

## **Minutes of the Sport England Board meeting of 9 September 2021**

### **Sport England Offices, 21 Bloomsbury Street, London**

- Members**
- Chris Boardman (Chair)
  - Azeem Akhtar (items 7 – 14)
  - Rashmi Becker
  - Natalie Ceeney
  - Ian Cumming (by v/c)
  - Chris Grant
  - Andy Long
  - David Mahoney
  - Tove Okunniwa
  - Karen Pickering
- Officers**
- Pat Brosnan – Strategic Lead, Football (item 13)
  - Mike Diaper – ED, Children, Young People and Tackling Inactivity
  - Jon Fox – Strategic Lead, Investment Design
  - Tim Hollingsworth – Chief Executive Officer
  - Lizzie Hughes – Director, Special Projects (item 12)
  - Serena Jacobs – Director, Finance (item 8)
  - Dan Johnson – Interim ED, Digital, Media and Communications
  - Charles Johnston – ED, Property
  - Richard Mabbitt – Board Secretary
  - Simon Macqueen – Director, Strategy
  - Lisa O’Keefe – ED, Insight
  - Chris Perks – ED, Local Delivery
  - Nick Pontefract – Chief Operating Officer
  - Naomi Shearon – Strategic lead – Strategy
  - Phil Smith – ED, Sport
  - Viveen Taylor – Director, EDI
- Guests:**
- Nigel Huddleston MP, Minister for Sport and Tourism (item 9, by v/c)
  - Simon Mason – Head of Sport Strategy, DCMS
- Apologies:**
- David Mahoney (Board member)

## **1. Chair’s introductory comments**

- 1.1 Chris Boardman welcomed attendees to his first meeting as Sport England Chair and thanked members and officers for their constructive engagement in the first few weeks of his tenure. He looked forward to working closely with them to take Sport England’s mission forward. He was delighted that Sport England had just received the prestigious Sports

Organisation of the Year Award at the Sport Industry Awards ceremony on 8 September, and the Partnership Award for work with Age UK and health on the *We Are Undefeatable* campaign. These, along with nominations for *This Girl Can (Me, Again)*, *Join the Movement* and the National Leisure Relief Fund reflected the breadth of Sport England's activities, its leadership and power for positive change. He felt this recognition was richly deserved.

- 1.2 He noted that among the challenges of his term as Chair would be the expiry of a number of members' terms of appointment in 2022 and 2023. He was therefore grateful to Natalie Ceeney for agreeing to serve for a further six months to her provisional six-month re-appointment (to 30 May 2021), and to Rashmi Becker for agreeing to serve a second full term (to 22 July 2024).
- 1.3 He noted that this would be the first 'live' Board meeting after an extended period of remote meetings conducted under COVID-19 restrictions. Sport England was keen to factor into future Board proceedings – and all its activities – the practical lessons around more flexible working styles developed under COVID-19 restrictions.
- 1.4 Members welcomed Dan Johnson to his first Board meeting. Simon Mason was observing the meeting on behalf of DCMS.

## **2. Apologies for Absence.**

- 2.1 David Mahoney was unable to attend the meeting.

## **3. Declarations of interest**

- 3.1 Chris Boardman noted that the Secretariat Team had circulated the register of Members' interests before the meeting. Additional interests had been declared by Rashmi Becker (who from 30 July 2021 had been a member of EMDUK) and Andy Long (who from 6 May 2021 had been a director of JD Sports Ltd; and whose family members' membership of a netball club had now ceased) and duly registered.
- 3.2 Tove Okunniwa reported that she was BBC Director of Group Partnerships, and this would also be registered (**Action: Richard Mabbitt**). In respect of item 13, Tim Hollingsworth reminded members that he sat on the Board of the Football Foundation. No other interests were declared additional to those already registered.

- 3.3 Having reviewed the register the Chair did not anticipate that conflicts of interest would materialise. However, he retained the option to ask for recusals should the discussion at item 11 (on System Partners) move away from decision making at a principled and strategic level towards the merits or otherwise of funding specific bodies.

