SPORT ENGLAND BOARD - MINUTES

27 March 2019

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

Chairman: Nick Bitel

Members: Debbie Jevans (DJ)
Rashmi Becker (RB)
Ian Cumming (IC)
Mohamed Elsarky (ME)
Chris Grant (CG)
Sue James (SJ)
Andy Long (AL)
Karen Pickering (KP)

Attendees: Tim Hollingsworth (TH)
Mike Diaper (MD)
Charles Johnston (CJ)
Lisa O'Keefe (LOK)
Chris Perks (CP)
Nick Pontefract (NP)
Phil Smith (PS)
Nico Heslop (NH)
Lynsey Tweddle (LT) (Item 3)
Simon Macqueen (SMac) (Item 3)
Serena Jacobs (SJac) (Item 3)
Helen Price (HP) (Item 4)
Adam Rigarlsford (AR) (Item 5)
Melissa Bennett (MB) (Item 5)
Caroline Fraser (CF) (Item 5)
Stuart Armstrong (SA) (Item 5)
Neasa Russell (NS) (Item 5)

Secretariat: Tanya van Niekerk (TvN)

WELCOME

1. Apologies were noted for Board member Natalie Ceeney (NC). NC had provided the Chairman with commentary on items of business which he would reflect at the appropriate points during the meeting. MD and NH would be arriving late. ME would be leaving early.

2. There were no declarations of interest.

3. The minutes of the Board meeting held on 5 February 2019 were **APPROVED** as a correct record.

4. The Board **NOTED** the Matters Arising from the Board meeting on 5 February 2019 and earlier meetings, all of which had been completed, carried forward or dealt with elsewhere on the Board's agenda. There was no further indication of a specific timeline for the Comprehensive Spending Review. The Board would be sighted on the content of the submission at the appropriate point, whether at a Board meeting or offline should timing require.

5. The Chairman updated the Board on the current board recruitment process and the appointment of Alison Lees to the Audit, Risk & Governance Committee for a period of 12 months following the resignation of Independent Audit Committee member Adam Spires. The Chairs & Remuneration Committee would be considering committee structure and membership at its meeting later that day.

6. The Chairman updated the Board on the consultation on Society Lottery Reform (run in late 2018) which had looked at options for amending sales and prize limits for large and small society lotteries. The consultation had looked at options which would allow a substantial increase in the amount that a large society lottery can raise per year, bringing the annual limit to £100m and raising the per draw sales limit and the maximum prize. Ministers had taken advice from the Gambling Commission (GC) on the potential impact to the National Lottery of the proposed changes and whilst the GC had not raised any significant concerns, the National Lottery distributors had concerns about the proposals which they had raised separately.

CEO REPORT

<u>2021-25 Investment Cycle</u>

7. TH described the approach to planning for the 2021-25 investment cycle. Timelines were relatively tight, and the Executive would use primarily the Investment Committee to agree a set of guiding principles by which the strategy would be delivered and help present recommendations to the Board on some of the major questions to be answered. The strategy would be wholly owned and agreed by the Board.

8. [redacted]

Sport England People/Culture

9. TH updated the Board on the progress of the people/culture work. Sport England's employees would be leading this area of work, developing the organisation's values from the ground upwards, but again there would be full involvement and consultation of the Board. An external supplier would be appointed to help facilitate these discussions, but not to lead them or to dictate what the values should be. This was about Sport England's *way* of working and would seek to address some of the issues identified through the staff survey.

10. The Board noted there were positive messages throughout the survey. There were, however, some issues which had to be addressed including the leadership team needing to collectively demonstrate collaboration and break down silos (i.e. 'global' versus individual leadership). The Board supported the approach of first identifying what the values of the organisation are and then working out how to live those values - the values should encourage the behaviours that would start to address some of the concerns identified.

11. The Board was assured of the importance of this work for the leadership team, and that staff would be engaged throughout the process ensuring they could contribute fully to the work and have a sense of ownership of it. It was anticipated the work would conclude by the Autumn.

