

# Minutes of the UK Sport Board Meeting held on 17<sup>th</sup> May 2005 at UK Sport

## Present

<b>Chair</b>	Sue Campbell	
<b>Members</b>	Connie St Louis Laura McAllister Nick Bitel Philip Carling	
<b>UK Sport Staff</b>	Liz Nicholl Neil Shearer John Scott Tim Hollingsworth	Acting Chief Executive Director, Corporate Services International Director Director, Policy & Communications
<b>Observers</b>	Nicola Roche	DCMS
<b>Minutes</b>	Aimée Wells	UK Sport

## 1. Introduction and Apologies for Absence Action

Chair welcomed members to the meeting.

Lord Patrick Carter had sent apologies due to the State Opening of Parliament and Louise Martin had previously advised she would be on holiday. Eric Saunders and Alastair Dempster sent apologies on the day of the meeting.

Chair advised that due to the number of apologies received the Board was not quorate and that agreements reached today during discussion would be circulated to those absent to seek urgent approval.

LN

## 2. Declaration of Interest

Members were reminded of the need to declare their interest in any transactions requiring a decision and to remove themselves from such decision making. This would be formally reported in the minutes and on a register completed at the meeting.

## 3. Minutes of the Council Meeting held on 16<sup>th</sup> March 2005

The minutes of the meeting of the 16<sup>th</sup> March 2005 were approved and signed by the Chair as an accurate record.

## 4 Other Matters arising

Members then discussed the structure of the Board. Chair advised that appointment of the two new Members with Olympic and Paralympic

expertise was being progressed. The Chair agreed to speak with the four current Members whose terms are due to end in November regarding their future position on the Board.

Chair

Members requested that Board papers be circulated two weeks prior to the meeting date. This would ensure opportunity for home country chairs to consult with their CEOs as appropriate. Members proposed that board papers should only focus on strategic level decisions that need to be approved.

CEO

Liz Nicholl tabled the Executive Team 'Report on Activity' paper. This will be made available at each meeting to inform members of the activity across departments in the period between Board Meetings. The paper will be sent out up to two days prior to the meeting to ensure that it is right up to date. The format will also change over time to reflect its links with the Operational Plan and formal reporting against KPIs.

#### **4.1 Private Security Industry Act 2001 Update**

Tim Hollingsworth reported there had not been much progress made on this matter since the last Board Meeting because of the election. However with new Ministers confirmed and in place in both the Home Office and DCMS, there is now a renewed impetus for the issue to be resolved.

He informed Members that following agreement with DCMS the responsibility for representing the 'rest of sport' in discussions has been passed from UK Sport to CCPR (and similar organisations within the Home Countries). Discussions on how the rest of sport should be treated under the PSI Act are ongoing between the two departments, with a new official at the Home Office appointed to oversee the issue (John Shawcross). Things are not moving especially quickly still however, for example no minutes of the last meeting between HO and DCMS have been received to date, despite repeated requests from DCMS.

Football has independently reached agreement on exemption from the Act, with the Home Office transferring responsibility from the SIA to the Football Licensing Authority. This exemption should be in place by the beginning of next season. Nick Bitel advised he had attended a meeting of major events organisers on behalf of the London Marathon. He stated that there seems to be a lack of direction from the Home Office as to who is the suitable body to take on the licensing role for them and others similar to FLA.

#### **4.2 Scrutiny panel**

John Scott advised Members that an advert will be placed in The Times and on the UK Sport website next week for recruitment of the Chair and Panel Members. Letters and the advert have been circulated to HSCSCs, BOA, BPA and other stakeholders asking them to draw the opportunity to possible candidate's attention. It is hoped the first meeting of the panel will take place in the autumn.

### **5. Investments**

#### **5.1 Performance – Non Olympic Awards 06-09 – Proposed Approach**

Liz Nicholl introduced the paper regarding the proposed approach for future Non-Olympic funding for the 06-09 period. The current position is that seven non-Olympic sports (waterskiing, orienteering, mountaineering, caving, parachuting, gliding and hang & paragliding)

have received UK Sport exchequer and/or lottery funding to date. UK Sport's investment in these non-Olympic sports/disciplines for 2001-2005 totalled £3,735,688.

The rationale for UK Sport investing in non-Olympic and non-Paralympic sports in the future is based on the ability of those sports to help UK Sport meet its secondary goal within the Business Plan 2005-2009, i.e. 'to have X World Champions from non-Olympic/non-Paralympic disciplines from within an agreed list of UK Sport's significant priority non-Olympic/non-Paralympic sports'

The paper noted there were two investment options available (see Council paper 23). Both had been discussed with Home Country Sports Councils at officer and Chief Officer level. It was put to Members to support one of the options.