#### **4. Minutes of previous meeting**

- 4.1 The Board agreed the minutes of its meeting of 15 June 2021 (paper MB21-58). The previous Chair, Nick Bitel, had separately provided his agreement also.

#### **5. Matters arising**

- 5.1 The Board reviewed the log of decisions and actions (Paper MB21-59) and was content that actions were complete, satisfactorily in hand, or would be addressed under future agenda items. Completion of action 7.7 from the Board meeting of 5 May 2021 (on the Whyte Review and safeguarding) remained contingent on the completion of the Whyte review itself. The Board noted that the Review team did not anticipate that its report would be published before the end of 2021.
- 5.2 The Board had also made two decisions by correspondence since the last meeting, having:
- a) **APPROVED** an Exchequer award of up to £39,000,000 to The Football Foundation for delivery of community football facilities 2021-22 which comprised £18m towards delivery of the National Football Facilities Strategy and £21m to accelerate delivery of the National Football Facilities Strategy, subject to final Government approval (Paper MB21-57 refers); and
  - b) **APPROVED** the procurement strategy proposed for the access to professional and support services / systems for delivery of the Sport Survival Package. The total procurement value was up to £4.5m across seven work packages including the continuation of access to services through the CCS framework as well as new procurement activity which would be subject to an open tender process. Board had delegated future decision making on Stage 3 procurement to Sport England CEO due to the pace of the programme. (Paper MB21-56 refers).

#### **6. CEO's report**

- 6.1 Tim Hollingsworth reported that Sport England's busy and challenging

programme had continued apace over the summer, focussed on:

- a) the ongoing delivery of existing work and the four goals of the 2021-22 *Uniting the Movement* Implementation Plan;
- b) internal and external consultation processes and engagement around the three-year *Uniting the Movement* Implementation Plan to be published in December;
- c) external and political demands on the organisation and scrutiny of its approach and action;
- d) the need to manage over this period the continued impacts on Sport England's staff of Covid 19 and the importance of much-needed annual leave for many.

6.2 Tim Hollingsworth also spoke to the CEO's report paper (MB21-60) which provided updates on specific areas of activity.

6.3 Board members noted work on the Government's Comprehensive Spending Review (CSR) 2022-2025. Its official public launch was anticipated later in September with a final announcement expected late October. Exchanges with DCMS on CSR preparations were already well in hand, with an initial Sport England CSR submission and covering correspondence highlighting the close association between Government's 'levelling-up' agenda and Sport England's strategic approach as set out in *Uniting the Movement*. The submission had also identified potential links with other cross-government agendas including action on health disparities and activity in the outdoors. The Board noted the importance of Government viewing sport and physical activity in the round, and of recognising that sustained elite sporting success was intertwined with both a vibrant grass roots sporting landscape, and a more physically active population at large.

6.4 Further to its previous meeting, the Board discussed progress on the Sports Councils Equality Group (SCEG) Transgender Guidance. The Board noted that all guidance documents had now been approved by Sport Council boards and reviewed from a final legal and language perspective. Supporting research documents had also been finalised. The guidance was scheduled for launch on 30 September and a communications plan was in place. Briefing and training sessions had been arranged for Sports Councils colleagues. The Minister and officials from DCMS, No 10 and the Government Equalities Office had all been kept aware of progress and there had been positive feedback from Government on the considered and evidence-based nature of the documents. Board members would be kept aware of launch plans and briefed as required (**Action: Dan Johnson, Ali Donnelly**).

Measures were in place to ensure that Sport England fulfilled its duty of care to officers dealing with inappropriate behaviour from stakeholders reacting to the guidance, including a clear escalation policy. The Board was pleased with progress and felt that this guidance, when taken alongside with work being undertaken on Tackling Racism and Racial Inequality in Sport, the Code for Sports Governance and the sponsorship of the Whyte Review, offered a powerful suite of tools to support matters of integrity in sport.

