



Minutes of the UK Sport Board Meeting held on 26TH January 2011

Present

Chair Sue Campbell

Attendees: Rod Carr
Louise Martin
Laura McAllister
Richard Lewis
Jonathan Vickers
Dominic Walsh
Philip Kimberley
Chris Holmes

UK Sport Staff

Liz Nicholl	Chief Executive
Tim Hollingsworth	Chief Operating Officer
David Cole	Business Support Director
Chris Walker	Finance Director
Peter Keen	Performance Director

In attendance Simon LeFevre

Board Secretary Jackie Freeman UK Sport

Introduction and Apologies for Absence

Action

The Chair welcomed everybody to the meeting and there were no apologies for absence.

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.

Approval of Minutes

Members agreed and signed off the minutes of 8th December 2010.

Matters Arising

Following the re-organisation of UK Sport as a result of the recruitment of LN as CEO and also the CSR outcome, a revised organogram has been produced and was tabled at the meeting. Recruitment for vacancies is currently on-going.

JV asked for an update on merger discussions. LN reported that UKS is still awaiting the appointment of an independent chair of the Project Board. However, the first meeting of the Project Board will take place on 23rd February. The merger will also be an item of discussion at a meeting of the Sports Cabinet taking place a week earlier. SC had met with Chairs of the Home Country Sports Councils to discuss the strategy of the merged organisation. She emphasised that the strategy will remain the responsibility of Sport England and UK Sport, through their respective Boards, but the Project Board will drive the process and mechanics of the merger and the identification of any synergies. LN and the CEO of Sport England continue to meet on a regular basis and a proposal for a sounding board is developed for discussion at the Project Board meeting. The purpose will be to provide the Project Board with an advisory group of experienced individuals to support robust decision making. The sounding board would act in an advisory capacity and not have decision making powers. DC will be UK Sport's project co-ordinator working with Sport England.

Chair thanked the Home Country Chairs for their engagement and support to date.

Executive Team Report

LN introduced the Executive Team report. Updates were received on the following:

Winter Sports Institute - LN reported on meetings that had taken place with the Minister, UKS and the BOA who are looking to create a Winter Sports Institute for all winter sports in order to generate more medallists by 2022 and BOA was seeking public funding support.

- UKS had agreed to support the idea in principle, seeing it as an opportunity to support the performance development programme for those winter sports that sit below UKS funding. A clear message had been conveyed that there should be no duplication or distraction for those sports that already receive UK Sport funding; that the initiative should build on the Institute system already in place and BOA should look at potential links with the Scottish Institute. LMartin confirmed that Sport Scotland is already in discussion with BOA and that Sport Scotland are considering hosting a virtual Institute in Edinburgh. It was felt important for UKS to retain operational decisions on funding for winter sports.
- **Mission Panel** LN reported that over 30 applications had been received from those wishing to sit on the revised Panel. Interviews have taken place and an announcement was expected shortly. Chris Holmes had taken the decision to step down from the Panel and Chair thanked him for his work over the years. **It was agreed that UKS would send to Board a list of the Panel members before it is made public.**
- **IPC World Championships** – PK informed Board that at the current time GB are currently sitting in second place in the medal table with medals spread across several athletes and disciplines. The competition is considered to be a good bench-mark event and the results were extremely positive. **It was agreed that a letter of congratulations would be sent to Peter Eriksson following the event.**

UKS

UKS

- **DCMS Funding Agreement** - DC reported that the current funding agreement expires in March and we are still awaiting direction on how the next one will look. He agreed to bring copy of the KPIs to the next Board meeting in April.

Major Events – Board agreed to approve new terms on the Major Events Panel for Tanya Crook, Paul Bush, Rob Holt and David Collier. Board also noted that Phil Carling's term has now expired and TH was asked to pass on Board's thanks for his contribution over the years.

1. 1 Finance Update

CW introduced paper UKS 01. The 2010/11 Forecast shows minimal change compared to the position reported to Board on 8 December 2010. Detailed work has started on the 2011/12 budget and initial results will be reported to Audit Committee in February for sign off by April Board.

The London Pension Fund Association have now confirmed that the future Employer Contribution rate will remain at the current level of 10.2% and a detailed valuation report will be presented to Audit Committee in February.

