



Minutes of the UK Sport Board Meeting held on 24th May 2006 at UK Sport

Present

Chair Sue Campbell

Attendees: **Members**
Nick Bitel
Julia Bracewell
Philip Carling
Chris Holmes
Rod Carr
Eric Saunders

UK Sport Staff	John Steele	Chief Executive
	Liz Nicholl	Director, Performance
	Neil Shearer	Director, Corporate Services
	John Scott	International Director, Director Drug Free Sport
	Tim Hollingsworth	Director of Policy & Communications
	Will Calvert	Head of Finance (Items 1- 7.1, 11.1-14)
Alex Newton	Performance Manager (Item 8)	
Mitch Hammond	Performance Programme Consultant (Item 8)	

Board Secretary Aimée Wells UK Sport

1. Introduction and Apologies for Absence Action

The Chair welcomed members to the meeting.

Apologies were received for the meeting from Lord Patrick Carter and Louise Martin.

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.

Rod Carr cited a conflict of interest with Item 7.3 on the agenda as he is a member of the BOA National Olympic Committee. However the Chair and Members agreed that as the NOC is not a strategic decision-making Board, this posed no conflict and he was asked to stay for the discussion. He also cited a conflict with Item 10.1 regarding awarding a grant for the 2007 Sail for Gold Regatta. The Chair reminded him to remove himself from the

discussion at the appropriate time.

3. Approval of Minutes

7th March 2006 – Item 10.2, first paragraph - Members would like it noted that they approved the Risk Register. Members asked for correction of typographical errors on Item 11.1, 6th paragraph and Item 12.2, 2nd paragraph. Re-wording was also requested on Item 12.2 to read '.....such as equestrian and modern pentathlon where horses were **involved**.'

The minutes were then approved as an accurate record.

11th April 2006 – The minutes were approved as an accurate record.

4. Matters Arising

Item 12.1 – Members requested an update on the Working Group. The Chair advised that she had asked Julia Bracewell and Chris Holmes to become members and they had accepted. John Scott is to meet with them to discuss the way forward and report back at the next Board meeting.

JS

Item 12.2 – John Scott advised that he had met with Dave Richards and Jim McMahon of World Billiards and Snooker and they wish to be Code compliant. John Scott to progress.

JS

5. Executive Team Report

Chair extended a welcome back to John Steele

John Steele invited Tim Hollingsworth to update on the DCMS Consultation on Lottery Shares Post 2009. TH advised that the DCMS consultation had ended in February and had received 11,000 responses, considered a fantastic response by the Department. The results are currently being processed but indications received so far show an even spread across the good causes with no great favouring of any particular area. Officials are therefore suggesting that the likely overall message is going to be that there is no case for fundamental change to % shares post 2009. Sport has been praised for its joint campaign. The largest single finding in the consultation was in support of grass roots and participation while support for elite athletes was also strong.

The results of the Consultation will be announced by the Secretary of State on 21st June, at which point she will make clear the shares and also the time period for which they will be in place (possibly 10 years). Members were advised that within the consultation process there is also work going on to redefine the Policy Directions for Lottery Distributors but that this should not be a major issue for UK Sport as our remit is relatively defined.

Tim Hollingsworth also updated members on the upcoming launch on 2nd June of a partnership with Virgin Airlines to provide a range of value added benefits for athletes using the airline. This will be offered exclusively at this stage to the 450 podium athletes. Members questioned how sports would use this benefit and were advised it was very much at their discretion, with a dedicated booking line available for them to use. Members also questioned how this would affect sponsorship for 2012 and LOCOG and were advised that the scheme had a year's grace from LOCOG, and that their consent would be sought before it would be extended beyond 2007. There are also a number of restrictions as to how the scheme can be described in relation to 2012. Members asked if add-ons to UK-wide airports be included and TH agreed to

TH

check this. Members expressed their support for a good service for our elite athletes.

John Scott introduced the section on Drug Free Sport reporting on the current mediation between FIFA and WADA. Nick Bitel cited a conflict of interest and left the meeting as his firm has just won work for FIFA. JS advised that the FIFA Executive and General Assembly were to take place on 4th and 7th June and that it was hoped these would endorse a set of Code compliant rules and regulations that were being developed by FIFA with the support of WADA. The Minister is committed to maintaining pressure on the FAs as it remains a UK government and sports council's policy that the national federations must be code compliant or risk removal of public funding.

