

Board of Directors

Conference Call Minutes

Tuesday 5 November 2013



Board attendees: Martin Ward (MW); Bob Dredge (BD); Elizabeth Dunn (ED); John Flook (JF); Mike Hamilton (MH); Judith Holt (JH); David Maliphant (DM)

Minute taker: MH

Apologies received: John Woodall (JW), Scott Collier (SC), Philip Baxter (PB)

1. Welcome & Meeting Administration

The Chair welcomed Elizabeth and John to the Board as Independent Directors.

Board members were asked to declare any conflicts of interests in addition to those held on the register. The following were raised:

JF – Pointed out that he is yet to complete a conflict of interest statement but will do so at the induction day, in the meantime he wished to point out that he is a member of the Sport England Risk and Audit Committee

DM – is a member of DRONGO and will be changing his 'home' club to Lakelands

The Minutes of the previous Board meeting were agreed to be accurate.

Updates on outstanding actions from previous Board meetings:

1. Independent Directors: MH to communicate to Directors the date of the induction day for appointed Independent Directors in order that elected directors can attend if they are available (asap)
The date for the induction session has been agreed as Thursday, 7 November.
2. Independent Directors: Recruitment of the 3rd Independent Director to take up post at the AGM 2014 to commence as soon as possible; MW to action by end October
MW to report on progress at the December Board meeting. Feedback on the process to be sought from Elizabeth and John F.
3. Staffing: MH to draft recommendations for a staffing structure that meets the requirements of the Board; draft to be circulated to the Board asap with a view to implementing the recommendation as soon as possible
A staffing structure had been agreed post the September meeting.
4. Staffing: MH to re-consider ways other than the employment of a Commercial Manager to increase sponsorship and commercial income if necessity should dictate
Post meeting agreement reached with the preferred candidate accepting employment.
5. Rules: HE to publish the 2014 Rules of Orienteering asap
The 2014 Rules of Orienteering have now been published.
6. Rules: HE to complete the re-write of the Competition Rules as soon as possible and publish as soon as they are finalised
HE to continue with the updating process and to publish the Competition Rules as soon as they are finalised.
7. Rules: HE to update the Rules 'process of review' table including in the Board paper to show the transitional process for 2014 and then the normal process that will be adopted once the transition has been made
HE is expecting to publish this later this week.
8. 2014 Budget: To be prepared as quickly as possible and circulated prior to the end of October (MH)
The draft budget has been finalised as far as is feasible and is the major Agenda item for this meeting.
9. Salaries: BD/MH agreed to discuss the issue of the Sport Northern Ireland funded positions and the Sport England funded positions in relation to possible salary increases and report back to the Board
This item is on-going.

