

SPORT ENGLAND BOARD - MINUTES

12 September 2017

Sport England, Room 11-13, Lower Ground Floor, 21 Bloomsbury Street, WC1B 3HF

Chairman: Nick Bitel

Members: Debbie Jevans (DJ)
Denise Barrett-Baxendale (DBB)
Kate Bosomworth (KB)
Ian Cumming (IC)
Chris Grant (CG)
Wasim Khan (WK)
Andrew Long (AL)
Karen Pickering (KP)
Charles Reed (CR)

Attendees: Jennie Price (JP)
Mike Diaper (MD)
Charles Johnston (CJ)
Dave Newton (DN)
Lisa O'Keefe (LOK)
Phil Smith (PS) (part)
Charlotte Lawrence (CL)
Mike Hudson (external guest) (Item 1)
Paul Bickerton (Item 3)
Greg Clements (Item 3)
Duncan Truswell (Item 3)
Simon Macqueen (Item 4)

Secretariat: Tanya van Niekerk (TvN)

BOARD EVALUATION WORKSHOP

A Board Evaluation workshop session attended by the Sport England Board Members and the Sport England CEO preceded the Board meeting.

1. In March 2017, following a procurement and selection process, Sport England appointed Compass Partnership to facilitate the annual Board evaluation for 2017. The evaluation reported on the performance of the Board and was based on findings from a questionnaire

tailored to suit Sport England, observation of a Board meeting, and interviews with Board Members and the Chief Executive.

2. The Chairman welcomed to the meeting Mike Hudson (MH), Founder & Director, Compass Partnership.
3. MH set out the purpose of the workshop, which was to provide additional value to the Board by bringing an external perspective and giving Members the opportunity to openly discuss and explore the findings, conclusions and recommendations of the evaluation.
4. MH invited Board Members to discuss in pairs the most important thing they felt had come out of the evaluation process.
5. One of the key themes emerging from these discussions was Board Members' desire to spend more time on strategic rumination. Time for 'big picture' analysis that allowed the Board to step back periodically and take a high-level look at the business would help ensure that the Board supported the Executive effectively and added the greatest value it could to the organisation. The Board wanted to focus on working 'on' the business, rather than 'in' it and reflected on the challenges of getting the balance of time spent on strategic and operational matters right, ensuring focus on the right topics, at the right level of detail.
6. Other themes included:
 - a. Spending more time discussing the capacity of the organisation - the role of the Board in helping the Executive to drive change and ensure that the organisational structure supported delivery of the strategy in the most effective way.
 - b. Spending time on reflective practice, for example, thinking about topics which the Board weren't discussing but should be, and topics that may fall between the remit of the Board and its Committees or Sport England working groups; and identifying relevant external perspectives, such as government policy strands and agendas.
 - c. There was strong support for a private session at every meeting for Board Members and the CEO only. It was suggested that some of this time could be spent reflecting on whether Members felt the meeting had achieved what it had set out to do, and to consider upcoming board business (forward agendas).
 - d. A desire for shorter Board packs. It was suggested that briefing notes could sometimes be more effective in stimulating the right conversation than full papers.
7. There was strong support for seeking the Executive's views on the performance of the Board. It was noted that whilst there was recognition amongst the Executive and senior colleagues of the role the Board played on governance and decision-making, the chance for the Executive to ruminate alongside the Board on more difficult issues would be valuable. The Board agreed that a follow-on evaluation exercise (based on the same set of questions) should be conducted with the Executive in 12 months' time to determine their views on the effectiveness of the Board and what value they felt the Board brought to the organisation.