NGB Recognition Policy Review

12. The Board **NOTED** the update.

Update on Brexit Preparations

13. It was noted that despite considerable work done Sport England had not yet fully assessed the effect of a no deal Brexit on its market and clients which could potentially be significant, particularly for sports that require transfer of equipment/resource into and out of the UK, with the British Equestrian Federation and the movement of horses being just one example.

Sport and Recreation Alliance (SRA)

14. The Board **APPROVED** £1,251,804 of exchequer funding for the SRA (which it had agreed 'in principle' at its meeting in March 2018) now be converted to a firm funding commitment. This was the same amount of funding as 2018/19, as agreed with the SRA in November 2017.

STRATEGY

LT joined the meeting.

Risk Management Strategy & Risk Report

15. LT presented the item.

16. The paper presented two risk management items – the annual review of Sport England's risk management strategy and the quarterly risk report – both of which had been scrutinised by the Audit, Risk and Governance Committee.

17. The Executive Team and Audit Committee had noted that embedding risk appetite relied on the culture and behaviours within a business. In that sense it was important to ensure colleagues across the organisation understood the risk parameters when taking decisions/considering options so that they felt comfortable taking risks at the right and appropriate level. This linked to earlier (and previous) discussions at Board about the culture of the organisation.

18. A question was raised as to whether the wording in relation to the 'transparency and stewardship of public money' made it sufficiently clear that this included control of the governance of organisations in receipt of funding from Sport England (i.e. not Sport England's own stewardship of public money). It was agreed the wording in relation to 'rerouting investment where performance is poor' could be more explicit and should be amended to include '…where performance *or governance* is poor'.

19. The decision to remove the local pilots as the example of 'exploratory projects' had been made so as not to inadvertently give the impression that this was the only area of innovative/exploratory work where Sport England would adopt a higher risk appetite. The Board was assured the pilots would continue to embody this approach to risk management.

20. The Board moved on to discuss the Risk Report which included a new section on external risk factors that were not necessarily within Sport England's control but should be monitored and mitigated, if possible, and which provided important context when considering Sport England's risks.

21. There was some reflection on the active management of risk, the effectiveness of the mitigations and whether the mitigations for the risks wholly within Sport England's control and where the residual score was RED were satisfactory. The Audit Committee had had these conversations and tested whether there were further mitigations which could be applied, recognising the current risk status was in part because of the challenges of launching a new and distinctly different strategy concurrent with a significant organisational restructure.

22. The Board discussed the need to identify some short, sharp interventions to be applied to those risks wholly within Sport England's control (with a residual score of RED). Risk 5 - management of people resources and processes - was one such example where the Board would expect the mitigations to be reducing the level of risk. The Executive Team would consider this when it discussed the Risk Report at an upcoming Team meeting.

23. The Board **APPROVED** Sport England's risk management strategy, including the risk appetite, and **REVIEWED** the corporate risk register, including external risk factors.

LT left the meeting. SJac and SMac joined the meeting.

Strategy Report

MD & NH arrived part way through this item.

24. SMac presented the report, reflecting on the work with DCMS to clarify how Sport England articulates its purpose, key messages and how it demonstrates impact of its investment, and the rationale for removing the 'Major Disruptors' as a way of expressing the priority areas of work. A one-page strategy communications summary, developed by the Executive Team and Directors at a recent Away Day with input from the DCMS Sport Team, was shared with the Board.

25. The key emerging themes identified from the Priority Reporting through the Investment Committee were: Impact – how the organisation makes sure all its work, including historic programmes, can demonstrate impact on the government outcomes in a consistent way; Internal resource pressures – which had been highlighted previously and which the Committee had raised concerns over; Achieving the population-level targets – specifically Sport England's ability to directly influence the overall numbers and direct delivery of the Women (250,000) and LSEG (100,000) targets.

26. Reflecting on a new risk added to the Risk Register (previous agenda item) about the lack of clarity about how the outcome-based nature of the strategy will be measured and what targets would meet the expectations of key stakeholders, the Board was assured resource had been prioritised to look at this.