At the previous meeting, Board considered the lottery balance and asked UKS to reflect on a trigger point of £5m. CW informed the Board that UKS had considered the position and recommended that the trigger point should be increased to £10m and the overall target for a working lottery balance set at £20m. **Board agreed that the trigger point for emergency action should be increased from £5m to £10m within a target working balance of £20m.**

1.2 Annual Investment Review Update

Following the annual investment review decisions taken at the Board meeting in December, there had been a decrease in funding to 2 sports (Badminton and Goalball); no change to the 2009 decision not to increase Table Tennis funding; notice of a further review of Wrestling funding in September 2011 when nationalisation matters will have been concluded. No appeals were anticipated.

Cycling – Board had considered recommendations in December and deferred a final decision on Cycling investment pending discussions with the sport. LN had since met with the CEO of British Cycling to explain in detail the funding model and how Annual Review recommendations are developed and decisions reached. British Cycling subsequently requested an uplift of £400k to acknowledge the increased Paralympic potential and no change to the Olympic investment. UKS Internal Investment Board had then met to consider feedback from Cycling and agreed to recommend that there should be no overall change in the investment to Cycling; that there should be at least a £400,000 increase 2011-13 in the Paralympic programme, with visible positive impact; and a consequential decrease in UK Sport's investment in the Olympic programme as a result of changes to the programme introduced by the UCI. UKS have offered to support Cycling to identify how this could be achieved.

Board considered this feedback and agreed :

- there should be no overall change in UK Sport's WCPP investment in Cycling
- there should be at least a £400,000 increase (over two years 2011-13 i.e. an average of 200k per annum) in the Paralympic programme, with visible positive front line impact
- there should be a consequent decrease in UK Sport's investment in the Olympic programme, based on the annual review outcome
- a pragmatic approach to how this is achieved should be taken with what

is a successful and integrated sport

It was noted that British Cycling have the opportunity to make representations to the Board on this decision and it was agreed that rather than wait until the next Board meeting on 6 April a Sub-Group of Board could be available to hear the representation to ensure that it is addressed in a timely manner to support British Cycling.

Sports coach UK – At the previous meeting in December 2010, it was agreed that officers would follow up with Home Country Sports Councils for their input into the value provided by sports coach UK. Feedback from all Home Countries was positive and Officers therefore recommended that Board reconsiders whether any further modification to the focus of the previously agreed base funding for sports coach UK was appropriate.

Board agreed to invite sports coach UK to draw up and present a business case for potential additional funding in respect of activities not covered by the base grant including:

- new initiatives for the implementation of coaching strategies, both across the UK and within home countries and in the context of the UK Coaching Framework;
- innovative approaches to coaching best practice both across the UK and within home countries;
- innovations for roll-out both across the UK and within home country coaching workforce programmes; and to develop and progressively upgrade the UK Coaching Certificate both across the UK and within home countries.

Taking account of the need for an early decision in light of sports coach UK's current re-structuring plans Board agreed that a Sub-Committee of three Members of the UK Sport Board is given delegated authority to reach a decision between Board meetings on allocating up to an additional £320,000 per year for the period 1 April 2011 to 31 March 2013

It was agreed that sports coach UK would be invited to present their business case to a sub-group of the Board. LMc mentioned that it would be discussed at the Sports Council Wales Board meeting and she agreed to feedback to UKS sub-group. **Board agreed to delegate authority to the sub-group to be set up by the Chair.**

Ice-skating – At the annual review in December, it was decided not to invest in ice-skating due to a lack of evidence of medal potential. There had since been further discussions with the sport and further information exchanged and considered but there had been no new significant insights into the potential of existing athletes or of a clear proposition for a Performance Pathway. Based on this, no recommendations were being made on performance grounds to change the earlier decision.

It was noted that a communiqué has been sent out to all winter sports detailing the timetable for induction and roadshow meetings which will take place in the next 6-9 weeks. At this point every sport will have a better understanding of how UKS reaches its decisions. Any further representations after these meetings will be brought to the April Board meeting, if needed. It was also noted that the performance team at UKS will review winter season performances and if there is any outstanding talent that emerges in a non funded sport, it will be considered (in advance of the next annual review and so only exceptionally) at the June Board meeting.

Water Ski and Wake Boarding – A letter from the Chairman of the British Water Ski Federation had been circulated to all Board members acknowledging

the decision regarding funding in the 2009-13 period but asking that there be further consideration of funding from 2013. **Board agreed that this should be considered in the Board discussions on strategic planning for 2013-17.**

Business Case for Project Agon

Graham Taylor (GT) joined the meeting.

PK and GT introduced the business case for a UKS High Performance Coach Development Strategy which had been circulated prior to the meeting and asked Board to consider the various options for providers as outlined in the Paper.