8. MH took the Board through the key findings and recommendations based on the evaluation exercise.
9. The Board discussed the recommendation concerning the arrangements that enable the Board to track achievement of the new strategy. The Chairman referred to the Strategy Summary paper (agenda item 3) which presented the first iteration of the new way of reporting against the strategy. The Board recognised the significant amount of work that went into producing the report and discussed the importance of agreeing as a board what type of information should be included and how Members wished to view it.
10. Wherever possible, the Board's focus should be on the outcomes and the value for money achieved by the investments Sport England made. Members felt that the way in which the report was now presented, combining narrative, RAG register and performance dashboard, articulated the status well in terms of monitoring and evaluation. It was acknowledged that this approach would evolve as more data became available that showed the impact Sport England's new strategy was having.
11. The question of how the Board ensured time was spent on 'big picture' thinking, not just approvals of spend on particular programmes and detailed monitoring and evaluation, remained. Members considered whether the Committees or a sub-group(s) of the Board could release some additional capacity in terms of Board time, for example, by considering particular issues or outcomes in more detail.
12. Another option was for the Board to have a focused session once a quarter to consider a particular area of the strategy, for example Volunteering, allowing the Board to take an aerial view of whether the strategy still supported what it set out to accomplish, whether the organisation was delivering that strategy, and whether that strategy was delivering as expected.
13. Another option for creating more time and space within Board meetings was encouraging better discipline in relation to how items of business were presented. The bulk of time on each item should be used for discussion and questions, with the introduction by the relevant Executive or Sport England officer kept concise.
14. The Chairman invited views on the level of detail provided on particular topics, using the regular financial update as an example. Members valued having sight of the level of detail contained in the report, but felt that a short overview outlining the overall status of investments and suggesting one or two key issues for debate would provide greater value to the discussion. Furthermore, Members would welcome the opportunity for forward-looking strategic conversation about how Sport England might use future investments in future funding cycles.
15. The Board discussed and **AGREED** the proposed management response to the remaining recommendations as set out at Appendix 1 of the paper.
16. MH invited JP to reflect on the next steps.

17. The majority of work flowing out of the evaluation would relate to the first two recommendations – putting in place arrangements that enabled the Board to track achievement of the strategy, and incorporating more time at Board meetings for strategic remuneration. As discussed, the first recommendation was already being addressed through the new iteration of the strategy report. Furthermore, at the October Board Members would be presented with the first stages of a comprehensive map of Sport England’s activities as they related to the key priorities and associated targets and KPIs. The Board’s response to this would be vital in helping to shape reporting going forward.
18. With regards to the format of Board meetings, space would be found on the agenda three or four times a year for a focused ‘aerial view’ session on a specific element of the strategy, as described above. The Chairman asked Members if they would value having an outside view when ruminating on a subject where the Board may not have specific expertise. The Board welcomed this suggestion, and also expressed an interest in hearing from other Board Members about relevant work they might be doing (e.g. Everton Football Club’s diversity work).
19. Thought would be given as to how the Committees were utilised and whether more could be delegated to these forums. Where matters had been interrogated thoroughly at Committee level, further consideration by Board may not be required. It was noted that all new or high risk programmes and investments would continue to require Board approval.
20. Feedback on how items were to be presented to the Board would be provided to the Executive and Sport England colleagues.
21. The Chairman thanked MH and his team for the work they had done, reflecting that it had been a good process and a useful workshop.
22. The Chairman updated the Board on the discussion at the Chair’s Committee meeting that morning regarding succession planning for the Sport England Chief Operating Officer role. Rona Chester, COO, would be retiring at the end of March 2018. The Chairman set out the process for replacing her, the different structure which the role would have going forward and the anticipated timetable for appointment. The interview panel would consist of the Chairman, JP and DJ.

MH left the meeting.

The Board took a short break, reconvening at 11.45 and joined by the Executive Directors.

WELCOME

23. Apologies were noted for Board Member David Goldstone (DG), Sport England Officer Rona Chester and DCMS representative Andrew Honeyman. Charlotte Lawrence was attending on behalf of Andrew Honeyman. PS would need to leave the meeting at midday to attend an important external event, the NGB Investment item would therefore be taken prior to the Strategy Update.