Nick Bitel re-joined the meeting

Members queried why 63 of the 120 sports, who had not signed up to the National Anti-Doping Agreements, had not been given the 30th June deadline that FIFA had been given. John Scott advised that apart from the 'big 4', these sports were not currently on the anti-doping programme and hence were not in the same priority category. Members requested that a timescale be applied to all sports. UKS

Tim Hollingsworth updated members on current issues regarding Freedom of Information. It was agreed that a further update will be provided at the next meeting UKS

6. Board Events Calendar

Members noted paper UKS 28 2006

7. Governance

7.1 Business Plan 2006/09

Chair introduced the updated Business Plan which now included the additional funding for 2012 received in the March 06 Budget. Will Calvert then delivered a presentation to the Board to explain the impact of the additional funding.

Members pointed out that for the 'Athletes in World Class Target Events' section, some of the targets in UK Sport's revised Funding Agreement were not in the Business Plan. It was explained that this was because they are annual targets not relevant to the four year Business Plan. They will however be included for reference. UKS

There was some concern expressed as to how the additional funding and delivery plans are being transmitted to the media on a sport by sport basis, with some large 'top line' figures creating a false impression that it is funding just for athletes. UK Sport's Communication Department will continue to engage directly with Governing Body press representatives to ensure that messages on this issue are consistent and give clarity on funding decisions. UKS

Subject to the mentioned additions, the Board adopted the new Business Plan.

Will Calvert left the meeting

7.2 DCMS/UK Sport Funding Agreement 2005/08

Tim Hollingsworth presented paper UKS 30 2006 outlining UK Sport's revised Funding Agreement with DCMS. He explained that the Quarterly Review meetings held with the department will now use a standard template to update performance against the Targets in Annex one.

Members commented that the wording of para 2 on page 3 should be changed to reflect the fact that UK Sport no longer targets resources solely at athletes capable of winning medals. Also that in para 3 of Page 8 it should only be material or significant amendments to the information contained within the Funding Agreement that should be agreed in advance with DCMS.

Members asked how UK Sport would take positive action to promote diversity and were advised that it would be primarily through its promotion of the Equality Standard for Sport across NGBs and other sporting organisations.

Members were then advised that the performance targets in Annex One relating to UK Sport's Primary Activity 1 ('Support athletes to succeed in World Class Events') needed further consideration. These targets are the sum of the individual sport's targets for the given year, based on their most significant competition, and are 'stretch' targets against which UK Sport would not expect all sports to deliver 100%. It is therefore inappropriate to have the 100% collective total as UK Sport's own target. Liz Nicholl explained that a realistic measure of success (based on the past two Olympic and Paralympic Games) would be 68-70%. In order to ensure a proper degree of increase in UK Sport's performance therefore, in the build up to Beijing, the collective target for the sports should be set at 75% for both Olympic and Paralympic targets.

The Board agreed and stated that in their view the UK Sport performance targets for Annex One Primary Activity 1 should be reduced by 25% to ensure a stretching but realistic target across all sports. They also stated that for both Olympic and Paralympic sports the target should be reviewed annually.

Subject to the above changes, the Funding Agreement was approved and will now go forward for signature by UK Sport Chair and the Minister for Sport.

7.3 BOA/BPA Representation on UKS Board

Chris Holmes and Rod Carr declared that neither was on the Board of the BOA or BPA and Members agreed that they should remain in the room to take part in the discussion.

Tim Hollingsworth introduced paper UKS 31 2006, regarding a request from the Secretary of State for UK Sport to consider formal BOA and BPA representation on its Board. Members debated in detail the options outlined in the paper. It was felt strongly that there would be too many conflicts of interest on relevant agenda items for the BOA/BPA to be in attendance for any length of time or play any meaningful part in discussion. It was also felt that nothing had changed since the last review of the UK Sport Board, signed off by Sports Cabinet, which proposed the need for members with Olympic and Paralympic experience but not formal representation.

Following discussion, Members unanimously agreed Option 2 – rejecting formal representation but presenting a number of other proactive options for UK Sport, BOA and BPA to engage directly and regularly on a reciprocal basis, to ensure an appropriate level of knowledge and advice is shared. This should include an annual meeting of the Boards of UK Sport and BOA, and UK Sport and BPA. Thanking Members for their contribution, the Chair agreed to write to the Secretary of State explaining their decision and the options put

forward.

