



Minutes of the UK Sport Board Meeting held on 21st November 2006 at LOCOG Offices

Present

Chair Sue Campbell

Attendees: Nick Bitel
Julia Bracewell (joined at Item 10.3)
Philip Carling
Chris Holmes
Rod Carr
Eric Saunders
Derek Mapp
Nigel Walker

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 &
Communication
Will Calvert Finance Manager (Item 10
onwards)

Board Secretary Aimee Wells UK Sport

1. Introduction and Apologies for Absence Action

The Chair welcomed members to the meeting and extended a special welcome to Derek Mapp as the new Chair of Sport England who has now joined the Board.

Louise Martin sent apologies due to work commitments in Malaysia and Members were advised that Julia Bracewell would join the meeting after submitting evidence at the House of Commons Select Committee.

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.

No conflicts of interest were declared.

3. Approval of Minutes

No issues were raised and the minutes of the meeting of the 6th September were approved as an accurate record.

4. Matters Arising

Members requested an update on Item 10.1. Tim Hollingsworth reported that although there was due to be no update in the pre-Budget Report due 6th December, there will be a note in the documentation to the effect that the £200 million extra funding awarded by the Treasury has been well spent by UK Sport and the Department are still actively pursuing the extra £100m with direct reference to loyalty cards and patronage schemes.

Item 7.1 – Liz Nicholl reminded Members of paper UKS 08 2005 discussed at the meeting in February 2005 when it was agreed that athletes who have served a doping ban but cannot compete at the Olympic Games because of the BOA Bye-Law may still be able to contribute to medal targets at other major competitions and may assist in qualifying places for the Games. The question raised at the last Board meeting was whether medals won by such athletes would be acknowledged as directly contributing to the formal medal targets for the sport. As the annual medal targets leading up to a Games are indicators of progress towards Games medal targets, it was acknowledged that it would be inappropriate for any medal or placing of such an athlete to be interpreted as an indicator. The medal or placing would be recorded (as it is in the public domain) but it would not be shown as a Games medal target. Recording the data in this way will enable the position to be changed if the athlete is successful in an appeal against the application of the BOA Bye-Law.

Item 5 of the Executive Team Report – Members asked for clarification on whether the Performance Directors had been consulted regarding the LOI. Liz Nicholl advised that the Consultants conducting the stakeholder survey on behalf of BOA were advised by UK Sport to seek feedback from the Performance Directors but it was not clear as to whether this had already happened. It was felt by Members that this group could add most to the discussion and should not be bypassed. Liz Nicholl agreed to refer this to the PD Forum for their follow up.

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5. Executive Team Report

John Steele highlighted the appointment of Sir Clive Woodward and advised members that a number of meetings had taken place between UKS and the BOA concentrating on how Sir Clive's new BOA role could add value to sport without duplicating UK Sport roles. There would undoubtedly be opportunities for Sir Clive to input his additional expertise to support the medal potential of some sports and there were possibilities relating to piloting workshops on podium success. It was noted that it is important for UK Sport to use its influence to ensure that the expertise available, whether that be in NGBs, BOA or elsewhere, is deployed for the benefit of the system.

Members were advised that the launch of the UK Sport internal development programme 'Winning Together' is to take place early next year. In conjunction with increasing HR resources, this is to improve and coach staff already within the organisation. An information pack was circulated to members.

John Scott updated Members on the development to date of the "Singapore Manifesto". Meetings have been held with the IOC recently in Cuba and

they are anxious for the manifesto to deliver some 'real' sport development opportunities. This message has been communicated to government and LOCOG has been de-briefed and is supportive.

The "100% ME Cycling Team" is due to be launched on 9th Dec in Manchester at the Revolution event. Board Members were asked to inform UKS if they wish to attend. This naming of the team has the full engagement of the BCF and a tight contract has been put in place to ensure appropriate standards. The athletes are to receive full education and briefing on 4th December.

It was highlighted that DFS had recently installed an IT addition to the Whereabouts system whereby athletes can text whereabouts amendments directly to the system. This had successfully gone live in the last 2 weeks, with over 100 athletes using the new software.

