

Minutes of the Sport England Board meeting of 6 May 2020

The Board met remotely by videoconference

- Members** Nick Bitel (Chair)
 Natalie Ceeney (Vice-Chair)
 Azeem Akhtar
 Rashmi Becker
 Ian Cumming
 Chris Grant
 Sue James
 Andy Long
 David Mahoney (items 5-10)
 Tove Okunniwa
 Karen Pickering
- Officers** Mike Diaper ED – Children, Young People and Tackling Inactivity
 Alison Donnelly, ED – Digital Marketing and Communications
 Tim Hollingsworth, Chief Executive Officer
 Serena Jacobs, Director-Finance (item 9)
 Charles Johnston, ED – Property
 Hannah Kerly, Assistant Board Secretary
 Richard Mabbitt, Board Secretary
 Simon Macqueen, Director – Strategy
 Hazel McCluskey, Strategic Lead – Business Transformations (item 7)
 Lisa O’Keefe, ED – Insight
 Chris Perks, ED – Local Delivery
 Nick Pontefract, Chief Operating Officer
 Phil Smith, ED – Sport
 Lynsey Tweddle, Head – Corporate Governance (item 8)
- Guests:** Anna Deignan, Head of Sport – DCMS (items 7 to 10)

1. Chair’s Welcome and introductory comments

- 1.1 Nick Bitel welcomed members and officers to the meeting, the second to be held remotely under the ongoing COVID-19 pandemic lockdown measures. He thanked members and officers for their participation under these difficult circumstances.

- 1.2 The Board had agreed by correspondence before the meeting proposals on temporary changes to Board and Committee terms of reference to allow for effective operations under 'lockdown' (paper MB20-19 refers). The Board had also agreed by correspondence before the meeting proposals relating to Sport England's role in Government funding of professional rugby league clubs (Paper MB20-20 refers).

2. Apologies for Absence

- 2.1 All Board members were attending, with David Mahoney arriving at item 5.

3. Declarations of Interests

- 3.1 Tove Okunniwa, Azeem Akhtar and Chris Grant reminded Board members of their registered interests in London Sport, Active Essex and Spotted respectively in respect of papers MB20-24, MB20-24A and MB20-25. The Chair was content that these did not preclude them from comment or decision-making on the general propositions in the papers, but they should withdraw from discussion of any decisions on specific investments relating to these organisations.
- 3.2 The Board noted Tim Hollingsworth's registered interest as a member of the Board of the Football foundation in respect of paper MB20-22.
- 3.3 The Board noted David Mahoney's registered interest in the England and Wales Cricket Board and the Chair was content that this did not preclude him from decision making on the general propositions set out in papers MB20-24, MB20-24A and MB20-25.
- 3.4 No other declarations were made additional to those already registered.

4. Minutes of the previous meeting

- 4.1 The Board **AGREED** the minutes of the Board meeting of 24 March 2020 (paper MB20-21).

- 4.2 The Board asked for an update on any discussions with Sport Scotland and Sport Wales regarding joint working on the Join the Movement campaign (**Action: Ali Donnelly**).

5. Matters arising

- 5.1 The Board reviewed the actions log (paper MB20-22) and was content that matters arising from previous meetings were either complete or satisfactorily in hand or would be addressed under later agenda items.

6. CEO Report

- 6.1 Tim Hollingsworth and lead executive directors spoke to paper MB20-23.

Active Lives Survey

- 6.2 Lisa O’Keefe summarised findings from the Year 4 Active Lives (Adult) survey, published on 23 April 2020 and covering the year from November 2018- November 2019.
- 6.3 The Board was pleased with the overall improvements in activity levels and further falls in inactivity shown by the survey. They noted that future surveys would reflect the severe winter floods of November 2019 to February 2020 and the impacts of COVID-19 and lockdown from February 2020 and recognised that the widespread and substantial gains in habituation of physical activity could well be eroded.
- 6.4 Board members were further concerned that the current weekly Savanta ComRes survey of activity under lockdown commissioned by Sport England suggested a risk of longer-term regression in the relatively strong growth in activity levels that Active Lives showed amongst women, older adults and those with a disability or long-term health condition. In addition, evidence from the weekly surveys suggested that the lower activity levels of people from BAME backgrounds shown in the Active Lives survey were being disproportionately exacerbated by lockdown measures. Board members noted the complex attitudinal and behavioural factors that underlay these variations, including attitudes toward outdoor activity (and a perception of COVID-19 as an airborne disease) and feelings of guilt about taking or not taking exercise.