8. Performance

8.1 2012 Funding

Liz Nicholl gave the following update:

- There has been good progress in the delivery of the 100 day action plan
- A full breakdown of current and new awards has been confirmed and discussed with each sport
- Some minor adjustments to the bottom line figures for additional funding have been necessary to ensure all current awards have been appropriately deducted from the full pathway commitment (which remains unchanged). The impact is additional commitments of up to £500k per annum for the first 3 years. At this stage no budget adjustments are felt necessary as there will inevitably be some 2012 funding allocated but not taken up
- Action plans are being put in place for achievement of the funding triggers and AHL, the company working on the management audits, will check the governance aspects
- In principle awards have been given to a number of sports with governance challenges: Shooting, Badminton, Hockey, Boxing
- No award has yet been offered to Basketball as a new British Federation has been established in direct competition with the existing GB Basketball. This needs to be resolved
- A priority for all sports is the identification of performance standards at pathway entry for UK wide application
- Work is underway with EIS on realignment of existing services and provision of new 2012 services
- There is now important work to do to support the TASS programme in this transition year. For most sports there will be little change while Summer Olympic sports are realigning in 06/07.
- TASS has a high political profile. It is a relatively small investment but high risk in terms of reputation across a significant number of interested parties

A further update will be presented at the July Board.

8.2 Priority Paralympic Award Recommendations

Mitch Hammond took members through the background of paper UKS 32 2006. She highlighted that the figure against BPPS core support (page 1) represented both existing and additional funding, with new money being approximately £849,000 over the 3 years. Points 3-5 were noted for background to the recommendations. Point 7 referred to the request for officers to be able to authorise interim awards, although it is unlikely any will need to be decided before the main Paralympic investment decisions are made by the Board in July.

Members were assured that in the recent audit carried out on the BPA the reason for non assurance (which has since been raised to limited assurance) did not relate to any issues around financial systems and management, but rather around the governance systems and structures for the BPPS. Neil Tunnicliffe has been appointed to work with the BPA and BPPS to provide guidance in this area and will be reporting back his findings to the BPPS Board at the end of June and in time for their next Board meeting in early

July.

UK Sport Board agreed the following recommendations:

- ***To permit UK Sport officers to make decisions on interim funding awards of up to £300,000 with no one award greater than £50,000 in this first year (2006/07) to meet critical performance gaps that require funding before the confirmation of the overall allocation of resources at the July UK Sport Board meeting.***
- ***To award BPPS an additional "up to" £250k, for reconnaissance visits and preparation camps for 2006/07 (subject to detailed budgets)***
- ***To award BPPS an additional "up to" £260k, for identified new posts and associated work areas for 2006/07 (subject to detailed budgets)***

8.3 Action Plans for Athletics and Swimming

At the January Board meeting members had asked to see copies of the Action Plans for Athletics and Swimming. These were circulated and Alex Newton gave an overview of the content which included medal targets and achievements, funding details, award conditions with progress tracked, staff and athlete numbers and tracked support and interventions in operational management. These were being developed for all funded sports, will be reviewed on a quarterly basis for audit purposes but are not for general circulation. Members were invited to feedback their comments and any sport specific issues arising within their networks, to Alex Newton or Liz Nicholl. A request that the Commonwealth Games be discussed with each sport was noted and would be actioned.

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Alex Newton/Michelle Hammond left the meeting

9. Drug Free Sport

9.1 Commonwealth Games Testing Programme

John Scott briefly introduced paper UKS 33 2006 and asked the Board to note the success of the programme in very challenging circumstances.

He noted that this was the first time two major multi-sport events took place alongside each other putting great pressure on accurate team member information and the capacity of DCOs to collect samples from all team members. A number of challenges unique to winter sports, where the majority of athletes live and train abroad had to be confronted.

The Chair congratulated the DFS team and advised she would write to all UK Sport staff concerned to thank them. A special thank you was given from Sport Scotland for UK Sport's efforts and successful processes.

UKS

9.2 CAS opinion on WADA and FIFA

John Scott introduced paper UKS 34 2006 and updated on progress with the negotiations between WADA and FIFA.

Members noted with satisfaction the view of CAS that the FIFA rules were not Code compliant and confirmed that this gave added impetus for the home

country FAs to prepare Code compliant rules, as per the policy and funding agreement in advance of the 30 June deadline.

John Scott also advised that a letter had just been received from WADA detailing the first stage of consultation on the review of the World Anti-Doping Code in preparation for the 2007 World Anti Doping Conference in Madrid. As a formal consultee he explained that UK Sport will undertake a consultation exercise with all its stakeholders in order to provide a comprehensive opinion by the WADA deadline of 15th July. Members were invited to provide comment direct to John Scott.