## **7 Equality Diversity and Inclusion (EDI) Report**

- 7.1 Viveen Taylor, introduced paper [MB21-61](#) and Rashmi Becker (as Board EDI Champion) provided further commentary.
- 7.2 Board members noted that Sport England and UK Sport had set up Thematic Working Groups to addressing recommendations from the Tackling Racism and Racial Inequalities in Sport (TRARIIS) reports. A Kick-off workshop (with people who had contributed stories and evidence) would explore principles of collective working, identify system changes, and develop a final action plan for internal and external dissemination. Additionally, themes from the TRARIIS report were being incorporated into the development of diversity and inclusion action plans required under the Code for Sports Governance and would feed into how Sport England evaluated actions taken by system partners to tackle inequalities. Board members noted the importance of visible progress that felt meaningful to stakeholders and secured their ongoing engagement. The NGB Equality Leads group offered a way into engagement with these partners and some national organisations to ensure their full understanding of the report, its recommendations and their particular roles in activating the wider culture and system changes needed.
- 7.3 Board members reflected on the UK's success in the Tokyo 2020 Olympic and Paralympic Games, and how this might help 'flip' lingering narratives of 'inclusion vs competitiveness', given the centrality of equality and inclusion to UK Sport's strategy *Powering Success, Inspiring impact*. Translating TRARIIS recommendations into the Sports Councils' actions, their wider work on talent, and informed conversations with external commentators on sport and physical activity would be vital here. The Board also stressed the importance of evidence and insight about the protected characteristics of elite competitors, their social and geographical backgrounds, and their paths to elite status.
- 7.4 Board members flagged anecdotal evidence of potentially discriminatory consequences of certain measures introduced to facilitate a 'return to play'.

The requirement to pre-pay and book ahead, and digital-only engagement for many activities raised barriers for some people's participation. There was also evidence of misinterpretation of guidance relating to assistance to disabled people wishing to use swimming pools.

- 7.5 The Board was pleased that plans for a follow up to Sport England's 2020 *Sport for All?* conference were in the early stages of development, and looked forward to receiving further information
- 7.6 Board members noted internally-oriented work on diversity and inclusion, including ongoing consideration by the Human Resources team of managing staff members' caring responsibilities, and the Sport England Women's network, which had now initiated a series of seminars with inspiring speakers and role models.

## **8. Finance report**

- 8.1 Serena Jacobs introduced the Finance Report (paper [MB21-62](#)).
- 8.2 The Board reviewed the key financial measures presented (Lottery income; forecast spend against core and Sport Survival Package grant-in-aid allocations; exchequer cash deferrals; lottery bank balance and lottery administration targets). Board members:
  - a) were pleased that lottery income remained higher than forecast, with the lottery operator having invested significantly in marketing to mitigate potential drop in income over the period of COVID-19 restrictions, and remaining upbeat about future sales levels;
  - b) welcomed ongoing efforts by staff to improve the throughflow of funding;
  - c) noted the impacts of COVID-19 on the income potential of the National Sports Centres (currently at 80% recovery);
  - d) felt that a more detailed conversation about the finance aspects of Sport England's property strategy would be helpful. It noted the good progress made on alternatives for the 21 Bloomsbury Street site and the longer-term savings that this would generate. Recommendations would be brought to the Board meeting of 28 October prior to the submission of a Business case to DCMS and GPA.
- 8.3 The Board was content overall with progress as presented in the paper.

## **9. COVID-19 Response update**

- 9.1 The Board reviewed paper [MB21-63](#), which provided a dashboard of the suite

of programmes supporting Sport England's COVID-19 response priority. Phil Smith drew members particular attention to the information presented on *Active Together*; *Studio You*; the Tackling Inequalities Fund; and *Retrain to Retain*

9.2 Board members discussed:

- a) how COVID-19 response programmes were monitored and how impacts and outcome were evaluated;
- b) the need to draw lessons from innovative approaches (including digital and new technology) across all programmes as well as specifically from the innovation stream, and to mainstream these into future strategy implementation;
- c) emerging insight and information about volunteering, and the rates of returning to volunteering activity. Supplementary information would be provided to members outside the meeting (**Action: Phil Smith and Lisa O'Keefe**).