24. The Chairman noted DG's recent appointment as Chief Operating Officer at the Ministry of Defence.
25. There were no declarations of interest.
26. The minutes of the Board meeting held on 21 June 2017 were **APPROVED** as a correct record.
27. The Board **NOTED** the Matters Arising from the Board meeting on 21 June 2017 and earlier meetings, all of which had been completed, carried forward or dealt with elsewhere on the Board's agenda.
28. The Board requested a report on the lessons learned for Sport England following the independent review into British Cycling.
29. In response to a question from the Board, PS said that the exact timing of the review of the NGB Recognition Policy was still to be determined. The Sport and Recreation Alliance would be assisting Sport England with this work. Recognition was a process shared by all five Sports Councils (UK Sport, SportScotland, Sport England, Sport Wales and Sport Northern Ireland) but this review may present the opportunity to consider the consistency of those sports that were currently recognised.
30. CG said that concerns remained about the ability of the National Governing Bodies (NGBs) to deliver comprehensive diversity plans by 31 October 2017 and highlighted the need for Board-level representation and involvement from UK Sport on the joint diversity working group. The Board requested a report from the joint diversity working group at the November Board.

PB, GC and DT joined the meeting.

INVESTMENT PROGRAMME – SUSTAINING THE CORE MARKET

Core Market Outcomes Framework – Summary of Sport England Investment Committee's consideration of the Key Principles

31. CR summarised the aim of the core market outcomes framework session at the August Investment Committee meeting. The Committee had approved the key principles for agreeing the NGB targets and measures and the sign off process.
32. PS summarised the key points from the Investment Committee meeting and updated the Board on the work done since then to address the matters raised.
33. In response to a question from the Board PS confirmed that, whilst similar, the diversity targets for each NGB would be bespoke. Each NGB would have a target for the percentage

of people from the diverse background which they claimed they could reach, which would be appropriate.

34. The Board asked if it or the Investment Committee would see each of the 49 NGB targets and measures dashboards. The intention was that the Executive would be responsible for scrutinising the individual dashboards. The Investment Committee would be kept across the overall picture and the Executive would flag any issues arising to the Committee and/or Board as appropriate. This approach would help ensure qualitative rather than quantitative input by the Committee and Board.
35. The Investment Committee had discussed the importance of Sport England helping NGBs to see the benefit of the new framework. PS said that the principle of the framework had been well-received, but the level of detail and ambition desired presented a number of different challenges across the NGB group.

National Governing Bodies Investment

36. GC provided an update on NGB investment to date, with a focus on the current budget position.
37. The Board discussed the projected final budget position against the £238 million budget and the proposed steps to ensure that the portfolio of investment came in on budget. The Board agreed with the Executive's view that the budget was manageable through the mitigating actions as set out in the paper.
38. The Board reflected that the payment for results performance management process would be more complicated to manage than under the previous strategy where the results were measured against a single figure. The Executive was still in the process of developing how it would performance manage against the dashboard, but the way funding packages had been set out would allow Sport England to be more precise about what it was funding, and, if a particular stream of work was not delivering against the agreed measures and targets this could be carefully and precisely managed. The Chairman said the Board would want to understand the detail of the process (once fully developed) to give Members confidence when making decisions about the potential removal of funding as a result of an investment, or part of an investment, failing.

The Football Association (FA)

39. GC presented the investment case.
40. The FA had provided a clear and concise submission which included supporting documents outlining six interventions. These interventions clearly followed The FA scoping agreement. The submission requested core funding only and demonstrated good value for money. The FA had committed to influence 1.6m people over the 2017-21 period. It is noted that at the time of submission FA Charter Standard was currently under review to increase impact and a condition of award was included.