Members noted that debate at the recent WADA symposium in Colorado had focussed on the investigation and enforcement powers now being developed by some NADOs. This changes the nature and operational structure of a NADO and will be discussed with DCMS. It was also noted that progress with Code compliance by IFs and NADOs was extremely slow. UK Sport was one of only 21 NADOs who were fully Code compliant

Liz Nicholl gave an update on TASS, advising that a consultation document had been drafted in September but, in discussion with UKS Chair and TASS IAG (Independent Advisory Group) Chair, it had been agreed to delay finalising this so that the emerging outcomes of work on the role of HEIs in the sporting landscape could be reflected in the document. In the meantime initial proposals on the way forward are being presented to the TASS IAG on the 22nd November. The ideal scenario is that a consensus is agreed which is then presented to DCMS and the Secretary of State before going out to wider stakeholder consultation in January. DCMS preferred to have a number of options available to discuss with the Secretary of State but this may not be possible. Members queried whether any such options would be available to the Board for comment and it was agreed that they would be circulated prior to them going out to stakeholder consultation.

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Chair advised that Liz Nicholl had coordinated two recent meetings of groups of PDs with the Secretary of State to share details of 2012 progress. These had been very successful. Members suggested that it might be helpful if one or two NGB representatives, who understand the TASS programme and the bigger picture, attend discussions with the Secretary of State on TASS. The Chair agreed this would be useful and would take it forward.

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6. Board Events Calendar

Members noted paper UKS 59 2006.

Sport England would like it noted that the 7th December sees the launch of their Active People Survey Results. This is the biggest survey undertaken in regard to sports participation with 467,000 people having taken part. UK Sport will be briefed by Sport England prior to the launch.

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7. Performance

7.1 2012 Progress Report on Performance against Targets

LN presented paper UKS 60 2006 to Members and highlighted the results that had been added since the September meeting -

Archery/Fencing/Artistic Gymnastics.

Two additional sheets gave further details including 07/08KPIs and Beijing medal targets.

Liz Nicholl explained that for future meetings a high level summary will be provided to focus the Board's strategic discussion. In the meantime, the PPCs were currently reviewing the summer performances, and would be discussing the 07/08 KPIs with their sports and reflecting on the implications for the Beijing targets. Their early feedback is that a small number of sports targets for Beijing are unrealistically high while some others have been set too low. These will be formally challenged in 2007 after the summer competition season. At this stage PPC adjustments and inclusion of Badminton and Boxing are likely to leave the accumulated target at 45 but if, as we have agreed, it is reasonable for 75% of the total to be achieved in the Olympic environment then the accumulated target needs to be 47.

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Members welcomed the update and asked whether it could be more than one-dimensional i.e. focusing on more than targets to identify where significant intervention may be needed. Liz Nicholl explained that the team was developing plans to do just that, the idea being that each sport would be formally assessed in relation to its support of podium level athletes, its ability to bring athletes through and its governance. This work should be ready to present to the next meeting.

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Derek Mapp asked to be brought up to date on sport by sport progress since the announcement of the new funding model and Liz Nicholl agreed to arrange a meeting.

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7.2 EIS Alignment with UK Sport

Members noted paper UKS 61 2006 for information and commended all concerned on their work to date during this difficult period of transition.

7.3 British Performance Basketball Ltd

Liz Nicholl took members through paper UKS 60 2006 highlighting the current complications with Basketball which include the existence of two British bodies and the Sport England led Mallin review which is due to recommend changes in the New Year.

The paper recommended the creation of 'British Performance Basketball' (BPB) as a 'special purpose vehicle' to be established for a finite period to drive the planning and implementation of a performance pathway programme for Basketball at a time of serious discord within the sport. BPB would be established as a company limited by guarantee with UK Sport as sole member.

The aim was to put in place an interim solution to bypass the issues between Great Britain Basketball (the currently recognised body that is in the process of being de-recognised) and the new but not recognised British Basketball Federation (BBF) which comprised of the three home country Governing Bodies that have broken away from GBB. BPB would fill the void until the outcomes of the Mallin Review have been implemented. When a newly recognised British body is in place, BPB would transfer to that body. The Home Country Sports Councils were supportive of this solution.

It was noted that the new limited company would formally engage with the BBF, as opposed to GBB, as it comprises the three home country bodies

that have membership of the International Federation and are the direct link with affiliate players.

The Board agreed to adopt the recommendation as an interim measure with the caveat that the Board of the BPB must include an individual with a competency in governance issues.