**10. Address by Nigel Huddleston MP, Minister for Sport**

- 10.1 Nigel Huddleston joined the meeting by videoconference. He congratulated Chris Boardman on his appointment as Chair and wished him well in his new role. He thanked Sport England as a whole for its sterling work over the period of COVID-19 restrictions, both in delivering core work to a high standard under trying conditions, and for taking on the onerous additional responsibilities attendant to the Sports Survival Package and the National Leisure Recovery Fund.
- 10.2 Reflecting on a summer of high sporting drama leading up the Tokyo 2020 Olympic and Paralympic games, he noted that the generation of a genuine movement for grassroots sport and physical activity that laid the foundations for elite success (as well as all its other benefits) was now seen as a model by other nations – in particular around the Paralympics and disability sport. The Birmingham 2022 Commonwealth Games would provide further opportunities to showcase and develop the links between success at an elite level and a robust and inclusive system of community and grass roots sport and physical activity.
- 10.3 He thanked Sport England officers for their constructive and responsive approach to the current CSR exercise. Acknowledging the challenges associated with the longer-term management of the SSP portfolio, he was grateful for Sport England's insightful input to the ongoing multi-party

discussion of how this should be taken forward.

- 10.4. He flagged that the Government's forthcoming Sports Strategy was being refreshed and DCMS officials would be in liaison with Sport England around alignment with *Uniting the Movement*.
- 10.5. Board members expressed appreciation for Nigel Huddleston's personal support for *Uniting the Movement*. They noted his commitment to better inclusion in sport and physical activity for disabled people; his promotion of sport and physical activity as a key element of the Government's health and education agendas, and his efforts to foster better cross-departmental working here, including with regard to school sport.

## 11. **Uniting the Movement: Strategy Implementation**

### **Strategy implementation update**

- 11.1. Speaking to paper [MB21-64](#), Nick Pontefract reported progress since the last Board meeting in drawing together learning from existing work, emerging issues, and feedback from a wide range of partners, and from Investment Committee.
- 11.2. Sport England's focus was on building practical interventions around three 'centrepiece' roles for Sport England. These comprised: *Building the Movement* (activating, advocating and catalysing things that encourage sport and physical activity); *Meeting People Where They're At* (connecting better with the places, communities, and networks that Sport England most wanted to reach); *Being The Change* (exemplifying being better in Sport England's actions, language, systems and processes and advocating how everyone can work differently).
- 11.3. Board members noted that the action-focused implementation plan around these centrepiece roles would include some work areas which were well established but which strongly exemplified *Uniting the Movement* principles (e.g. the current Local Delivery Pilot cohort, *We Are Undefeatable*, and work with football to engage more inactive people). It would also include more novel and risk-hungry work areas developed over the last 18 months (e.g. *Join the Movement*, the Digital Marketing Hub, and elements of the Tackling Inequalities Fund). And it would include some completely new areas for Sport England.
- 11.4. Further, and as discussed at prior Board and Investment Committee



meetings, two major new pieces of work would deliver across the piece, System Partners (further discussion recorded at paragraphs (11.8–11.23); and a new Local Delivery Programme. Board members noted that this work was proceeding to schedule. Fuller discussion of these emerging proposals was timetabled for the Board meeting of 28 October 2021, but the Board broadly supported the indicative schema set out at Annex 1 of the paper.