- 6.5 The Board felt this evidence validated further the interventions being made by Sport England in response to COVID-19 lockdown restrictions.

Football Foundation

- 6.6 The Board reviewed the proposal to commit Exchequer capital for 2020/21 to the Football Foundation to continue its strategic delivery role for football facilities. This DCMS partner contribution to the Foundation was managed by Sport England and was matched with funding from The FA and Premier League under the National Football Facilities Strategy.
- 6.7 The Board noted that funding to the Foundation was already included in Sport England's grant-in-aid allocation as part of the one-year funding rollover for 2020/21 and that Government had announced in its March 2020 Budget further funding for football facilities to keep its contribution for 2020/21 at the previous level and maintain parity with the other Funding Partners. The Board noted the current refocussing of the Foundation's activity and support under its new leadership team and the constructive working relationship with Sport England (including excellent collaboration on Sport England's Community Emergency Fund). The Foundation's 'Parklife' experience provided valuable insight and the funding would support a wider range of repurposed activity including small grants and a potential 'Pitch Preparation Fund'.
- 6.8 The Board **AGREED** the Exchequer award to the Football Foundation as set out in the paper. **Action: Charles Johnston** to progress.

Padel Tennis

- 6.9 The Board noted that the application made by the Lawn Tennis Association Limited (LTA) to be recognised as the National Governing Body (NGB) for Padel Tennis in Great Britain had been assessed and reviewed by the UK Officer Recognition Panel, comprising officers from all four Home Country Sports Councils and UK Sport.
- 6.10 The Board supported the Panel's recommendation and **SUPPORTED** the recognition of Padel as a sporting discipline of tennis and to the recognition of the Lawn Tennis Association as its national governing body. **Action: Phil Smith** to progress the recognition agreement with the other Home Country Sports Councils.

Birmingham 2022 Commonwealth Games

- 6.11 Charles Johnston provided a brief oral update on the impacts of the lockdown on the construction of the Alexander stadium, Sandwell Aquatics centre, and Athletes' village. Board members noted also the challenges of events congestion due to the rescheduled Tokyo Olympics & Paralympics and the European Championships in Munich. Further discussions on timings were expected later in the month.
- 6.12 Despite these challenges, which were largely outside the control of Sport England, the Board reiterated that the Legacy element of the Games, and its contribution to supporting greater participation in sport and physical activity by under-represented groups remained important and asked for further updates as the situation clarified **Action : Charles Johnston.**

7. Sport England COVID-19 Action Plan

Prefatory

- 7.1 The Board prefaced discussion of the three papers presented under this agenda item (papers MB20-24; MB20-24A and MB20-25) by reflecting on the implications for sports and physical activity of potential phased lockdown relaxation scenarios. The Board highlighted the cross-cutting nature of these issues, and the fundamental changes to the social, economic and political environments in which they would be played out. The Board was pleased that Sport England's contribution to high level discussions within DCMS (and, via DCMS, with other Government departments) remained influential in ensuring that physical activity remained high on the Government's agenda. The Board thanked Anna Deignan and DCMS officials for their continued hard work and constructive engagement with Sport England.
- 7.3 The Board **NOTED AND ENDORSED** the updated set of priorities set out in paper MB20-24 (including a new fifth priority – Looking to the Future) which superseded the previous priorities and tactics to which the executive had been working and on which they had been reporting to Board. The Board commended the breadth and volume of action taken by Sport England to date both through direct financial assistance and support and guidance through its networks and with Government.

Priority 1: Business Continuity

- 7.4 The Board was content that Sport England had transitioned effectively to wholly remote working and that the organisation was functioning efficiently whilst supporting the health, safety and wellbeing of staff. The Board noted that the Business Continuity Working Group was now focussing on the medium and long-term, including how to plan for and manage working practices as lockdown was relaxed.