10. Steering Groups: The working drafts of the terms of reference for the Steering Groups to be published asap (MH)
The terms of reference for the Steering Group have now been published.
11. Remuneration Group: An independent Director to be included on the Remuneration to support the Chair and Treasurer (MW)
An Agenda item for this meeting.
12. Steering Groups: MH to liaise with the Board asap regarding the recruitment and appointment of chairs and members to sit on the Steering Groups
This item is on-going.
13. Coaching Needs Workgroup report and recommendations: to be finalised and returned to the Board for final agreement during October (MH)
MH apologised that the report and recommendation has not yet been finalised. Unfortunately work priorities have changed over the summer and the work remains outstanding. MH to circulate to the Board as soon as the report is finalised.
14. Gender balance: MH to contact Rod Findley, our Sport England Relationship Manager, to ascertain if any other sporting organisation has developed an action plan to increase gender balance in the wider governance structure
Rod has been contacted and we await feedback.
15. Transgender Policy: MH to communicate with the IOF and determine how they are dealing with the matter of Transgender
This matter has been raised with the IOF and update will be provided at the December Board meeting.
16. Transgender Policy: MH to consider the matters raised by the Board and as soon as they are addressed and the wording is updated to publish the policy
On-going, agenda item for the December Board meeting.
17. Risk Register: MH to copy the full register to PB; staff to complete the updating of the register and then the major strategic issues on the register to be taken to the December Board meeting for consideration
The full Register has been copied to PB and will be an Agenda item at the December Board meeting.
18. Governance assurance Statement: MH to circulate a draft for comment as soon as it is drafted
The finalised assurance statement has been circulated.
19. WOC 2015: The Steering Group should be made aware of the Board's concern at the need for an agreed/baseline WOC 2015 Budget and that agreeing a budget is seen as high priority and a matter of urgency
MH reported that a WOC 2015 Budget has been adopted by the Steering Group and will now serve as a baseline for future meetings.
20. Association Liaison Directors: JW to speak with the NW Chair regarding possibility of JW handing NWOA liaison responsibilities over to DM whilst DM should do likewise with EAOA with a view to JW taking over liaison responsibilities with EAOA (JW/DM)
To be discussed outside of the meeting. Post meeting discussion and communication confirmed the change; DM to NWOA and JW to EAOA.
21. Auditors: Procuring audit services to be commenced with a view to appointing auditors for the British Orienteering financial years 2014/19
MH reported that the process is underway and that MH/BD will make a recommendation to the December Board.

2. 2014 Budget

The draft 2014 Budget had been circulated prior to the meeting for Board members to consider. BD spoke briefly to state that he had studied the draft and raised a number of queries with MH. He supports the draft.

MH went through the notes to the draft and responded to queries.

The budget draft does not include detail of the Sport England funding nor of the Sport Northern Ireland funding. This funding is pre-allocated and contractual. In the case of Sport England, funding of the areas where funding is used to underpin the salaries and National Office is included in this draft.

The column on the budget labelled '2014/SE Participation% - 20% core' shows the likely reduction in Sport England funding if our targets for increasing participation are missed and Sport England choose to reduce funding by 20% as the contract states they will.

The column labelled 'BOARD Strategic % allocations' reflects the Board decision to apportion British Orienteering funds to particular work areas.

- a) Income: Event Levy; actual event levy during 2013 is considerably down on Budget. Reforecast £152,500 and actual income to end September as £77,979, a variance of over £23,000 on 9 months to date. We have reduced the expected income for 2014 to a prudent £100,000.
- b) Income: Athlete Contributions; were budgeted as £41,000 during 2013. In 2013 this has been offset against costs rather than generated as an income, for example athletes have paid their travel at times during the year. To avoid this becoming a variance in 2014 athlete contributions have been removed from the 2014 budget. This may cause problems with the Sport England return and is being discussed with Sport England.
- c) Income: Trading; has been increased from £5,000 in 2013 to £15,000 in 2014. This reflects the change in environment as schools now have funds to spend on staff training and sport.
- d) Income: Sponsorship; has been increased from £0 in 2013 to £20,000 in 2014 to reflect the target set for the Commercial Manager.
- e) Membership: Web expenditure; has been increased from £4,000 to £10,000 reflecting the work that needs to be completed in maintaining and updating the web site.
- f) Events: Other; has been reconfigured to more accurately reflect the salaries and support offered to Events.
- g) Development: Increasing participation; to reflect the discussion at the September Board meeting, £10,000 of British Orienteering income has been allocated to the Development programme which in 2014 will increase the time the development team can spend on club development, volunteer development and support (see note h) in addition to the funded component of 'increasing participation'.
- h) Development: Workforce Development & Support; there remains the governing body contribution towards the Sport England contract; other funds have been moved to accommodate note g above.
- i) Development: Qualifications & Training; has been increased to cover the costs of the increased activity in the work area.
- j) Salaries & Wages; has been brought into alignment with the Sport England contract expected 'core staff' costs for 2014.
- k) Interest, RBS Bonds Received; Reduced from £11,000 to £2,300 in line with the reforecast 2013 budget.
- l) Total: (Profit & Loss); Although the 2013 budget showed a profit of £41,254 this reflected the £41,000 income generated by athlete contributions, the reality was a 2013 budget generating £254 profit. The 2014 Budget currently has £1,388 as yet unassigned or as a profit on British Orienteering funds.
- m) Reduced Sport England funding; if the maximum 20% cut is made to the increasing participation funding this will be reflected as a £6,366 reduction in Sport England funding available to cover the National Office/Core Staff costs.
- n) Not included in the Budget; There remains two items that have been agreed to be covered out of reserves during 2014:
 - a. Special Fund support for the development and support of athletes involved in WOC, a total of £9,000
 - b. Commercial Manager; contribution to the salaries, on-cost and expenses. We hope the Commercial Manager will generate income as 2014 progresses and that a part of these costs will be recovered.