27. As part of resource planning, the Executive Team was carrying out an exercise to identify where resource was required aligned to delivery need. SMac noted this included consideration of the growing demand for Sport England to contribute to areas of work/activity outside of its usual remit, for example, the recent invitation to contribute to the government's Emergency Summit on Knife Crime.

28. The Board considered to what extent Sport England could seek to demonstrate impact in these additional areas of influence, as well as the opportunity for the organisation to become more confident in marketing itself, for example, using the data available through Active Lives to tell stories about and amplify what the organisation does. The Executive Team was considering dedicated resource for this important area of work, including the appointment of a new Executive Director role.

29. Sport England was currently at 471,000 of the 500,000 population target. Thought would need to be given as to what the organisation had planned for this target group (other than seeking to maintain the target number once achieved) for the remaining two years of the strategy cycle.

LSEG target

30. CP provided an update on how the LSEG target would be measured. As a non-Active Lives based target, it was essential that the data collected was robust and that any impact reported was generated from the best available evidence. The Board noted that this was the first time

Sport England had meaningfully engaged with and invested significant resource into the LSEG audience and the learning being generated from the various interventions was important.

31. The Executive Team was thinking about the full breadth of Sport England's investments and where these could genuinely see impact against the LSEG target, for example, Local Delivery Pilots, Strategic Facilities, Small Grants, Community Asset Fund, Parkrun, etc. Other opportunities, such as the Commonwealth Games in Birmingham, would also be fully harnessed. Officers were modelling the expected contribution this range of interventions would make to the target. Many of these investments contributed to other priorities/areas of intervention, not just LSEG, and the Board highlighted the importance of Sport England ensuring its reporting and communications reflected this.

32. The organisation was working towards applying the 'theory of change' approach (i.e. if Sport England can help the most inactive and underrepresented people be active, this will help everyone in the community, have the maximum impact on the five outcomes in our strategy and the learning will transform how the local sports 'system' operates) that was emerging through the LDP work across Sport England's entire investment portfolio by the next strategy cycle (21-25). This was an area of priority for Sport England as it was critical to informing the next cycle. The Board underlined the need to prioritise the work and ensure it was appropriately resourced.

33. The Board felt that where Sport England traditionally funded organisations or places which either geographically or socially were not accessible to the LSEG audience, there was opportunity for Sport England to be bolder, encouraging these partners to change their assumptions about what they could do to become more accessible. There were good examples of where Sport England had achieved this aim with some of its partners.

34. Whilst the Board recognised the positive work in this area and clear articulation of how Sport England would achieve the target, members discussed that the organisation could be doing more to challenge itself and disrupt its thinking in this area. In the same way that Sport England had stated an ambition to change the market for Women's sport, change would need to be affected at population-level if the substantial inequalities that exist for the LSEG audience in the sport and physical activity sector were to be addressed.

35. The Board:
    - **REVIEWED and DISCUSSED** the performance assessment for each Strategic Priority (headline narrative and RAG rating)**.**
    - **REVIEWED** the key themes identified by Sport England's Executive and Directors along with the feedback from Investment Committee
    - **NOTED** the Investment Plan summary including current financial profile and forecast.

<u>2019-20 Budget incl. Investment Plan & Lottery Cash Flow</u>

36. SJac presented the item, updating the Board on Sport England's overall investment plan for the current strategy period and the financial projections for Lottery income and cash flow forecasts. The 2019-20 budget, which was derived from the investment plan and financial

projections, was presented for approval. The Audit Committee had discussed the investment plan and annual budget in detail at its meeting in February.

37. In response to a question from the Board, SJac said that projected income assumptions relating to Camelot's recently announced annuity lottery game, Set for Life, were aggregated within the overall Lottery income projection provided by the Gambling Commission. A detailed breakdown of income derived from marketing spend was not available. The Lottery FD's had and would continue to request more detailed information about the assumptions and ROI from the Gambling Commission.

38. [redacted]

39. The Executive Team had scrutinised and balanced the 2019-20 budget to ensure it was in line with all cost targets, particularly the 8% Lottery cost target. This had been achieved through some key principles and decisions (as described in the accompanying paper).