Priority 2: Workforce Planning

- 7.5 The Board noted that work was under way on a detailed planning exercise across the organisation, focused on the five new priorities. At this stage the assessment of existing work against the new priorities showed that considerable activity had already been repurposed or refocussed. Nonetheless, there were areas which were likely to be deferred or cancelled, and new pieces of work to initiate under Priority 3 (Supporting our Sectors) and Priority 4 (Keeping the Nation Active). The Board was content with progress to date and looked forward to a further update at its next meeting (**Action: Simon Macqueen**).

Priority 3: Supporting our Sectors

- 7.6 The Board discussed Sport England's **£20m Community Emergency Fund** and in particular the specific proposal set out in paper MB 20-24A. The Board:
- a) noted that the fund had been extremely well-received by clubs, community organisations and partners in immediate crisis and had already helped over 3500 organisations to remain viable. However, the application level at which the budget would be exhausted on current determination projections had now been reached;
 - b) was pleased that Sport England had recently seen increased applications from less affluent clubs and organisations, prompted by the efforts of Active Partnerships and other partners. Nonetheless, it acknowledged that the open nature of the application process was likely to have attracted a disproportionate number of applications from organisations in more affluent areas or activities with more affluent participants;
 - c) considered the financial and governance implications set out in paper MB20-24A and supported the arguments it set out for a short period of further reflection on: access to funding by under-represented groups;

alignment of any future Community Emergency Fund with other Sport England and wider funding programmes. **Provisional upon this**, and in the expectation that justifiable demand for this type of support would continue (including from organisations which had underestimated the immediate impact on their activities) the Board therefore **AGREED** an increase to the Community Emergency Fund Budget of up to £15m (making an overall budget of £35m in the current financial year 2020/21) with the fund pausing at 11.59 on Thursday 14 May 2020, following an announcement on Monday morning 11 May.

d) highlighted the importance of an orderly, fair and transparent transition to any new arrangements.

7.7 The Board noted progress on the **£5m Sector Partner Fund (SPF)** which complemented the Community Emergency Fund by focusing on those organisations with specific financial issues that fell outside its scope. It was noted that this funding route was important in terms of supporting increased physical activity by disabled or elderly people in care.

7.8 The Board noted progress on the **£20m Support to Communities fund**, which sought to reduce the negative impact of Coronavirus and in particular any consequent widening of inequalities in sport and physical activity within priority audiences and communities. Decisions on the distribution of this finding had duly been made by the Executive Team with Chair sign off (Annex A of paper MB20-24 refers).

7.9 The Board discussed the approach being taken to the **£5m Innovation and Technology Fund**, decisions on which had also been delegated to the Executive Team at the Board meeting of 24 March 2020, and which would be put to the Chair for sign off with the anticipation of a launch in May. The Board supported the broad approach being taken and felt that it had the potential for significant impact, and leverage. It emphasised the importance of alignment with Sport England's overall innovation and digital strategy. The Board agreed that a meeting of Investment committee be convened to give the opportunity for additional input and advice to officers (**Action: Natalie Ceeney, with Phil Smith and Hannah Kerly**).

7.10 The Board reviewed Sport England's proposed revised approach to **medium term funding to stimulate the sector and accelerate back to business** as restrictions are lifted (Annex B of Paper MB20-24 refers). The Board:

a) felt that the phasing of any relaxation to lockdown measures was likely to be incremental, uneven, unpredictable, and at constant risk of

- regression. Moreover, the wider societal impacts of COVID-19 and of the lived experience of lockdown would be fundamental;
- b) noted potential investment areas and funding principles set out in the paper and supported in principle the joined-up scoping of the three separate funding envelopes initially envisaged and agreed at its meeting of 24 March 2020;
 - c) was content to **DELEGATE** to the Investment Committee of 2 June 2020 the approval of this funding package.