GT explained that although the Elite Coaching Apprentice Programme (ECAP) had been successful, sports were now asking for a more enhanced coaching programme that combined the holistic elements of ECAP but with input from the technical side of coaching. Research carried out by UK Sport had shown the need for a programme to establish and raise standards for World Class UK coaches; create a community of coaches across all working silos and create a larger UK Master Coaching talent pool to form an appropriate succession plan. The programme could be open to all sports, Olympic and non-Olympic.

Board gave careful consideration to other providers but concluded that UKS is best placed to deliver the proposed Master Coach Development Programme.

Board approved the proposed investment of £6.2m to establish and run the Master Coach Development Programme to 2016. Off-setting some of the costs would be considered at a later date once Board had considered priorities for the Rio cycle.

GT left the meeting.

Deloitte Report on British Cycling

LN informed Board that a draft of Deloitte Report had now been received by UK Sport and officers were carrying out an internal review of the content and its recommendations. A meeting with British Cycling, Deloitte and UKS would take place on 3rd February to discuss the findings. An update will be given at the next Board meeting.

1.3 Commercial Strategy

Tom Halsey joined the meeting and introduced paper UKS 05 which explained in detail the commercial opportunities available to UK Sport in the period after London 2012 and the strategies that could be pursued to maximise their impact. The paper gave a more detailed analysis following on from the discussion which took place at Board in 2010. UK Sport were also taking into account the CSR settlement which clearly stated the importance Government places on private sector funding for elite sport going forward.

The paper outlined five potential commercial programmes for Board to consider, with options ranging from a continuation of the current scheme to a programme that focused on NGBs' own ability to raise and contribute commercial funds. Given this range, it also suggested that a 'hybrid' approach may be the preferred solution. This would be subject to further analysis and engagement with the other high performance sport stakeholders to ensure that the best and most deliverable outcome was achieved for high performance sport post 2012.

Board welcomed the paper and discussion. Initial feedback focused on the

importance on ensuring that “performance” is not compromised by any new commercial programme. There was also a general consensus that all of the funded sports are unique and cannot necessarily be treated equally when devising a commercial strategy. A bespoke/tailored solution may be required for individual sports. There was also questioning of the value of any assets post 2012, and the need for UK Sport to continue to consider promotion of the National Lottery. Lastly there was the recognition that regardless of the approach chosen sports would have to recognise the increasing need for them to factor commercial funding into their strategic thinking and structures post 2012.

Following this debate, **Board agreed that Officers should continue to explore the various options outlined, entering into further discussions with the BOA/BPA and other relevant partners as well as NGBs directly with regard to the post 2012 commercial landscape and the potential options and opportunities for UK Sport. The outcome of these discussions and final recommendations for the proposed Commercial Strategy should then be considered more fully in the Autumn, with the expectation that a decision on the likely strategy to be pursued would be agreed at the December 2011 Board.**

THal left the meeting

1.4 Report of Major Events Panel held on 18 January 2011

Simon Morton joined the meeting and introduced Paper 06

Board agreed to endorse the following recommendations:

1.1 Canoe Slalom World Championships 2015 (Broxbourne)

Members agreed to provide a grant of up to £750,000 towards the staging of the Canoe Slalom World Championships 2015, subject to;

- The British Canoe Union (BCU) revisiting their cash contribution to the event with a view to increasing this.
- The BCU present, to Officers satisfaction, a revised balanced event budget
- That £120k is ringfenced as the event contingency and only released subject to officers’ approval
- That £115k is ringfenced and only factored into a payment schedule once the post Olympic design is finalised and a costed site plan is presented to officers’ satisfaction.
- BCU demonstrate that best endeavors were made to influence the final venue design of Broxbourne to minimise the cost implications to this event.
- BCU confirms in writing their underwrite of the event and their revised cash and VIK contributions to the event
- Public partner’s contributions to the event are confirmed in writing
- UK Sport Officers are consulted on the BCU’s appointment of the Event Director and Venue Manager.
- BCU present a timeline to UK Sport demonstrating when the key staff (both paid and supplied by the BCU) will work on this event.
- BCU develop clear KPIs around the sports development benefits of the event and demonstrate how these targets fit with their overall Sport England objectives and associated funding applications.
- BCU agree to investigate with the ICF and other relevant parties whether private sponsorship opportunities exist for the provision of electricity to the event.
- In the case of an unsuccessful bid UK Sport will release up to 45% of the budgeted bid costs, subject to officers’ approval.

