



Minutes of the UK Sport Board Meeting held on 26th June 2013

Present

Chair Rod Carr

Attendees:

Laura McAllister
Brian Henning
Nick Bitel
Jonathan Vickers
Mark Hanson
Philip Kimberley
Chris Holmes
Louise Martin

Frances McLeod

UK Sport Staff

Liz Nicholl	Chief Executive
David Cole	Chief Operating Officer
Ros Francis	Director of Finance, Investment and Business Services
Debbie Lye	Director International Development
Vanessa Wilson	Director Commercial & Communications
Simon Morton	Director of Major Events & International Relations
Simon Timson	Director of Performance

Board

Secretary

Nicky Anderson UK Sport

1. Introduction and Apologies for Absence

Action

The Chairman welcomed Members to the meeting and acknowledged that it was Chris Holmes's and Jackie Freeman's last Board. He thanked them both for their contribution to the Board. Rod welcomed Nicky Anderson to the Board who will be Jackie's replacement. No apologies were received.

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. Nick Bitel declared a potential conflict around item 8.3 given his position as Director of LLBC and 9.2 as Chair of Sport England. Louise Martin, Laura McAllister and Nick Bitel also had a potential conflict around the TDF paper.

3. Approval of Minutes

The minutes of the last meeting were approved as a true record of the meeting.

4. Matters Arising

The feedback on the consultation document on Eligibility Criteria is awaiting a response from DCMS prior to the consultation being activated. This will be chased as a matter of urgency.

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5. Executive Team Report

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

- Project Para update and progress report. 3 key posts have been identified for immediate recruitment to be in place by September/October. These will be funded from the £500k per year budget allocated to Project 'Para' and classification for the Rio cycle. The estimated combined annual cost of the 3 posts is circa £210k and the positioning as follows:
 - Classification Manager with the BPA
 - Paralympic Ergonomist with the EIS
 - Paralympic Coach Development Co-ordinator within UK Sport's coaching team.
- Discussion followed on the need for there to be a clear rationale for the location of posts with a UK wide focus. This was agreed.
- Board approved the Terms of Reference for a sub-committee of the Board to hear a specific athlete's case regarding eligibility to receive funding. Jonathan Vickers, Nick Bitel and Phillip Kimberley agreed to form the sub-committee for this hearing.
- DC reported on two current governance issues. Board members were reminded that unless British Amateur Boxing Association (BABA) accepted conditions to amend their Articles of Association in a way that better supports the delivery of the World Class Programme and is acceptable to UK Sport, the process of establishing a Special Purpose Vehicle (SPV) to deliver Boxing's World Class Performance Programme would commence. BABA had been given until the 10 June to adopt necessary changes and it was confirmed that BABA had done this by the deadline. This is the first step forward and further detailed conditions will be applied to the award. In the meantime, work is continuing with the process to make ready for an SPV, should the situation require this action.
- British Bobsleigh and Skeleton– A condition of funding of both sports is that they work towards integration into a merged body, BBSA. In spite of the recent approval of a new Memorandum and Articles of Association for BBSA, there are concerns regarding the state of relationships between the boards of the two separate bodies (members of which are board members of BBSA). The Governance team, along with relevant colleagues from across the business, are

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monitoring the situation closely. This has included providing support to recruit an Independent Chair, as required by the new Articles.

- The Terms of Reference for the 'UK High Performance Strategic Advisory Group' (i.e. the group of UK Sport and Home Country Sports Council and Institute performance leads) had been developed by and for the group, circulated with the Board papers and were noted.
- The HR report highlighted an increase in the rolling annual staff turnover and since the last Board meeting the staff survey summary had been circulated and was scheduled for discussion at the September Board. It was suggested that at some point it might be useful consider benchmarking alongside other NPDBs.
- It was noted that the a decision had been taken not to proceed with the formation of a British Sports Marketing Bureau at this stage and Sport England had agreed to pilot the opportunity of collective sports marketing via an enhanced service provided to NGBs. LN confirmed that the UK Sport Commercial Team was also working in collaboration with the BOA and BPA to pursue commercial partnerships around broad categories such as airline, logistics and hotels to benefit sports.
- LN gave Board an update on the EIS. At its last Board meeting Steve Cram had announced that he would be stepping down as Chair when a successor is appointed. Recruitment will be UK Sport led and will be activated in the near future.
- Board asked if there were any learning's on why the UK had not been successful in the bidding for the World Figure Skating Championships and the Mountain Bike World Cup. SM explained there was strong competition for the Figure Skating from the USA, and that for the Mountain Bike World Cup the UCI had been reluctant to award two World Cups to one country.