7.11 The Board considered the business case for the **Rollover Funding (£115m)** arrangements for those organisations with an established relationship with Sport England, with critical roles in the sport and physical activity ecosystem and with Sport England funding due to expire in March 2021 (paper MB20-25 refers). The Board:

- a) reviewed the recommended levels of investment. It was content that the proposals were affordable, proportionate and sufficient to reduce significantly risks to partners' business continuity while providing them with a degree of capacity to engage strategically and effectively with Sport England and the wider sport and physical activity ecosystem going forward. The Board therefore **AGREED** the budget envelope for 'rollover' funding commitments for financial year 2021/22.;
- b) reviewed the initial list of partner organisations, projects and initiatives identified on the bases of their unique contributions to the sport and physical activity ecosystem and the nature of their funding relationships with Sport England. It included Active Partnerships, National Governing Bodies, and some other 'sector partners', but not Local Delivery Pilots, early investment in which was being managed separately through existing budgets. The Board felt that the list represented a diversity of partnerships across the sport and physical activity eco-system that would support work with priority groups as well as the core market. The Board **AGREED** the criteria applied to identify key partners to be invited to request continued funding, and note the partners identified as meeting these criteria;
- c) was content with proposed governance and assurance arrangements for the award process set out in the paper. The Board emphasised the importance of due consideration of governance and leadership arrangements within recipient organisations as part of the award process. The Board highlighted the need for effective risk management and supported an approach of continuous dialogue on risks and mitigations with partners. The Board therefore **AGREED** the proposed

approach for reviewing and making recommendations for rollovers of current grant funding;

- d) looked forward to agreeing individual funding commitments (and where appropriate any specific funding conditions) at the June Board meeting (**Action: Phil Smith** to take forward).

7.12 Tim Hollingsworth and Anna Deignan thanked Board members for their expedient agreement in principle to Sport England administering elements of the Government's loan scheme for professional Rugby League clubs. They reported that discussions continued on the detail and practicalities of administration. Board members were reassured by the handling of the announcement in line with Sport England's expectations and concerns. At present, it seemed unlikely that HM treasury would favour support packages for other professional sports over and above existing provisions, with the Government considering that Rugby League's financial position; its community role; and reach to target audiences rendering it an exceptional case.

Priority 4: Keeping the Nation Active

7.13 The Board noted with no further comments the approach to activities being carried out under this priority to help and encourage people to be active during the existing and ongoing lockdown, through any transition out of lockdown, and as grassroots sport and activity returned to fuller capacity.

Priority 5: Looking to the Future

7.14 The Board acknowledged that thinking here was still early and fluid, reflecting both Sport England's focus on crisis management and the uncertainty about how the impacts of COVID-19 would play out in the months and years to come. However, it agreed that it was now timely to Sport England to reflect on and learn from its insight and practical experience in responding to COVID-19, and to consider its future strategic approach, building on the clear purpose and outcomes emerging from existing strategy development.

7.15 The Board felt that the initial set of questions and principles under which the group was developing was a sound starting point, and that that key themes likely to emerge as the thinking around the priority matured would include:

- a) Contextual insight and horizon scanning remained critical

- b) Supporting organisations as they responded to the wider economic implications of COVID-19 would mean dramatic changes in philosophy and ways of working for many. It was likely that many organisations had not fully factored in how the world they would be working in would be fundamentally different. A return to any situation of relative stability was not imminent and a reversion to pre-COVID-19 conditions was extremely unlikely.
- c) Reinforcement of the pre-COVID-19 direction of travel towards Sport England becoming more than the sum of its funded work. Activities from a funding body to a collaborative leader. This would need careful phasing and balancing of support measures beyond the immediate crisis response period, based on a recognition that an uneven return to activity or further periods of lockdown measures were possible. Support of the sector would take many forms going forward, but Sport England was already being cast as a sectoral leader, and a guider of smaller and less well-resourced organisation that would struggle more to map their way forward.
- d) Responding to forced disruption with positivity. The emphasis on the role of exercise in building physical and mental health and resilience, with wider public health arguments had been brought sharply into focus by the COVID-19 crisis. Having worked hard to ensure the prominence of the exercise exemptions to lockdown rules Sport England needed to build on the public awareness and motivation thus generated.
- e) Equality: looking ahead with clear acknowledgement of how large parts of the population had historically been excluded or underserved, including by the systems which sport England helped to curate. And additional to this, recognising the disproportionate impacts of COVID-19 on activity levels of already under-represented groups, and a risk that pre-existing barriers to engagement in sport and physical activity would be exacerbated. Those sports and activities with less-wealthy bodies and participants were less likely to service or prosper unsupported, and potentially faced greater barriers in accessing that support.