40. The Board **REVIEWED and DISCUSSED** the Investment Plan and the updated financial projections (income and cash flow).

41. The Board **APPROVED** the 2019-20 Budget.

SJac and SMac left the meeting. HP joined the meeting.

ACTIVE LIVES CHILDREN & YOUNG PEOPLE SURVEY – ASSOCIATIONS BETWEEN ATTITUDES

42. LOK presented the findings from the analysis of the attitude questions within the Active Lives Children & Young People Survey. The questions were designed to better understand the relationship between attitudes, activity levels and mental wellbeing, individual development (resilience) and social and community development (social trust) outcomes. The report built upon the activity levels of children and young people (aged 5-16) findings published in December 2018.

43. Key findings included that enjoyment is the biggest driver of activity levels; children and young people who have all five elements of physical literacy report higher levels of happiness, are more trusting of other children and young people, and report higher levels of resilience; and physical literacy decreases with age. The results also revealed important inequalities among certain groups of children and young people.

44. The Board was interested to understand more about the enjoyment factor and how it compared with the adult experience; why physical literacy decreases and what creates and sustains enjoyment. Physical literacy was defined as having five elements – enjoyment, confidence, competence, understanding and knowledge - with enjoyment and then

competence seen to be of most importance for children and young people. More in-depth analysis of the results was needed to understand these aspects of the findings. Insight and learning from Sport England's teacher training work would also contribute towards better understanding about this.

45. The Board asked if practical barriers, e.g. parents who can't physically get their children to activities, were overlaid on emotional/attitudinal factors. Whilst this data was not captured via the Survey, it was picked up through the test and learn work Sport England was doing with the Families Fund. It was suggested that looking at cultural barriers could provide a further layer of understanding.

46. The Board asked if there was a difference between attitudes and activity levels in relation to school activities and those activities children and young people chose to do outside of school. The Survey looked across sport and exercise generally, so some comparisons could be drawn, however, learnings from the Daily Mile fitness programme (once available) would provide a greater level of detail on this as the data would be split into schools which do and don't participate in the programme.

47. The Board discussed the findings in relation to black children and young people who despite being more physically literate than all other ethnic groups are less active than the national average for all children and young people. The data provided stark evidence and the Board wanted to understand more about the underlying causes e.g. structural inequalities in schools and/or other factors. The Board was assured this would be included in the further analysis of the results being undertaken by the Insight Team.

48. The Board discussed the challenges of addressing the wide-ranging factors surfaced through the report and Sport England's role in influencing a national focus on the subject. The Board reflected on the importance of seeking to influence not only those who deliver opportunities for children to be active, but also those who could help deliver whole-system change.

49. Overall the findings had been welcomed by the sector as a valuable contribution to an ongoing debate and Sport England was sharing the findings with No 10, a range of government departments, other key stakeholders and the media. The rich evidence in the Survey would be used to develop a suite of positive communications, pulling together the national and local-level story about the wide-ranging benefits of sport and physical activity and some of the 'why' factors.

HP left the meeting. AR and MB joined the meeting.

INVESTMENT DECISIONS

50. The Chairman stepped out of the meeting briefly. DJ chaired the meeting for the start of this item.

<u>Local Delivery Pilots – Doncaster and Exeter & Cranbrook</u>

51. CP presented the item, summarising the proposals in relation to the two Pilot places.

52. The Pilot in Doncaster was a traditional local authority sports development service and a question was raised about the extent to which the changes happening because of the Pilot may have happened anyway. CP said the local authority was working hard to evolve its approach, listening to the local communities and through the Pilot, accelerating the commitment that was there previously.

53. The Chairman returned to the meeting.

54. The Board was assured that in relation to engaging with the local communities in the target places, the Pilots were engaging with the local community activators and not just the more traditional sports personnel. The LDP programme was encouraging the adoption of this approach wherever relevant across the programme.