- 11.5 The Board discussed the depth of insight and learning generated by the Local Delivery Pilot experience. Board members were keen that this was taken on board in the implementation plan at a principled and universal level (for instance, the need to build and sustain mutual trust must be paramount, and tackling inequality must be a running theme). At the same time, they felt that it remained vital to understand the distinctiveness and individuality of places, and how to respond to that and to local circumstances: consistency of principles need not translate into uniformity of approach. Board members noted the importance of intelligently building capacity to drive capability, rather than in investing solely in specific programme delivery, and the disproportionately impactful role of community influencers and organisers at a micro level.
- 11.6 Board members noted the potential for further connections with urban regeneration agenda, and that there were live exemplars amongst the Local Delivery Pilots. The Board noted the challenges for Government in working cross-departmentally here and suggested that Sport England should flag the achievements of such exemplars to MHCLG and others.
- 11.7 Board members were pleased that the relationship with partners across the piece, was generally characterised by intelligent and contextual discussions around longer term and more holistic outcomes, guided by *Uniting the movement* principles, rather than funding-focused transactional relationships. It commended the processes that had taken Sport England and its partners to this point and was now keen to see the results of those conversations as they translated to a plan of action for 2022–2025. Board members welcomed the opportunity to reflect on and provide feedback on the portfolio of actions, supported by budget and sequencing assumptions at the Board meeting of 28 October 2021, in time for publication of the final implementation plan in December 2021.
- 11.8 Board members flagged the need for Sport England to manage its own capacity, capability, structures and processes as envisaged under the year 1 'transformation' goal. They noted internal conversations ongoing around the catalysts identified in *Uniting the Movement* and the competencies required

in a changing organisation and environment, which would guide the deployment of resources.

- 11.9 **Action: Nick Pontefract** to share feedback from Board with officers and consider within ongoing implementation planning.

### **System Partners**

- 11.8 Jon Fox introduced paper [MB21-65](#). This laid out progress towards establishing a portfolio of 'system partners' and recommended formal solicitation of investment requests from an initial cohort of 46 partners. These proposals built on the initial Business Case approved by the Board at its meeting of 15 June 2021 (paper [MB21-47](#) refers), which had explained the purpose of the System Partner approach and the key roles that certain organisations in the sport sector played in driving systemic improvement. It had explored how Sport England would work in new ways and through new types of relationships both with partners who had been important in the past and could continue to be so, and with new partners. Moving away from shorter-term, transactional relationships was key to this.
- 11.10 Board members noted that Investment Committee had reviewed an earlier iteration of these proposals at its meeting of 2 September 2021 (paper [IC21-41](#) refers), and that the questions it had asked had informed the present paper. In summary, Investment Committee had felt the Board needed to be assured of;
- a) How the portfolio would be different to what had gone before, in terms both of 'what' and 'how'; and what approach would be taken to identify and engage with new and emergent partners;
  - b) The impacts of the portfolio: how funded partners would be held to account for investment; how their success would be rewarded and how sub-optimal performance (including governance and leadership issues) would be managed
  - c) The affordability of the portfolio within the full *Uniting the Movement* Implementation plan.
- 11.11 The Board was satisfied that the portfolio would, when taken as a whole, be substantively different and more progressive in nature than the aggregation of relationships that had existed pre-*Uniting the Movement*, notwithstanding the track record of funding relationships with Sport England held by many bodies in the proposed portfolio. The Board felt that there was already evidence of a meaningful shift from transactional and output-focussed

relationships to more collaborative and joined-up dialogues. The Board was content that this more collaborative approach was not at the cost of robustness: indeed, better mutual understanding and contextualisation of goals and objectives was likely to serve both Sport England and Partners well in terms of effective delivery. The Board was content that Sport England had:

- a) duly applied critical learning about its own role and approach to supporting and sustaining effective collaboration and in leveraging positive change and behaviours;
- b) drawn appropriately on the rich insight from the Local Delivery Pilots and Tackling Inequalities Fund, as well as past major partner investment programmes to explore how and where partners needed to work differently. It had encouraged partners to think about work in local places in ways that avoid a singular, transactional 'top down' approach;
- c) retained its focus on inequalities, with discussions about embedding principles of proportionate universalism baked into the evaluation process. The Board noted that each partner subject to the initial process had already been assessed as compliant against the existing Code for Sports Governance and that Sport England would be working with existing partners to ensure they remain compliant with the newly revised parts of the Code, including diversity and inclusion elements;
- d) remained open to and actively encouraging of partnerships with new organisations, and was seeing the initial cohort of System Partners in part as a test-bed for working with others to broaden the pool of partners, and address gaps identified. The Board was, reassured by the facility for new entrant system partners and the process to support this set out in the paper and its annexes.