### **The Board considered the options and agreed**

Option 1 UK Sport to invest in non-Olympic sports meeting all of the following criteria: -

- Non-Olympic sports currently funded by UK Sport (i.e. no new sports)
- Non-Olympic sports currently funded by at least two Home Country Sports Councils
- Non-Olympic sports with a track record of medal success at recent World Championships and with athletes with strong potential to become British World Champions in future (within the four year funding period)
- Non-Olympic sports with established athlete pathways leading to a performance opportunity at a GB/UK level.

It was also agreed that the details of award allocations within the £300k budget should then be delegated to officers to be managed in line with the recommendations in the paper.

LN

## **5.2 Performance - Winter Olympic & Modernisation**

Liz Nicholl advised Members of the recommendation for pro-rata continuation of current funding for the National Ice Skating Association (NISA) to take them beyond Turin.

Members agreed the following award:

- **NISA receive a WCPP award of £135,000 for the period October 2005 – September 2006 for Speed Skaters.**
- **NISA receive an additional exchequer award of £14,000 for April 2005 – March 2006 to support Jenna McCorkhill.**
- **NISA receive an exchequer award of £64,500 for the period April – September 2006**

Liz Nicholl also asked Members to note the following award made under the authority delegated by the Board to officers (and supported by the Home Country Chief Officers):

- **An award of £200k towards a new IT and database system for British Gymnastics**

## **5.3 Major Events Award Recommendations**

Members received the minutes of the Major Events Steering Group held on the 27<sup>th</sup> April 2005 and endorsed the following recommendations:

2006 Great Britain World Cup Judo

- **Provide a grant contribution of up to £54,000 towards the staging of the Great Britain World Cup Judo 2006. Funding for 2007 is to be agreed following a review of the previous year's event.**

2007 European Optimist Championships

- **Provide a grant contribution of up to £278,000 towards the bidding for and staging of the Optimist European Championships 2007.**

Further conditions are to be added as follows:

- **RYA is to provide an Out Reach development programme to run alongside the event.**
- **RYA are to seek the involvement in the event from Local Authorities/ Agencies.**

World Cup Trampoline and Tumbling 2006

- **Provide a grant contribution of up to £202,000 towards the bidding for and staging of the World Cup Trampoline and Tumbling 2006. A further condition is to be added as follows:**
- **British Gymnastics are to contribute £5,000 towards the event budget and up to a further £5,000 only if the contingency funds are required.**

Members were asked to note the following award made by the Chairman of the Major Events Steering Group under the authority delegated by the Board:

29er World and 49er European Championships 2006

- **Provide a grant of up to £20,000 towards the 29er World and 49er European Championships 2006.**

Members queried the reduction in the contribution by British Gymnastics to the World Cup Trampoline and Tumbling 2006. John Scott explained that the MESH had considered the current situation of British Gymnastics in the light of reduced sports council funding and recommended this lower contribution to ease their financial exposure.

**All awards were approved**

## **5.4 Paralympic World Cup**

The Chair extended her congratulations to the Major Events team on the recent success of the Paralympic World Cup held in Manchester and commented on the positive partnerships that had been created with other agencies.

Members felt that a Calendar of Events would be useful to help identify events and occasions that they could attend as ambassadors of UK Sport. This was noted and will be included in future Executive Team reports.

TH

## **6. Corporate**

## 6.1 Risk Register

Neil Shearer introduced the item on the Risk Register. He informed Members that this is a key part of the internal control system for the organisation ultimately linking to the Statement of Internal Control, and is used to direct internal audit work in terms of balance and frequency of work.

He advised that this is reviewed regularly by the Leadership team and Audit Committee recognising that the nature of the risk is constantly changing. Members were asked to consider whether all the key fundamental risks had been included.

The two highest identified risks were third parties to deliver targets and failure to play a part in International Development. Third parties are underpinned with controls managed through the Performance Directorate relationship with the sports as the risk is linked to investment and medal goal. Members were advised that the risk register will be extended on a sport by sport basis to cover third party dependency. Deloitte will be reviewing the "Third Party Risk" as part of the Internal Audit Programme.

Members were informed that the Audit Committee is to bring to the Board on a regular basis those risks that they are most concerned about.

Neil Shearer advised that the Operational Plan has now been mapped to the risk register. Chair proposed that the Board review risks twice a year.

NS

## 6.2 Delegated Authority

Neil Shearer led the discussion on the Delegated Authority paper. This has been reviewed by the Audit Committee at the last two meetings. The NAO are part of the Audit Committee so they have also scrutinised this policy. Members were asked to note that expenditure greater than £½ million will come to the Board as well as any contentious decisions.

**Member approved the proposed process of delegated authority as set out in the paper.**

Members requested that any papers that have been previously approved by other committees within UK Sport state they had been reviewed and are seeking Board approval.

CEO

## 6.3 Year End Management Accounts

Neil Shearer advised that the Audit of Statutory Accounts carried out by new auditors Price Waterhouse Cooper was now complete with no significant issues.