55. The Board noted there were some leadership challenges in Cranbrook, made difficult by the complex local authority administrative structure and a developer led approach to delivering infrastructure, and asked what was being done to secure good leadership on that part of the project. It was recognised that more work was needed to support work with the community and leaders in Cranbrook specifically and this was reflected in the different starting point for investment proposals into Cranbrook. Cranbrook was a new community development with a new town council and as such offered real opportunity in terms of the development of community infrastructure. Sport England would continue to work closely with local partners including East Devon District Council, Devon County Council and Cranbrook Town Council to ensure appropriate strategic infrastructure was supported alongside delivering needed and good quality community development. It was noted that Senior Leaders (members) and Officers from the above-mentioned bodies were at the strategic board table in terms of the pilot's Governance.

56. Doncaster Pilot - there was some discussion of the scope of the initial research around the Tour de Yorkshire (in relation to the social impact of key events). The research made some observations which would be revisited when the 2019 & 2020 events were held, including more in-depth interviews with local residences and businesses where the route would be going for the first time. It was noted that the resignation of Sir Gary Verity, Chief Executive, Welcome to Yorkshire, may result in significant strategic changes to key events, including the Tour.

57. Whilst it was not referenced in the papers to Board, members were assured Volunteering featured as an activity/intervention in all Pilots where event delivery was included in a Pilot's proposals.

58. The Board **APPROVED** an award extension of up to £1.84 million of Pathfinder investment to Doncaster Council for the delivery of the Doncaster Local Delivery Pilot, of which £1.84 million was confirmed subject to the conditions in the Lottery Funding Agreement as set out in the paper. The Board **DELEGATED** the approval of all additional special conditions of award, as set out in the paper, to the Executive Director Local Delivery.

59. The Board **APPROVED** an award extension of up to £4,721,000 of Pathfinder and Accelerator investment to Exeter City Council for the delivery of the Exeter and Cranbrook Local Delivery

Pilot, of which £4,101,000 was confirmed and £620,000 was in-principle award subject to the conditions in the Lottery Funding Agreement as set out in the paper. The Board **DELEGATED** the approval of all additional special conditions of award, as set out in the paper, to the Executive Director Local Delivery.

AR, MB and ME left the meeting. SA and CF joined the meeting.

CIMSPA and UK Coaching

60. CF summarised the CIMSPA and UK Coaching proposals, both of which had been scrutinised by the Workforce Committee.

61. The Professional Workforce Strategy identified a series of areas where the sector lacks diversity and suffers from systemic inequalities. The strategy made a commitment to understand these challenges and the Board was interested to hear about the scale of CIMSPA's ambition to address these issues. CIMSPA would be at the forefront of gathering improved insight and would work closely with Sport England to develop insight and bring together the sector to agree aspirations about how it will improve workforce diversity. The diversity of CIMSPA's members would also be considered to ensure it was well represented.

62. The Board considered the role for the membership of both organisations (CIMPSA and UK Coaching) in becoming ambassadors for Sport England's work.

63. The Board discussed the issue of gender politics and the extent to which the membership of both organisations was informed and resourced to provide guidance and information to the workforce about this issue, particularly in relation to gyms and how male trainers conduct themselves around female members, for example.

64. The Board considered the increase in funding to CIMPSA and the need to provide an investment package which provided the organisation with the resource it needed to be effective and allow for its strategic aspirations to be met within stated timeframes.

65. [redacted]

66. Reflecting on the recent Active Lives Children Survey results and the importance of physical activity for mental health, the Board asked whether the work relating to coaching support services translated to coaching in schools. Whilst this wasn't the case for coaching, there was some linkage with the Physical Education curriculum and Sport England was actively talking about this through the School Sport Action Plan. It was self-evident that Sport England had to get the Department for Education engaged in this area, with the Action Plan being a key area of focus.

67. The Board reflected on the significant changes to the leadership of UK Coaching and noted Sport England would sit on the selection panel for the replacement Chair.

68. The Board **APPROVED** an award to the Chartered Institute for the Management of Sport and Physical Activity (CIMSPA) of £4,500,000 over 2 years. £2,250,000 in 2019/20 and £2,250,000 in 2020/21 (in principle).