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6.1 Financial Plan

LN gave an update on the 2013-17 Financial Plan to bring the Board fully up to date on the level of risk emerging and the plans for managing the risks over the Rio Cycle. Board agreed the proposed steps and timescales which included work on the Performance Management Framework to inform resource prioritisation and 2014/15 budget setting, consideration been given to an appropriate level of contingency, the Summer sport annual review, the emerging perspective on Pyeongchang 2018 Winter sport investments, and the importance of also focusing on Winter performance when considering Summer investments and vice versa.

6.2 A stronger, more sustainable UK High Performance system

DC introduced paper UKS 27 and the Board were taken through some of the challenges UK Sport (and the wider landscape) face in committing to the goal of a stronger, more sustainable system. The Board explored some of the questions raised regarding financial sustainability, identified the need to consider efficiency and effectiveness within the system and again acknowledged that the Performance Management Framework should inform prioritisation. Board agreed that officers should investigate the questions raised further to inform a fuller debate at the September Board meeting ahead of Board's investment decisions.

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7.1 System Strategy

ST presented paper UKS 28 which gave an update and the opportunity to discuss and input into the development of the high level strategic framework for a stronger and more sustainable UK High Performance System. The UK and home country high performance partners had agreed that this approach provides a valuable framework for collaborative working to deliver a stronger system.

Board gave its approval to the continuation of this work which includes the further engagement of high performance partners in the development of enabling action plans in the strategic framework.

7.2 Winter Mission Control Panel Report

ST presented UKS29 and gave a summary of the winter sports submissions and an overview of the Mission Control Meeting that took place on 31 May.

Winter sports have performed well with no issues rated overall Red.

7.3 Winter Sports Annual Review

ST presented UKS30 to review the outcomes of the recent winter sport annual review and to discuss the set of recommendations for additional investments into Bobsleigh, Ski & Snowboard and Para Alpine Skiing. The combined investment totalling £443,200 will come from £10m annual review budget. Recommendations were based on the Sochi performance potential and requirements for the last year of the cycle.

The Board agreed the following additional investment;

Bobsleigh Men £94,800
Ski and Snowboard £211,000
Para Alpine Skiing £137,400
Total: £443,200

It was also agreed that Officers should be given delegated authority to determine specific conditions of award as appropriate.

7.4 Summer sport Milestone Targets 2013 -2014

ST presented UKS31 to share the 2013-14 Milestone targets which have been agreed with the summer sports and shared with Board in advance of their publication on the 28 June 2013.

DCMS KPIs for the 2013-17 cycle will initially be presented as the summation target range of the 2016 medal potential sports while work progresses on the development of the Performance Management Framework which may change the approach to KPIs.

On the question of targets, it was noted that there had been further recent discussion with BOA and BPA to ensure better alignment on messaging relating to targets and Sochi Winter target ranges will be made public in the lead up to the Games.

7.5 Mission 2016

ST introduced paper UKS 32 which provided Board with an update on progress with the continuing development of the Mission 2016 and 2018 tool and panel processes. A full report will be shared with Board in September and this will include revised Terms of Reference for the Mission Control Panel.

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7.6 BOA Investment

In December, as part of the overall 13-17 Financial Plan, Board agreed to set aside a specific budget to support the delivery of the BOA/TeamGB preparation camp for Rio 2016. The BOA submitted a Business Case in mid-May asking for more than had been budgeted. The matter was discussed at Internal Investment Board in June where it was acknowledged that there needs to be further discussion with the BOA to understand the impact of investing a lesser amount and in the meantime an award of 'up to' £1.6m was recommended to enable the release of essential resources for on the ground preparation while entering into further discussions to better understand the needs of the sports.

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The Board agreed to an initial award to the British Olympic Association of up to £1.6m.

8.1 Tour de France Update

SM introduced UKS33 and updated the Board on recent developments with the Tour de France. Officers and DCMS have continued to engage in regular dialogue with national and local organisations representing all stages, with a view to developing an investable proposition that would enable UK Sport to invest £10m of Government funding into the event.

Board discussed the financial and reputational risks around investment into the event, the need for detailed milestones and deliverables against which to track progress, and the need for co-ordination across all Local Authorities for the three stages.

