over the Rio cycle, Board felt that a world class system could provide broader benefits to sport across the UK more generally. Board requested that the executive engage with the HCSCs at a performance level on this specific point.

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Board discussed what a stronger, more sustainable high performance system would look like and discussed the following:

- Greater focus on **athlete profiling**
- Better aligned **talent pathways**
- Better resourced **Paralympic** campaign
- Driving the required **standards** of **leadership**, governance, financial management and administration
- Dependency on public funding reduced by required **co-funding** from commercial, sponsorship or member income streams
- Continued support for the development of the **Institute network**
- Increased support for the development of **World Class Coaching**
- New focus on **high performance centre** environments

Board requested that base line measures reflecting the current situation be captured in each of the key areas of system development, with Key Performance Indicators developed to track progress over the course of the cycle.

9.2 World Class Programme Investment

LN tabled paper UKS 41 which captured the proposed performance investment for each sport for the Rio cycle for Board consideration. The sports were listed according to the proposed priority band rating.

As a reminder Board were taken through the stages of the Rio decision making process that led to the proposed investment levels. They noted again the priority band table set out in the Rio Performance Investment Guide and the outcome of the prioritisation exercise held prior to the Board meeting in September 2012 when Board expressed a desire to invest down to the bottom of priority band 6 to include likely 4th – 8th finishes in 2016.

After discussion, Board considered priority band 6 in relation to both 2016 and 2020 medal prospects and confirmed its desire to fund to the bottom of priority band 6 in order to ensure support for athletes and sports likely to be 4th – 8th finishers in 2016 and with medal potential in 2020.

For each of the sports placed within Bands 7 and 8, LN summarised for Board the major considerations emanating from the Panel deliberations to provide further context for Board's consideration.

Before making a decision Board considered the proposed 2013 – 2017 budget, affordability and the need to prioritise investment across the high performance system to achieve the agreed vision and goal.

Board noted that Handball had asked that an alternative approach to funding be considered for sports requiring support over three further cycles to achieve medal potential. Board agreed to maintain the agreed Investment Principles.

It was noted that Olympic and Paralympic sports that do not receive 2013-17 investment would be eligible for further consideration of their performance profile at each annual review point. Any new sports that had been added to the Olympic and Paralympic programme would also be considered at the annual review.

Board then agreed to invest down to the bottom of priority band 6.

Board noted ongoing challenges within Badminton but agreed to proceed with consideration of the proposed investment. Board also noted challenges within Boxing, Olympic Swimming, Olympic and Paralympic Judo and Olympic Fencing and agreed to a one year confirmed investment with 3 year planning figures. Confirmation of the planning figures for the following years would be subject to the annual review. Sport specific conditions would be attached to each award. Responsibility for finalising these was delegated to the Executive team.

Board also agreed that Para-Canoe and Para-Triathlon would also receive a one year confirmed investment which will be reviewed when competition classes for these new Paralympic sports have been confirmed.

Board agreed the sport specific investment allocations for the four year period 1st April 2013 to 31st March 2017 as detailed in

Appendix (A).

Board confirmed that they were happy for the Executive to manage appropriate exit strategies for sports who will not be in receipt of funding for the 2013-17 cycle on a case by case basis.

Board noted that all decisions were subject to the potential for appeal and significant time would be set aside at the January 2013 Board meeting to hear representations from sports.

9.3 Partner Investment

DC took Board through the various considerations that were taken into account by the Executive in assessing the recommendations made to Board for each of the funded partners. The following awards/conditions were approved:

- **Talented Athlete Scholarship Scheme (TASS); £1.073 million with phased removal of the scheme over the Rio cycle**
- **English Institute of Sport (EIS); up to £9.15 million for 2013/14 subject to proposed governance changes being implemented by April 2013.** Further provision of up to £32.39m has been made within the Financial Plan for years 2-4 of the cycle. EIS will be required to resubmit their business plan for the cycle, once agreed with UK Sport's Performance team, for consideration by the Board.
- **British Athletes Commission (BAC); £108k per annum, initial one year award to enable progress to be monitored at Annual Review.** Board also agreed that DC should confirm with BAC that an appropriate agreement exists with the BOA's Athlete Group to ensure no duplication/overlap of activity and report back to Board before funding can flow
- **British Paralympic Association (BPA); up to £2m over 4 years**
- **UK Sports Association for People with Learning Disabilities UKSA PLD; two year award of £85k per annum**
- **sportscoachUK (scUK) £3.2 million over 4 years**
- **Sports Resolutions UK (SRUK) £1.132 million** (including provision of dedicated safeguarding in sport caseworker to new national panel)

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9.4 Overall 2013-17 Financial Plan

DC re-presented a summary of the overall financial plan for 2013-17 for Board review in the context of the agreed priority being to invest sufficient resources to support the ambitious goal of being the first nation in recent history to be more successful in the Olympic and Paralympic Games post hosting.

Board noted and agreed the budgeted income assumption (inclusive of a drawdown from the Lottery Balance) of £548m.

The proposed total investment in the WCP agreed by Board amounted to £347m which represented a 5% increase in Olympic sports, a 43% increase in Paralympic sports and an overall increase of 11% in investment over the London cycle.

DC informed Board that since the last meeting, LN had met with the BOA to discuss potential investment in pre-Games camps for Rio. LN informed BOA that a Business Case would need to be submitted for consideration. It was expected that this would be brought to the Board meeting in March.

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Within the financial plan £2m was set aside for the Home Country Sports Institutes (other than EIS). This is an increase of c£0.5m on 2009-13 investment. It was agreed that a separate process be run to identify priorities for how this is best invested and recommendations would be brought to a subsequent Board meeting. To remove uncertainties it was confirmed that, as a minimum within this process, investment through each HCSI would at least be equivalent to 2009-13 investment.

Board agreed the summary plan.

9.5 Communications Plan

VW took Members through the proposed communications plan for the Rio investment announcement, including the key messages and timetable for events. All NGBs and partners would be informed of Board's decision in advance of the funding figures being made public.

10.1 Update on conduct policy and procedures

As requested by Board at its last meeting DC introduced paper UKS43 with an update on the development of the policy and procedure on how to deal with athlete and athlete support personnel (ASP) (in)eligibility/conduct issues. Board agreed that in principle decisions on such matters should be taken by a sub-committee of Board and are subject to the existing appeals process in place with SRUK. However Board felt the policy as drafted was too wide and invited officers to review the policy and return to Board.

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11.2 Major Events Panel – Minutes

Minutes from the Major Events Panel meetings of 21st August and 13th November were noted by Board.

11.3 Board Events Calendar

This was noted.

12. Date of next meeting

30th January 2013. Apologies were received in advance from Louise Martin and Chris Holmes.