The only current outstanding issue is the treatment of pension liability which was being resolved. PWC are due to meet with the NAO tomorrow to determine details and then PWC will meet with UK Sport next week.

DCMS will therefore receive year end accounts by next week.

## 7. Drug Free Sport

### 7.1 National Anti Doping Policy – Model Rules

John Scott updated Members on the work to date regarding the model rules. He advised that endorsement had been received from a vast range of sports in support of the model rules with some sports adopting them in their entirety. They have also been reviewed by the Home Country Sports Councils and they have given their endorsement to the rules as they stand.

UK Sport has worked alongside qualified lawyers to ensure that the model rules are WAD Code compliant and that they take the mandatory provisions of the Code and translate them into a comprehensive set of rules. These rules clarify process and the relationship between the NGB and the athlete/support personnel.

Chair advised that she and John Scott would be meeting with the FA in light of ongoing issues with FIFA. It is understood that the WADA Board has set a September deadline for FIFA to amend its sanctions rules. This has implications for the home countries and they will be kept briefed of progress.

The National Anti-Doping Policy and Model Rules were launched to the media on Monday 16<sup>th</sup> May and received very positive coverage. Information on this and the launch of '100% ME' Education Programme will be shared with Members.

TH

Members agreed to formally adopt the Model Anti-Doping Rules

## **8. Policy & Communications**

### **8.1 Lottery**

Tim Hollingsworth led the discussion advising Members that The DCMS Five Year Plan, published on 17 March, announced that a decision on Lottery shares after 2009, when the current guarantee ends, will be made in Summer 2006. That decision will be informed by a UK-wide public consultation to be carried out between September 2005 and February 2006.

To start the process, DCMS has asked all lottery distributors through the Lottery Forum to produce a document to guide and aide lottery funding which needs to be submitted by 7<sup>th</sup> June. As public involvement is not an obvious area for UK Sport, our response will focus on the impact of our funding on the public – both in performance and major events. This consultation is UK wide and DCMS will put forward a common paper once all responses are received.

Members supported the overall content of the UK Sport paper, in particular the focus on increased success at Olympics and Paralympics, the creation and support of sporting role models, and on the major events funded in the UK. It was agreed that particular focus should be on paralympic funding and the paper will use the recent Paralympic World Cup as a case study.

TH

Members also advised that for Section 6 (future funding) the case should be made for sport overall and that the all sports distributors should work together to seek increased funding post 2009. Tim Hollingsworth advised that this had been previously discussed at the Chief Officers meeting and they are behind a collective response. Therefore UK Sport and the Home Countries will produce a separate joint paper to accompany their individual responses. A separate steering group will also be set up to ensure that key messages about the value of sport – including its wider impact on society and the health, education and social inclusion debates –

are properly communicated post 7 June.

Members were invited to submit contributions to Tim Hollingsworth by 20<sup>th</sup> May for submission on the 24<sup>th</sup> May.

Board  
TH

## **8.2 Commercial Sponsorship**

Tim Hollingsworth presented a paper outlining the proposed strategy and approach for UK Sport regarding commercial sponsorship. Members accepted the overall approach but suggested that the paper was too cautious in terms of attempting to avoid conflict with partners (e.g. BOA). Nick Bitel argued that conflict was inevitable and that if we were seeking private investment, we were bound to conflict with the sponsorship aims of other sporting groups. The key is to manage the relationship with the sponsor so as to position it away from direct conflict with other groups.

The Chair explained the requirement for this strategy, that UK Sport will first and foremost continue to maximise the Lottery and Exchequer funding it receives for its core programme, but there are some areas of activity, e.g. in IRME, where funding is low and could benefit from commercial support. This kind of support would not conflict with partners. Nicky Roche explained that following the Carter Review the DCMS is seeking to set up a centrally-run sponsorship brokerage unit for both arts and sport.

Members also expressed concern over the association of UK Sport brand with inappropriate brands, and stated that we should not seek endorsement from certain categories: e.g. alcohol, tobacco, junk food. As a follow up to this paper, Tim Hollingsworth agreed to create a more detailed risk management matrix outlining those categories that should and should not be considered. This will be circulated for comment.

TH

## **10. Minutes of the Audit Committee**

These were circulated for information

## **11. Presentation of 100% Me**

### **Allison Holloway joined the meeting**

Members were given a presentation on the new national Education programme entitled '100% ME'. This is to be launched on 25 May. All members and HCSCs have been invited.

## **12. AOB**

Philip Carling sent apologies in advance for the July Board meeting and advised that Huw Jones would attend in his place.

Member agreed to extend the October Board meeting to an all day meeting to accommodate the Board Away. Venue to be advised.

The next meeting is scheduled for Wednesday 13<sup>th</sup> July, 10.30am at UK Sport

As there was no further business the meeting closed at 1.10pm