The Board agreed:

That UK Sport invest up to £10m into the hosting of the first three stages of the 2014 Tour de France (excluding London) on the basis that this funding be provided by DCMS as additional exchequer funding and that there be no financial risk or liability on UK Sport's other activities.

That UK Sport makes up to £1.65m available from its National Lottery Major Events Programme to be invested into the event should TDF 2014 Ltd need to call upon the Government underwrite of the event.

That UK Sport establishes TDF 2014 Ltd as a subsidiary of UK Sport to operate the event, and that this is in partnership with Leeds once the terms of the partnership agreement are in place.

8.2 Major Events Programme Update

Esther Britten joined the meeting.

EB presented an update to the Board on the Major Events Programme. The Programme continues to make good progress in securing many of the UK's

high priority target events. EB highlighted the need to start considering the extension of the major events programme beyond 2019. **UKS**

EB left the meeting.

8.3 Major Events Panel – Recommendations

SM presented the recommendations from the Major Events Panel meeting held on 22 May 2013.

Board agreed to provide a grant of up to £115,000 towards the staging of the FINA Diving World Series 2014 subject to conditions outlined in the paper.

Board agreed to provide a grant of up to £395,000 towards the staging of the ITU Triathlon World Championships Series 2104, subject to conditions outlined in the paper.

The following awards had been made under delegated authority:

A grant of up to £250,000 towards the staging of the WTF Taekwondo Grand Prix 2013 in Manchester.

A grant of up to £68,000 towards the staging of the IPC Athletics Grand Prix Final 2103 in London.

9.1 Approval of Annual Reports and Accounts 2012/2013

The Accounts were presented for Board approval along with a paper summarising the work undertaken by the Audit Committee. UK Sport had received Ministerial approval to lay the accounts prior to the meeting.

Chris Holmes reported that the Audit Committee recommended the Annual report and Accounts be approved by the Board. The Audit Committee were thanked for their individual reviews of the content and formatting.

The Board approved the Annual Reports and Accounts 2012/2013

9.2 New accommodation lease

RF updated the Board on UK Sport's new accommodation lease which is expected to be progressed in the next few months with Sport England. The key considerations were set out in the paper along with a financial assessment. RF confirmed that over the full life of the lease, the arrangements do produce some savings and a positive cash flow for UK Sport compared to remaining within 40 Bernard Street. The Board noted that co-location with Sport England was a Ministerial requirement.

There are short term financial pressures in both 2013/14 and 2014/15 that will need to be addressed with the Department. DCMS, Sport England and UK Sport are addressing co-location of the two arm's length bodies very much as a joint project with savings being secured when the two bodies are considered in total.

UK Sport is recommending approval of the proposed lease on 21 Bloomsbury. Conditions 4 and 6 in the paper provide a financial ceiling and protection to the UK Sport Board on its individual position.

The Board discussed the potential risks and opportunities arising from the co-location. They noted that budgetary control would limit UK Sport spend

against other budgets.

Nick Bitel left the meeting.

Board agreed for the Chief Executive to enter into a lease subject to conditions 1-7 laid out in the paper UKS36

10.1 Major Events Panel – Minutes

The Board acknowledged the minutes and no further discussion needed.

10.2 International Relations Strategy Investments

The Board acknowledged the paper and SM reassured Board that there was no dilution of focus, given the broader number of NGBs receiving grant funding.

10.3 Audit Committee Minutes

The Board acknowledged the minutes and no further discussion needed.

10.4 Board events calendar

The Board acknowledged the calendar and no further discussion needed.

11.1 Deputy Chair Role

Officers stayed in the room. The Board discussed the relative merits of appointing a Deputy Chair.

After discussion, **the Board approved the recruitment of a Deputy Chair** and Board agreed that the Chair would circulate an e-mail to Members with a proposed name of a Vice Chair and would ask members to reply with their agreement or otherwise by return.

11.2 Audit Committee Chair

Jonathan Vickers agreed to be Chair of the Audit Committee, taking over from Chris Holmes whose term as a Board member ends at this meeting.

Board congratulated Jonathan on his appointment and thanked Chris for his significant contribution to the work of UK Sport.

12.0 Any Other Business

Members asked for an update on the recruitment process for new Board members. Chair reported that there have been around 100 applications, interviews were being scheduled in August and it was hoped that the appointments would be in place by September Board.

It was noted that Louise Martin has been appointed Chair of CABOS. Board congratulated Louise on her appointment.

13. Date of next meeting: 25 September 2013