8. Drug Free Sport

8.1 Implementation of ADAMS System

John Scott introduced paper UKS 62 2006 explaining the history of the ADAMS system.

UK Sport has had a positive response from WADA to work with them and adapt the system to accommodate UK Sports needs. Testing of the system has been ongoing with positive feedback received from the DFS team.

A Member queried the savings of £1.6m (Item 3), which had originally been estimated as the cost of developing a tailor made system. Neil Shearer advised this budget was multi-year, and has been re-allocated as part of the forecasting process. John Scott advised of a typographical error on the estimated cost and noted this should have read £1.2m.

Members asked for clarification on the practicalities of sharing confidential information with authorised users and were advised that UKS has confirmed with WADA that this issue has been properly explored and security procedures are in place.

Following discussion the Board accepted the recommendation.

8.2 Child Protection Policy for DCOs

Members noted paper UKS 63 2006 for information and welcomed its production and quality.

Copies of the policy were circulated to all members.

9. International / Major Events

9.1 Major Events Panel Minutes & Recommendations

Members received paper UKS 64 2006 and they agreed the following recommendations from the Major Events Panel.

2009 European Show Jumping and Dressage Championships

That UK Sport provide a grant contribution of up to £948,000 towards the staging of the FEI European Championships for Show Jumping and Dressage 2009, with the following conditions added to those detailed in Paper 02:

- *Any savings that are made to the event budget as a result of negotiations with the FEI on the following SOR's shall be detailed and submitted to UK Sport by 15 January 2007:*

Organiser's Fee

Prize Money

Competitor costs

Infrastructure

- *UK Sport's contribution to the event shall be reduced by 80% of this total saving, with the remaining 20% to be paid to HPower by way of an additional Management Fee. In order to facilitate this, £200,000 will be ringfenced to allow Officers to make the re-adjustment following negotiations. This will only be released in whole or in part with Officers approval.*
- *A further £117,000 is to be held as a contingency, which can only be drawn down against eligible items of expenditure with prior approval from UK Sport.*
- *BEF are to develop a volunteer programme for the event, which is to be approved by Officers.*
- *UK Sport is to be named on the event insurance policy.*

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 £48,000 towards the staging of the Modern Pentathlon World Cup 2007.*
- *that UK Sport provide a grant of up to £70,000 towards the staging of the European Junior and U23 Track Cycling Championships 2007.*
- *Members are asked to endorse the following recommendation on World Class Event Programme Policy:*
- *that UK Sport adopts the new policy on competing Home Country bids, as proposed at the August 2006 Major Events Panel meeting, following home country consultation by Officers.*

Members were advised that the result of the European Show Jumping & Dressage Championship bid is expected imminently.

John Scott explained that as requested by Members, further consultation had taken place regarding the proposed policy on competing Home Country Bids. Event Scotland has confirmed it is happy with the policy and represents the views of the Scottish Executive as well. Final clarification of the Scottish Executive position is being sought from DCMS. Both the Welsh Assembly and NI Events Company (representing Northern Ireland) have confirmed their acceptance on the policy.

The Board agreed to the recommendations of the Major Events Panel with the caveat that the competing bids policy be put in place only once clarification was received from DCMS on the Scottish Executive's position.

Note: Following the meeting, DCMS confirmed that the Scottish Executive are happy with the policy.

10. Policy

10.1 Funding Sanctions on Athlete Support Personnel

Will Calvert joined the meeting.

Tim Hollingsworth introduced the paper, which sought to introduce a new funding sanction around anti-doping – whereby UK Sport would not provide public funding for any new appointment to an Athlete Support Personnel role where the candidate had previously committed a serious doping offence as an athlete.

Following legal advice, UK Sport had determined that the principle of this new sanction could be imposed and withstand a challenge but only in cases where it had not been applied in any way retrospectively.

Members debated the issue thoroughly. They considered whether in fact the legal advice received was appropriate, given arguments around both natural justice and restraint of trade. In particular they questioned whether or not it would be workable in practice, given Employment Law, and stated that this point needed much further investigation, not least in relation to recent European legislation. They also questioned the principle of preventing individuals from having a second chance in a career at one remove from that under which they committed the offence. Members were clear that whatever the policy, it would be impossible to enact it retrospectively, and therefore it should only apply to athletes who commit a doping offence following its enactment.