7.16 The Board felt that the new fifth priority and the ongoing development of the Sport England strategy were intertwined. Sport England would be served well by its intensive strategy development work before the coronavirus crisis. Its relationships and leadership capital had been strengthened by its response to the crisis. In some cases, the disruption caused by the crisis had already shifted stakeholders to positions more aligned with the strategic approach envisioned by Sport England. Nonetheless, the Board anticipated some very tough funding and policy decisions ahead: the Sport England strategy and how it was implemented was likely to require re-weighting towards those

areas where target audiences were in extreme need, with even more focus on the 'must do's rather than the 'good to do's, and an assertive approach to those organisations that were no longer fit for purpose.

- 7.17 Nick Bitel thanked attendees and asked officers to take on board the Board's decisions and to set in progress the work against the five priorities (**Action: Tim Hollingsworth and Executive Director priority leads**).

8. Risk

- 8.1 The Board reviewed the six-monthly update on Sport England's risk management. Board members noted that:
- a) in the fundamentally changed operating environment caused by the COVID 19 pandemic and its impact on Sport England's immediate priorities, a new Risk Register has been created, on the bases of the five priority workstreams;
 - b) the Risk register was being used actively to manage the immediate strategic risks. Sport England's 'business as usual' corporate risk register was in abeyance, with relevant and significant issues having been translated to the new Register;
 - c) the Audit, Risk and Governance Committee had reviewed and fed into the development of this version of the Risk Register.
- 8.2 The Board supported this broad approach. It felt that the format and level in the new register was proportionate, and the level of risk appetite it represented was appropriate. It supported the efforts being made by officers to secure a fair and contextualised appraisal by the sponsor department of Sport England's progress against pre-existing funding agreement targets on overall population, women and LSEG participation in sport and physical activity. It suggested that some additional targets be considered with the sponsor department relating to the evaluation of achievements under COVID-19 restrictions and in working towards a new operating environment.

9. Finance

- 9.1 The Board noted the overview of the Management Accounts for the full year ended 31 March 2020. (paper MB20-28), and the update on the 2020-

21 budget and Lottery cashflow forecast (paper [MB20-29](#)). On the basis of prior discussion and feedback by Audit, Risk and Governance Committee at its meeting of 28 May, and with a more detailed paper anticipated at the Board meeting of 6 June 2020, the Board was broadly content with the position and projections in the papers.

- 9.2 Board members highlighted the impacts of coronavirus on levels of National Lottery Income. Sport England's initial analysis suggested a decline in lottery sales and Income but not to the extent seen in comparator European countries. The Board acknowledged that due to the incompleteness of the data available to it and the complexity of the variable that would affect future Lottery sales, Sport England's analysis here was at this stage provisional, with a more robust analysis scheduled for the Board meeting of 6 June.
- 9.3 The Board remained content with Sport England's broad financial strategy. Given its relatively strong balance sheet, and the need to act early to prevent longer term degradation of the sport and physical activity ecosystem, it was right that the Sport England was not over-cautious now. Nonetheless it remained vital that Sport England used the flexibility it now possessed to plan ahead for difficult decisions to come.

10. Any other business

- 10.1 Anna Deignan reported that owing to a reprioritisation of work towards COVID-19 responses, public appointments activity across Government had generally slowed or been suspended. It was likely that the timetable for appointing a successor to Nick Bitel as Sport England's Chair would be affected. Ministers were currently considering options including extensions to the terms of sitting Chairs.
- 10.2 With no further items of business being raised, the Chair thanked participants for their contributions. The meeting would be followed by a brief private session for Members and CEO only. The next meeting of the Board was scheduled for 6 June 2020.

Agreed by the Sport England Board at its meeting of 16 June 2020