11.12 Board members felt the assessment process was appropriate. They noted that would-be partners' strategic alignment was central in the assessment process, and that organisational commitment, credibility and reach in tackling inequalities held due prominence. They supported the collaborative approach ("tell us what you can do") rather than unilaterally-set targets that risked simplistic or one-size-fits all assumptions. It felt that this would generate more realistic but nonetheless stretching objectives.

11.13 The Board was supportive of setting criteria in the round, or in a matrix way, that looked not only at individual organisations but at how the whole portfolio worked together to become greater than the sum of its parts. A well-curated portfolio supporting delivery across the sport and physical activity ecosystem was a deliverable in itself. Quantitative and qualitative

measures should complement each other. Reflecting on benchmarking and the comparability of organisations, the Board agreed that a contextual and tailored approach was needed. As a principle, organisations should be assessed on their own merits and against *Uniting the Movement* aspirations rather than against universal delivery targets or on a peer basis. This principle, the Board felt, was not at odds with monitoring return on investment and assuring value for money in delivery. However, the perception for these funding arrangements as a competitive process between organisations should be avoided and had proved a negative element of previous processes.

- 11.15 The Board noted the importance of a portfolio that was dynamic enough to reflect changing external circumstances. Recognising that the majority of organisational relationships held by Sport England across the delivery of UTM would not require determination of system partner status, Board members nevertheless felt reassured that the processes and facility for new entrants was duly robust, and not so narrowly defined as to be exclusive of new or unfamiliar organisations or programmes. The Board was optimistic that Sport England's wider work ongoing would help surface potential future system partners, including among bodies not traditionally considered as 'sports organisations'.
- 11.16 The Board felt that the wider visibility and the comprehensibility of the 'yardstick' with which Sport England measured success was important for building confidence in the assessment process, and for sharing learning and building on success. Excellent communication and working relationships with partners that navigated effectively the potential funder-funded dynamics would be needed. Resolving budget conversations early would be helpful, but at the same time clarity about the parameters of the solicitation process was important. Solicitation should be seen and clearly understood by partners as part of the process of continuing improvement and not simply as signifying a done deal.
- 11.17 The Board considered the affordability of the proposals within the uniting the movement implementation plan, noting that at its meeting of 26 June 2021 it had agreed to ringfence up to £600m for System Partners, with the potential for up to £150m more for new entrants to the System Partner portfolio (subject to further budget work and Board and Investment Committee discussions). The present paper proposed a maximum commitment to the initial cohort of 46 partners following the solicitation process of £201.3m, or 34% of the ringfenced budget, for 35% of the partners. The Board was content that this left a proportionate level of investment for

partners on Tracks Two and Three, based on current investment levels, and the ability to apply similar principles to prioritisation of any uplifts. The Board was content with the further analysis of affordability presented in the paper.

- 11.22 The Board was content with the exposition of equalities, governance, legal and risk considerations set out in the paper.
- 11.23 The Chair thanked discussants and noted the depth of analysis that had been presented to Investment Committee and the Board. On the basis of this discussion, and consideration of the background information contained in paper MB21-65 and annexes, the Board **AGREED** to the solicitation of up to £201,334,134 for the initial set group of 46 System Partners, listed in Annex 1. In line with the decision at the meeting of 26 June 2021 and as set out in detail in the paper and annexes, these would comprise solicitations for up to five years funding for systemic and governing roles, and up to three years for delivery and talent work (the latter aligning investment periods with UK Sport).