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In terms of what might be acceptable, Members determined that the policy would need to be shaped around some specific parameters – for example potentially insuring that any prospective ASP who had committed a doping violation as an athlete had admitted guilt and actively committed themselves to the fight for drug-free sport before being eligible to receive public funding.

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Following a lengthy debate, it was determined that Members could not accept the Paper as put forward, but equally would not rule it out at this stage. Officers were instructed to take further legal advice on the specific issues raised and also consider ways in which the parameters that would determine eligibility for funding could be set, and to present a further proposal to the February 2007 Board meeting.

10.2 SDRP Proposal for Independent Appeals Process

TH introduced the paper outlining the draft Rules of Procedure for the SDRP to operate UK Sport's Independent Appeals Process. The paper was for information as the decision to use the SDRP had been taken at the September Board. Subject to one comment requesting that the Rules be explicit on what can be appealed under the Grounds of Appeal, Members agreed the paper.

In addition it was highlighted that SDRP required two nominations from each of the Boards of UKS and the HCSCs to be placed on the list of potential Panel Members. Chris Holmes and Nick Bitel were nominated from the UK Sport Board and the HCSC Chairs were requested to feed back on their proposed nominations as soon as possible.

HCSC

10.3 UK Sport's Equality Strategy Review

Julia Bracewell joined the meeting.

TH introduced UK Sport's proposed Equality Strategy 2007-2009. He

highlighted the fact that the Strategy was high level and would be underpinned by an Action Plan, which in turn would ensure that UK Sport would move toward the Foundation Stage of the Equality Standard. The Strategy is in two parts – one focusing on UK Sport’s internal practices and procedures and the second on how UK Sport should consider its leadership role across sport. Progress would be monitored annually with a report back to the Board.

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Following a brief discussion around ensuring proportionality in relation to the appropriate amount of time and resource dedicated to this area of work, members praised the paper and approved the Strategy.

11. Corporate Services

11.1 Finance Report

Will Calvert introduced item 11.1. UKS are currently planning their 2006-07 statutory accounts process which will incorporate EIS as a subsidiary company for the first time.

The new format for the Annual Report that was introduced last year will be retained. Any comments or suggestions for further improvement would be very welcome from Members.

UKS are investigating how to further simplify having to produce two sets of statutory accounts which adopt different accounting policies. The Annual Report format includes an overview of both sets of accounts together to consolidate our financial statements. The aim is to further improve how we explain our financial statements to stakeholders.

Lottery income trends remain volatile but full year forecast income is in line with last Forecast. Forecast for staff costs is higher. Phasing of this, driven by pay increases and pension payments will be explained in more detail. Non-staff costs are also loaded to the second half of the year, but are comparable with last year’s profile.

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The Business Plan financial forecast is in the process of being updated and will be reviewed at the next Board meeting.

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11.2 Audit Committee Annual Report

Chris Holmes took Members through the main points of the Annual Report

- UK Sport was the first NDPB to produce a ‘value-added’ annual report and accounts. Thanks were given to Corporate Services for the work achieved.
- Apologies were given regarding the timing of the report as it was not brought to Board for approval before the sign off of the 2005-06 annual accounts. Next year as the Board date pattern has changed, this report will be considered before sign-off so all comments can be considered.
- The increase in the number of days for Internal Audit work has been caused partly through timing with one audit moving from 2005-06 to 2006-07. Additional audit work has also been planned for aspects of the transfer of responsibilities, e.g. EIS Governance. This year’s figure is also a planning assumption and in practice we would therefore expect approximately 10% less activity than planned, partly through timing. Progress against plan is reported to each Audit committee meeting.

Chris Holmes will follow up this point with Deloitte at the next Audit Committee scheduled for February’07.

11.3 Audit Committee Minutes

Self-review of the audit committee has taken place with a number of matters moving forward including simplified reporting. In order to address the issue of Board/Audit Committee training a Governance and Finance Workshop will be held following the February Board (for approximately 3 hours). This will have a component on governance led by the NAO, a general finance component led by PWC and a UK Sport specific section. Audit Committee members are attending and other board members would be very welcome. AW will circulate a one page programme outline.

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12. AOB

No further business to report.

14. Date of Next Meeting

The next Board meeting will take place on the Tuesday 13th February 2007 1000-1300.