10. Major Events

10.1 Major Events Steering Group Minutes

Rod Carr left the meeting due to a conflict of interest

Nick Bitel confirmed the funding awards recommended by the Major Events Panel and the Board agreed the following grants:

2007 Sail for Gold Regatta

- ***That UK Sport provide a grant contribution of up to £192,525 towards the staging of the Sail for Gold Regatta 2007, with in-principle support for the event in 2008 and 2009. Further conditions are to be added as follows:***
- ***£60,000 of the award is to be ringfenced for GPS tracking costs, only to be drawn down with prior written approval from UK Sport.***
- ***KPIs are to be agreed against which the success of the 2007 regatta will be evaluated. Funding for the event in 2008 will only be agreed once a satisfactory evaluation of 2007 has taken place.***
- ***RYA are to pursue the packaging and sale of a range of sponsorship packages.***
- ***The budget is to be revised to more accurately show the VIK that the RYA is providing to the event.***

2008 European Boxing Championships

- ***That UK Sport provide a grant contribution of up to £275,000, (to include a ringfenced contingency of £92,000), towards the staging of the European Boxing Championships 2008.***

Members noted the following awards made by the International Director under the authority delegated by Board:

- ***that UK Sport provide a grant of up to £93,050 (including a ringfenced contingency of £17,550) towards the staging of the ICF Canoe Slalom World Cup, June/July 2007.***
- ***that UK Sport provide a grant of up to £98,630 towards the staging of the European Figure Skating Championships, January 2009.***

Members noted the following award made by the Chief Executive

under the authority delegated by Board:

- ***that UK Sport provide a grant contribution of up to £187,000 (including a ringfenced contingency of £35,110) towards the staging of the ECA European Championships, August 2009.***

Rod Carr re-joined the meeting

Nick Bitel advised that a number of major events organisers in the UK (both sporting and non-sporting) have met with the Minister for Sport as they are unhappy with the way the Government is approaching major events. The Minister has agreed to approach DCMS, the Home office and the DTI to set up a senior working group to meet quarterly in order to talk through the way legislation impacts on major events (eg. The Security Industry Act). Members pointed out that it was extremely important that the devolved administrations be involved and Chair advised that the Minister would be reminded of this once final responses were received.

John Scott informed members that the Major Events Panel would be considering a paper on the UK Sport policy where more than one home country wishes to bid for an event. This will be brought to Board for consideration.

UKS

It was noted that item 34 of the Major Events minutes referred to a letter from the Minister of Sport regarding the Paralympic World Cup funding. Members agreed that no additional money could be offered to an application that had been fully assessed and agreed by the Board and that if dissatisfied the applicant could have lodged an appeal.

Nick Bitel apologised to the Chair and advised he would have to leave the meeting for a prior engagement.

11. Corporate Services

11.1 Finance Report

Will Calvert re-joined the meeting and Members accepted paper UK 36 2006

Members were advised that UK Sport has a pension deficit based upon the 2004 actuarial valuation. A 9 year payment plan has been agreed with the LPFA to clear the current deficit. This has been factored into our business plan. It is obviously possible that the deficit itself could go up/down in later years based upon future actuarial valuations. We intend to discuss our pension strategy options going forward with the LPFA during this year to mitigate future risks.

11.2 Annual Report and Accounts

A financial presentation was given by Will Calvert and the Board noted the information

11.3 Audit Committee Minutes

Members accepted paper UKS 38 2006

12. BAC

Pete Gardner joined the meeting

However, as the meeting had run over time, Chair invited the BAC to be the first agenda item at the July meeting so a full presentation could be received by the Members.

13. AOB

Chair advised that Chris Holmes had accepted an invitation to stay on the Audit Committee as Chair and that Louise Martin had now stepped down. Philip Carling will also be staying on as a member of the Audit Committee.

Chair updated on the process of electing a new Board Member and advised that candidates had been shortlisted and interviewed and the recommended candidates had been submitted to the Secretary of State for decision. It is anticipated that the new Member will join the July meeting.

14. Date of Next Meeting

The next Board Meeting will take place on Tuesday 25th July 2006, 1000-1300, at UK Sport.

It was noted that the September date for the Board meeting clashes with a China Delegation trip that UK Sport staff are undertaking. Aimee Wells to circulate new dates for agreement.

As there was no further business to report the meeting closed at 1315.