In the discussion that followed the following points were made:

- a) Salaries: the Board needs to confirm the situation for 2014, in the current budget for 2014 there is no allowance for salary increases.
- b) Levy: Recent weeks have seen an improvement in the levy situation, after the poor start to 2013. The income generated from levies in the 2014 Budget is at a realistic level based on the returns to date during 2013. The Board will need to confirm in February what will be presented to the membership as the recommended levy charge at the 2014 AGM but even if the levy fee was to be increased it would not impact on the 2014 budget.
This is probably the most significant financial concern as we approach year end.
- c) Commercial Manager: The post will be funded from reserves during 2014 and an income of £20,000 has been set as income to be generated through 2014. This is believed to be a realistic target for 2014.
- d) Special Fund: Board members were reminded of the need to 'close' the Special Fund and to return the monies to the general accounts and reserves. BD reminded the Board that it had been agreed that a proportion of the Special Funds

would be used to boost the support for the athletes in the run up to WOC 2015. BD felt that in the spirit of this decision the amount allocated to the WOC team programme should be increased.

It was agreed that the budget would be adopted but that work on the budget should continue with a view to bringing a re-forecast back to the Board as soon as it is feasible.

MH suggested that it should be possible to provide a re-forecast for the December Board meeting.

3. Remuneration Group

MW explained that it would be good practice to include an independent director on the Remuneration Group to support the Chair and Treasurer. This was agreed and both independent directors offered their services. MW thanked them for their offers and stated he will confer with BD and let the two independents know which will be included. MW will update the remainder of the Board as soon as the situation is resolved.

Date of next meeting, Saturday 14 December 2013 at the National Office, Matlock from 10:45 until 17:00 at the latest.

Actions

1. Independent Directors: Recruitment of the third Independent Director to take up post at the AGM 2014 to commence as soon as possible; MW to action by end October.
2. Rules: Helen Errington to complete the re-write of the Competition Rules as soon as possible and publish as soon as they are finalised.
3. Salaries: BD/MH agreed to discuss the issue of the Sport Northern Ireland funded positions and the Sport England funded positions in relation to possible salary increases and report back to the Board.
4. Steering Groups: MH to liaise with the Board asap regarding the recruitment and appointment of chairs and members to sit on the Steering Groups.
5. Coaching Needs Workgroup report and recommendations: to be finalised and returned to the Board for final agreement during October (MH).
6. Gender balance: MH to contact Rod Findley, our Sport England Relationship Manager, to ascertain if any other sporting organisation has developed an action plan to increase gender balance in the wider governance structure.
7. Transgender Policy: MH to communicate with the IOF and determine how they are dealing with the matter of Transgender.
8. Transgender Policy: MH to consider the matters raised by the Board and as soon as they are addressed and the wording is updated to publish the policy.
9. Auditors: Procuring audit services to be commenced with a view to appointing auditors for the British Orienteering financial years 2014/19.
10. 2014 Budget: A reforecast be produced for the December meeting if at all feasible.
11. Remuneration Committee: MW to inform the Board of the appointment of an Independent Director to the group.