1.2 World Rowing Championships 2015 (Strathclyde Park, Scotland)

Members agreed to provide a grant of up to £1.6m towards the staging of the World Rowing Championships 2015, subject to;

- British Rowing to provide £218k cash contribution and £50k VIK to the event
- Scottish funding partners to the event to provide an additional £100k cash contribution over and above the proposed budget
- £168,000 (€200,000 at current exchange rates) is ringfenced within UK Sport's award, should British Rowing and the event funding partners (including UK Sport) determine that it is required for the bid following discussions with FISA and other National Rowing Federations
- Up to £261k is ring fenced within UK Sport's award as the event contingency to be released on officers' approval
- UK Sport shall clawback surplus on the World Rowing Championships 2015 at a percentage rate pro-rata to its contribution towards the overall income from public partners (including British Rowing)
- British Rowing to confirm in writing its underwrite of the event budget
- UK Sport to be involved in and consulted on the appointment of any commercial partner seeking to work with British Rowing to further exploit the event and its infrastructure. Any additional income proposed or generated through a partnership with a promoter or through ancillary events connected to the World Rowing Championships 2015 will need to be approved by UK Sport. Officers would have the right to make reasonable adjustments to the grant award should such additional revenue streams be identified.
- Appointment of an Independent Chair of the Steering Group to assist with successful event delivery and the management of relationships
- Event management costs to be reviewed alongside additional British Rowing hosted major events in the future. UK Sport to be involved in the appointment of the event management staff team.
- UK Sport to approve the final event schedule and budget
- The event schedule of activity for the event is to be signed off by UK Sport in advance of approval of the event budget split between age group and elite event activity

SM pointed out that both these events are important priorities within the agreed Major Events strategy and both are large-scale events that will be seriously contested by other nations.

2. Members noted the following awards made by the Chief Accounting Officer under the authority delegated by Board:

2.1 UK Sport provide a grant of up to £48,000 towards the staging of the IBSA VI Judo European Championships 2011, in Crawley

2.2 UK Sport provide a grant of up to £90,000 towards the staging of the LEN European Synchronised Swimming Championships 2011, in Sheffield

2.3 UK Sport provide a grant of up to £200,000 towards the staging of the ISU European Figure Skating Championships 2012, in Sheffield

2.4 UK Sport provide a grant of up to £110,000 towards the staging of the FINA Diving World Series 2011, in Sheffield

2.5 UK Sport provide a grant of up to £150,000 towards the staging of the

BMX Supercross World Cup 2011, in London

2.6 UK Sport provide a grant of up to £175,000 towards the staging of the Sail for Gold 2011, in Weymouth

Board also agreed to the revised Terms of Reference for Major Events Panel as circulated with the Board papers.

1.5 International Relations investment in SRA and CGF Programme

TH introduced paper UKS 07 to enable Board to make a decision on the level of International Relations funding that should be granted to the Sport and Recreation Alliance (SRA) for the 2011/12 financial year.

Board discussed the various options and agreed that UK Sport **should provide the SRA with a reduced award of £25,000 for the 2011/12 financial year and give notice that there will be no award made for the 2012/13 period. This being subject to any changes made to the strategy going forward.**

Board also discussed the ongoing funding of the Commonwealth Games Federation (CGF) which currently receives an annual grant of £75,000. This is in place for 2011/12 subject to receipt of a confirmation letter from the CGF, however UK Sport is questioning the value to its ongoing International Relations strategy against other priorities. Board agreed that it should be looked at carefully, especially given the next Commonwealth Games is in Glasgow in 2014, and that a business case would need to be made for why it remaining in London was significant, in particular for the Home Country Sports Councils. Officers agreed to look into this, including consultation with the Home Countries, and report back at a future meeting to enable Board to make a decision with regard to 2012 onwards.

2.1 The future of International Inspiration post 2012

Chair introduced paper UKS 08 in the absence of Debbie Lye. Board were asked to note that discussions are taking place around the future of International Inspiration. The Chair, who is also an IIF Trustee, and Debbie Lye, who is the Programme Director, are involved in the negotiations and will ensure that any proposals that affect UK Sport will be brought to Board for their consideration. The UK Sport priority is to secure IOC endorsement to unlock the potential sponsorship deal and enable the London 2012 phase of International Inspiration to be fully delivered.

2.2 UK Sport Performance Investment Breakdown

A spreadsheet showing performance investment across all sports was tabled.

2.3 Board events calendar

This was accepted.

3. Any Other Business

There were no items raised for discussion.

4. Date of Next Meeting

The next meeting will take place on 6th April 2011.