*[SECRETARIAT NOTE: Small transposition errors in the paper were spotted after the meeting. The Chair, CEO and ARGC Chair were alerted and were content that this would not materially affect the strategic decision made here. However, for the audit trail related to the solicitation process, these figures have been corrected and will be shared with Board at its next meeting]*

## **12. Sport Survival Package Future Portfolio Management**

- 12.1 Simon Macqueen and Lizzie Hughes introduced Paper MB21-66, which explored the future role of Sport England in the management of the Sport Survival Package (SSP) portfolio, including scenarios for the management of the SSP loan book. The emergency nature of this programme had militated against Government determining loan book management arrangements at its initiation. The Board had at previous meetings expressed caution about Sport England's involvement in the long-term management of the portfolio and particularly the loan book, and had asked that the risks of a substantial role in this were given proper consideration, should Government seek Sport England's further support here.
- 12.2 As a member of the SSP Independent Board, Natalie Ceeney provided further context to the paper, and noted that it was supported by that Board and informed by extensive consultation with industry experts. All had been in

agreement that the SSP portfolio was large, highly diverse, structurally complex; and – above all – extremely high-risk.

12.3 The Board noted that there were opportunities arising from the SSP which Sport England was already seeking to exploit, and which might, in principle, be further developed as part of a role supporting the SSP in the longer term. These opportunities included:

- a) the potential catalytic role of SSP across a wider portfolio of partners in priority areas as part of the delivery of *Uniting the Movement*.
- b) the formative experience for Sport England of developing new investment models, and the opportunities to align those with peer ALB activities;
- c) increased leverage to influence the recovery and progression of women's professional sport;
- d) promotion of the Code for Sports Governance, and links to wider government policy initiatives (including the Fan-led Review of Football) on good governance.
- e) Political and reputational benefits.

12.3 The Board agreed that the key areas of risk associated with the SSP portfolio were:

- a) Financial vulnerability and complexity. The Board noted that the portfolio was high-risk, complex and volatile. It was known that some organisations were in ongoing financial difficulty, and the risk of significant credit loss was high.
- b) A lack of existing capability and capacity within Sport England and Government. The Board noted that SSP was not a typical loan book, and there was no obvious pre-existing management model to follow. It noted the warnings from industry experts consulted by Sport England that it would undoubtedly require access to the right technical and market expertise, and bespoke governance and structural arrangements.
- c) Sporting integrity and politics. The Board noted that these bodies and their role in sport were high profile and contentious. Politicisation and lobbying would be inevitable, given the level of financing at hand. Decisions on loan management would be subject to intense public and sectoral scrutiny, excite strong emotions, and be conducted in a contested political space. The Board noted that Sport England did not and could not stand apart from the wider system of organisations that supported sport and physical activity (including bodies supported by SSP) and would not be perceived as an independent or distanced entity.

- d) Moral hazard and protecting public funding. The Board felt that imperative for bodies to repay loans would be at some conflict with any role in promoting the wider public benefit of sport. In some cases, the conflict would be extreme. A transparent, and legally robust framework for weighing up these imperatives was essential, and this was itself dependent on a clear and consistent policy direction from Government.
- e) Reputational risk The Board were concerned about the potential for reputational risk, particularly so given the hard-won nature of the trust that Sport England currently enjoyed among partners and the importance of this trust in advancing *Uniting the Movement*. In many cases there would be a reputational lose / lose whether loans were recovered or written off.
- f) Simplistic planning assumptions, particular conflation of the SSP with the (also unproven) Culture Recovery Fund model. Board members noted the complexity of the SPP thus far and the likelihood of increasing complexity into the future. The SSP loan book would require active and dynamic management and tailored solutions implemented at pace and involving specialist support, and complex and controversial restructures would be likely. In marked contrast to the Culture Recovery Fund, the SSP portfolio was characterised by highly leveraged commercial organisations, most of which had enjoyed no substantive prior working relationship with Sport England. By contrast, Culture Recovery Fund loans were significantly smaller in volume, less complex, and focussed on existing culture partners in sectors that are characterised by less inherent complexity and risk than was the case for professional sports.

12.4 The Board **AGREED** that Sport England should remain fully engaged in supporting DCMS, as government Department accountable for the Sport Survival Package, to identify the best possible solution for the ongoing management of the SSP. It agreed that Sport England should remain open to some role in this. Nonetheless it felt strongly that DCMS must be fully sighted on the risks that had been identified, and that these should be communicated explicitly to senior DCMS officials and ministers. (**Action Tim Hollingsworth**)

12.5 The Board discussed and **AGREED** the fixed parameters or 'red-lines' that Sport England saw as pre-requisite to adoption of any long-term portfolio management role:

- a) DCMS must retain financial liability and Accounting Officer responsibility for the loan book.