69. The Board **APPROVED** an award to UK Coaching of £2M in 2019/20 and £2M in 2020/21. (2020/21 in principle).

SA and CF left the meeting.

Travel to Tokyo: Part of the 'Get Set' Programme

70. MD presented the item.

71. In February 2019, the Board approved the solicitation of an application from the British Olympic Foundation (BOF) of up to £3 million to expand the delivery of the Get Set Travel to Tokyo pilot. In agreeing to the solicitation, the Board noted that the pilot had been highly successful in engaging children and families from lower socio-economic groups in Merseyside and increased their levels of physical activity through the inspiration of the 2020 Tokyo Olympic and Paralympic Games.

72. The Board **APPROVED** a Lottery award to the British Olympic Foundation (on behalf of the Get Set youth engagement programme owned jointly by the British Olympic Association and British Paralympic Association) of £2,668,702 for the period April 2019 to March 2021.

NS joined the meeting.

Backing the Best – in-principle conversion

73. NS presented the item.

74. Backing the Best supports the progression and inclusion of talented athletes – explicitly athletes from families or backgrounds who, by virtue of their circumstance, experience financial hardship which may preclude or limit their progression.

75. The Board asked how Sport England saw this programme evolving through the next investment period. One area of consideration would be the bursary amount - there was growing evidence that the costs for athletes with disabilities were significantly higher than for some able-bodied athletes, hence there was an opportunity to review the bursary amount prior to the next nomination window. Focus would also be placed on helping NGBs to consider how the locations of their talent camps and the use of their training centres could be more inclusive and affordable.

76. Backing the Best was about talent 'enabling' i.e. supporting individuals who demonstrate talent but who might for other reasons (ability to afford travel and accommodation costs etc) otherwise not be able to progress on the talent pathway. It worked with a cohort of athletes well outside the world class programme and in the full range of sports, so was supportive rather than duplicative of UK Sport's work in this area.

77. The Board considered how Sport England would measure the success/value of the programme against the investment. For example, if none/or limited of the athletes progressed to podium and the programme did not affect system-change by helping to address inequalities in the pathway further upstream, did that reduce the overall value of the programme.

78. Sport England did not measure success solely on who goes on to win titles; the outcomes and experience gained by people in the programme and the value of providing equal opportunities to talented young people and reducing inequality in the current system were significant. The programme was also one of the few ways Sport England had of proactively influencing this part of the sport sector. The Board recognised these advantages but felt a more in-depth look at return on investment from this programme would be valuable - looking at what had happened to previous recipients could help determine the overall value of the programme both at individual and system level.

79. The Board **APPROVED** an in-principle conversion award to SportsAid for the delivery of Backing the Best of £1,626,000 in 2019/2020, and in doing so, **APPROVED** a change to the current investment expenditure profile.

NS left the meeting.

OTHER BUSINESS

Internal Equality Report

80. A concern was expressed about the issues raised through the employee survey in relation to how Sport England's BAME employees felt about the parity of opportunities open to them versus colleagues who did not have protected characteristics. The Board would be kept informed (by way of the Internal Equality Reports) about what the organisation was doing through the Executive Team, Internal Equality & Diversity Group and Sport England's informal employee networks to explore these findings further and develop an action plan.

81. The Board **NOTED** the report.

Draft 2018-19 Annual Report and Accounts

82. The Board **NOTED** the report.

Long Term Conditions Campaign (The Richmond Group)

83. The Board **NOTED** the report.

AOB

84. KP reflected on a recent event she had attended in Lee Valley and the important role of facilities in enhancing peoples' experiences of sport and physical activity; and positive

feedback about Sport England from partners and stakeholders at the recent England Golf Awards.

85. The Board discussed the topical issue of transgender equality in sport and how Sport England was engaging in this important debate.

86. There were no further areas of business.

The meeting closed at 2.55pm.

PRIVATE SESSION

87. A private session for the Board members and CEO was held.