41. The Board thanked the team for their hard work with The FA in agreeing a governance action plan which would result in FA compliance with the Code for Sports Governance.
42. The Board discussed whether it was appropriate to fund these programmes on the basis that any reduction in funding would result in less delivery. Whilst The FA was in a strong financial position, it had no contingency budget to support delivery of the programmes should Sport England funding cease and the scale of intervention would have to be scaled back under these circumstances.
43. Some reservations were expressed about the proposed funding of the Respect Programme, which a well-positioned and financed organisation like The FA might be expected to undertake without public investment. The Board considered this, but felt that a similar argument could be applied to many of the commercial sports seeking public funding and it was important that the Board continued to be consistent in the criteria it applied to funding applications. It was also noted that the Respect Programme should provide positive results for the 'experience of young people to sport' KPI.
44. The Board asked that the Investment Committee look at the Respect Programme at the appropriate point(s) in time to ensure it was delivering the agreed outcomes.
45. The Board noted that the report on the lessons learned from this NGB investment process was scheduled to come to the November 2017 Board meeting. The report would pick up the issues described above and would provide the Board with the opportunity to establish some principles to help guide the rest of the current investment cycle, as well as help to shape the next investment cycle.
46. The Board **APPROVED** a three-and-a-half-year award to The FA totalling £8,988,000. This represented a total investment of £10,000,000 for core market delivery (inclusive of the £1,012,000 holding award) and £14,600,000 overall (inclusive of the £4,600,000 talent award).

England Boxing (EB)

47. PB presented the investment case.
48. EB had provided a proposal that matched its Core market scoping agreement, explaining how it would make core market behaviour more resilient with a clear focus shown in making clubs and the NGB more sustainable and less dependent on grant funding. Improvements to training standards and communication were well detailed. Areas where the submission scored less well related to the quality of the insight on its customers, however, there were clear signs in the submission that this was improving. It was noted that the financial and commercial plans carried some risk.
49. The Board reflected on the importance of this sport to Sport England's strategy given the diversity of its participants. The governance issues were of some concern and Sport

England would continue to support the NGB as much as possible in helping to address this. The award conditions relating to governance were designed to be supportive and Sport England would remain close to the organisational restructure process, ensuring that the new structure supported the NGB's new strategy. A transition award to support EB to complete its organisational change process was recommended.

50. The Board reflected on the NGB's approach to educational and vocational training and the learnings that could be drawn from this and shared with other sports.
51. PS provided the Board with an update on the issue of membership unrest within England Boxing.
52. The Board **APPROVED** a four-year award totalling £2,835,266. This represented a total investment of £3,200,000 for Core market delivery (inclusive of the £364,734 holding award previously awarded) and £4,250,000 overall (inclusive of the £1,050,000 talent award).

The Board **APPROVED** a separate transition award totalling £150,000 to England Boxing.

England Squash (ES)

53. DT presented the investment case.
54. ES had provided a considered submission, which directly addressed the areas it was solicited to apply for. Within the Core Market, ES demonstrated a good understanding of its audience, its customer values and the entry and exit points within its sport. The application was less strong on value for money and sustainability.
55. The Board noted that some attempt had been made to look at commercial revenue streams and further efficiency savings, however, it was unclear whether the NGB's plans to address this would have a significant positive effect in reducing reliance on Sport England funding.
56. The Board reflected on the broad range of ES's submission which set out a number of areas of work and the organisation's capability to deliver against all of these.
57. The Board discussed the Talent award and agreed the level of investment into Talent, subject to Sport England setting suitably challenging targets and ensuring ES could evidence at an early stage that the programmes were working.
58. The Board **APPROVED** a four-year award for Core Market totalling £3,937,375. This represented a total investment of £4,562,625 for Core Market delivery (inclusive of the £625,250 holding award previously approved by the Board).

The Board **APPROVED** a Talent award totalling £2,134,000 and High Performance investment totalling £750,000. This represented a total investment of £3,400,000 for

Talent and High Performance (inclusive of the £516,000 holding awards previously approved by the Board). This recommendation was approved on the basis that the NGB revised its financial plans (as indicated in the paper).

British Wheelchair Basketball (BWB)

59. PB presented the investment case.
60. BWB had provided a proposal that matched the scoping agreement for its proposed Core market, Inactivity and Talent work. The Core market section of the submission was strong and the organisation had a consistently good track record of delivery. The 'people' section of the submission clearly detailed newly created roles to reduce BWB's reliance on public funding and contained a positive section on the re-defining of roles.
61. The Board considered the cost per participant of the investment. It was noted that the cost was comparable to other disability sports and that this may be an area Sport England might like to look at in further detail at an appropriate future point.
62. The Board reflected that the BWB was a good example of an NGB where Sport England could help the organisation to take a long-term view of the wider benefits of its sport with a view to opening up new sources of funding.
63. The Board discussed the assessment findings in relation to the Inactivity section of the BWB's proposal, noting that there was not enough evidence of an understanding of inactive consumers or evidence in transitioning people from inactivity to activity.
64. The Board **APPROVED** a four-year award to BWB totalling £1,212,665. This represented a total investment of £1,500,000 for core market delivery (inclusive of the £287,335 holding award previously approved by the Board).