- b) Sport England must act only as the agent in the management of the portfolio, not the principal.
- c) Sport England must be able to access full budget recovery for the SSP portfolio administration cost, including financial support for appropriate specialist legal and financial support.
- d) Governance arrangements must be appropriate for the risk and be based on the Sport England proposed conditions for success.
- e) There must be appropriate levers to manage the tension between recovery of public funding and impact on the sport sector.
- f) Media relating to the portfolio must be jointly managed, safeguarding both DCMS and Sport England against undue reputational risk.
- g) There must be clarity and realism about risk appetite and expected levels of credit loss.

12.6 The Board recognised the need to further develop the parameters for communication formally to DCMS integrating more detail on expectations. This would be an early action for the decision-making group. **(Action: Lizzie Hughes)**

12.7 Subject to (i) the risks identified above being recognised appropriately, and (ii) the red line identified above being duly observed, the Board was content that the SSP outline objectives and principles set out in the paper would be a reasonable basis for taking forward further discussions with DCMS as to the future management of the SSP portfolio. **(Action: Lizzie Hughes)**

12.8 The Board noted ongoing work by the Special Projects Team, in consultation with Government and the SSP board, on the structure, policy, and processes for the portfolio management, working towards implementation by March 2022. The Board **AGREED** that a small 'in-flight' strategic decision-making group should act on behalf of the Board. The representation of the group coincided with that of the current Chairs' Committee and Remuneration Committee (Chris Boardman, Natalie Ceeney and Andy Long advised by Tim Hollingsworth as Chief Executive and Accounting Officer) and its proceedings could be organised in parallel. Headline terms of reference would be drafted, and the group would report regularly as part of formal Board sessions, escalating decisions to Board as appropriate. **(Action: Lizzie Hughes, Tim Hollingsworth; Richard Mabbitt)**

## 13 Active through Football

13.1 Pat Brosnan spoke to paper MB21-67. Active Through Football was a lottery-funded revenue programme, with a prior approved budget of £10.7m made



via an award to the Football Foundation. It sought to increase activity levels in lower Socio-economic Groups in the most deprived parts of England through a range of small-sided/recreational football-based interventions for those who are least active currently. Building on success to date, an extension was proposed to broaden its reach.

13.2 Board members noted:

- a) that this extension of Active Through Football was informed by the Local Delivery Pilots and strongly aligns with Uniting the Movement, and reflected the strength of the application portfolio;
- b) the positive relationship enjoyed with the Football Foundation;
- c) the timeliness of the extension, to maintain and build programme momentum post COVID-19 restrictions;
- d) The engagement of Premier League partners (some as lead applicants in consortia).

13.3 The Board discussed the importance of connectivity and collaboration between large scale initiatives such as Active Through Football, and Local Development partners and system partners working in a place-oriented way. It was keen that programme managers to take full account of learning from wider place-based work, including insight into engaging with potential new participants and workforce.

13.4 The Board therefore **AGREED** an award extension of up to £3.775m to The Football Foundation to extend delivery of ATF from up to 15 locations to a total of 25 locations over 5 years. **Action: Pat Brosnan** to progress, taking into account the Board's points of feedback.

## 14. Any other business

14.1 Papers MB21-68 (Minutes of Investment Committee meeting 15 July 2021); MB21-69 (Minutes of Audit Risk and Governance Committee meeting 8 June 2021) and MB21-70 (Summary of Investment Committee meeting of 2 September 2021) had been circulated for members information. No comments on these were raised.

14.2 With no further items of business being raised, the Chair thanked attendees and closed the meeting. A short debrief session for members and CEO would follow.

14.2. The Board was next due to meet on 28 October 2021. At this stage, a further live meeting was anticipated.