The Board **APPROVED** a four-year Talent award totalling £222,335. This represented a total investment of £235,000 (inclusive of the £12,665 holding award previously approved by the Board).

The Board **AGREED** with the recommendation not to award funding for the Inactivity area of work.

PS, PB, GC and DT left the meeting.

UPDATE ON IMPLEMENTATION OF THE STRATEGY

Progress on Strategy Implementation

65. JP presented the report.

66. As mentioned earlier in the meeting, the report was being redeveloped to include commentary on the impact that current delivery was having against the strategy. As a first step to this at the October Board meeting, Members would be presented with a comprehensive map of activities as they related to the key priorities and associated targets and KPIs. Once agreed, this would allow the Board to be presented with a regular performance analysis of investment against the targets and the impact being made. A dashboard would be included which would show what that impact analysis of investment would be able to show (an example of this dashboard was included in the current report).
67. The report would continue to include a narrative update on each of the investment programmes and performance analysis, with a RAG rating against progress including the current budget spend profile. The Board agreed that, where relevant, the narrative should include details of any programmes or investments that may not be having the impact that Sport England had expected. Details of the projected versus actual dates of opening funds should also be included in the report.
68. The Board liked the proposed initial format of the dashboard and the strategy performance analysis. JP clarified that there would be a maximum of 12 priorities with an approximately even split between those that were numbers-related (e.g. increasing and sustaining the levels of sport and physical activity (150 min) of women) and those related to creating other essential conditions for sustainable growth in engagement (e.g. child protection).
69. JP summarised performance against each of the strategy commitments, concentrating first on those programmes rated red.
70. Mass Markets continued to be rated red. Progress had been made, with the proposed structure of the directorate communicated to the business, however, it was challenging and complex to draw together all of Sport England's data-related activities. Furthermore, the area of data and market innovation required very specific skills to support it, and which were very expensive in the market. This remained one of the most challenging areas of the strategy.
71. A key part of the process for reviewing the original investment plans involved establishing the key insights and using these to shape what needs to be done to achieve the key priorities. The Executive was looking critically at the insight, but one of the challenges was the quality and depth of available insight which varied depending on the individual priority. The Board agreed that this would be a good topic for a deep dive session at a future meeting (December or early 2018).
72. The Workforce programme remained red. The Workforce Director had been appointed and the award to CIMSPA was complete, however, a risk remained with the delivery of the strategy by the autumn and Sport England would need to manage the expectations of DCMS on this. DJ said that this issue had been discussed at length at the recent Sport England Workforce Committee meeting.

73. The Board reflected that the complexity of some of the programmes (such as Volunteering and Mass Markets) presented a challenge in terms of clear line of sight between what Sport England was investing in and the measurable outcomes.
74. In response to a question from the Board, JP said that the organisation was moving towards being able to better map strategic priorities, ensuring that good ideas could be funded, even if they didn't fit within an existing programme. The Local Delivery programme was one example of this where some of the applications received, whilst not suitable for that programme, were potentially a good fit for other Sport England investment programmes. The Board suggested that Sport England could go a step further and start to think about developing a systematic way of directing organisations/individuals with good ideas that may not be a good fit for Sport England to other potential sources of funding.
75. The assessment of the 19 short-listed locations for the Local Delivery Pilots was nearing completion, with some Board Members participating in the assessment visits. There were still some dates available if any further Board Members wanted to participate. The Chairman and DJ expressed an interest in attending a visit.

AOB

76. It was noted that dates for 2018 Board and Committee meetings had been communicated to Members.

The meeting closed at 1.55pm.