

Minutes of the AoC Sport Limited Board meeting

Tuesday, 16 April 2019 at 11.00am

Newcastle and Stafford Colleges' Group, Stafford Campus, Victoria Square, Stafford
ST16 2QR.

Present: William Bird
Peter Brophy
John Bolan
Karen Dobson
Steve Frampton
Kevin Hamblin
David Hughes
Marcus Kingwell
Mark White (Chair)

In Attendance: Jim Edwards, AoC Company Secretary
Lauren O'Sullivan, AoC Sport National Football Development Manager

S12/19 Apologies for Absence

Apologies for absence were received from Caroline Hall, Kathryn Jacob, Parveen Rai, and Kate Webb.

S13/19 Declarations of Interest

There were no declarations of interest.

S14/19 Minutes of the last meeting held on 5 February 2019

The Board resolved to approve the minutes of the meeting held on 5 February 2019.

S15/19 Matters Arising

- i) Under Minute S8/19, Managing Director's Report, Lauren O'Sullivan reported on early meetings with Global Premier Soccer (GPS), which had been held to explore the possibility of developing a long-term strategic relationship between AoC and GPS. Initial discussion have been positive and have centred on building trust, and understanding each other's values.

Board Directors noted these positive developments, and resolved:-

- i) to agree that regular updates should be provided to the Board.
- ii) Under Minute S8/19, Managing Director's Report, the Board queried AoC Sport's relationship with the FA. Lauren O'Sullivan reported that there continues to be an issue with women's leagues, especially 16-18, being established in an unrestricted way. However, constructive dialogue is taking place with the FA's Micky Burke to resolve this.

Lauren is seeking to meet the incoming FA Chief Executive, Mark Bullingham, before he commences his new role in May 2019.

- iii) Under Minute S7/19, Three-Year Business Plan, Marcus Kingwell reported that he had met with Eddie Playfair, AoC's Policy, to discuss ways in which student engagement with AoC Sport and ECFA could be facilitated, as requested by the Board. Two students will shortly be joining the ECFA Committee.

The issue of social problems leading to knife crime, for instance, had also been considered. It was noted that Sport England have made funding available to look into how sport and physical activity can be used to tackle crime and wider anti-social behaviour.

S16/19 Business Development

1. Marcus Kingwell presented an update on business and sponsorship developments since the previous meeting. The report covers sponsorship and commercial activities; grant funding; the development of strategic relationships; and project funding.



Sponsorships

2. Some sponsorship agreements are confirmed and already in place, and there are a number of potential commercial contracts being negotiated currently. It is hoped, therefore, that the sponsorship budget of £78k will be met in 2019-20, although it is recognised that this remains a challenging target, particularly as it is currently reliant on one large potential contract. A number of sponsors, including the RAF, will be attending the National Championships as exhibitors.

Grant Funding

3. Directors were reminded that AoC Sport had engaged Oaks Consultancy on a 12-month retainer to develop grant funding applications. Of the four bids recently submitted, two have been unsuccessful and two are awaiting the final outcome. Bids have been submitted through AoC's Charitable Trust because of the nature of the funding being sought, and a concern has been expressed by Oaks Consultancy that the relationship between AoC, AoC Sport and the Trust is not clear, thus leading to a lack of understanding by funders.
4. David Hughes informed the meeting that AoC does already work jointly with AoC Charitable Trust, and that a strong relationship and partnership is evident. However, this needs to be made more explicit to external stakeholders and funders through AoC's website and other media materials.
5. David Hughes suggested that, under its Purpose and Object, the Trust could be requested to prioritise its funds for sport and physical activities, and that this could be publicised accordingly. Mark White, the Vice-Chair of the Trust, confirmed that this had already been considered and would be acceptable to the Trust. [Post-meeting note: the AoC Charitable Trust has an object of "Advancing the education of members of the public aged over 16 years"].
6. AoC's Projects' Team has not been used in supporting AoC Sport in writing grant funding bids. In an increasingly competitive market, their expertise and experience in delivering successful bids for AoC over a number of years would be invaluable in supporting AoC Sport, and it was agreed that this should be explored by Marcus Kingwell. Additionally, it was suggested that the use of an external bid writer, who might also be able to train staff, should be considered.
7. The contract with Oaks Consultancy concludes in November 2019, and Directors considered whether it should be extended, particularly given the time-consuming nature of the bidding process for AoC Sport staff, and the relatively little financial gain.

8. The overall view from Directors is that grant funding is very difficult to secure, and that the amounts involved are often small. Grant funding is restricted to the purpose for which it is awarded, and therefore it does not contribute to AoC Sport's overheads and surplus. It was suggested that sponsorship funding should therefore be the main objective.
9. Maintaining AoC Sport's core values in submitting funding bids is seen as critical, and it was suggested that an organisation such as Sports' Collective might be used to make engagements with potential funders.
10. AoC Sport's financial independence was discussed, and it was suggested that this should be the incentive for the organisation, by being able to cover all overheads without AoC's direct support. In response, it was stressed that AoC is the investable proposition for sponsors and other funders, and that an integrated approach across AoC Group to secure additional income streams had to be adopted.
11. It was also reiterated that Sport England is supporting organisations to diversify their income, and it was suggested that Marcus Kingwell make contact in order to seek such support.
12. Funding from DCMS and DfE is also a possibility and should be considered.

Projects

13. The AoC Sport team is working with AoC's Projects' Team, who are providing support in securing relevant projects.

Conclusions

14. After due consideration, Board Directors resolved:-
 - i) to note work being undertaken in developing sponsorship and commercial partnerships;
 - ii) to agree that AoC's website and media materials should be updated and clarified forthwith to reflect the close relationship with AoC Charitable Trust;
 - iii) to agree that Marcus Kingwell should liaise with AoC's Projects' Team to seek support in writing bids for grant funding and sponsorship;
 - iv) to agree that the use of an external bid writer should be considered as and when required;

- v) to agree that an integrated approach across AoC Group should be adopted in seeking sponsorship and grant funding;
- vi) to agree that funding from DCMS and DfE should be explored;
- vii) to agree that Sport England should be approached for support in identifying ways to diversify income.

S17/19 Managing Director's Report

1. The Managing Director presented his Managing Director's Report, covering the National Championships; staffing updates; the outcomes of a member survey conducted as part of the sport quality award 'Quest for Communities; policy and projects; competitions; and the updated risk register.

National Championships

2. A VAT issue has arisen over accommodation and subsistence charges to students at the National Championships. VAT will now be charged, having previously been exempt, thus increasing the cost to participants. For the 2019 event, AoC Sport has been able to negotiate a reduction in the net fees with Nottingham Conferences, but there may be cost implications for future events.
3. The contract with Nottingham University has therefore been extended for one further year to 2020 to compensate them for their loss of income. Thereafter, a tender process will be run, seeking a three-year contract with a successful bidder. In order to increase the number of organisations submitting a tender, the invitation will provide far more information on AoC Sport and what its objectives are.

Staffing

4. Two football development posts are vacant, and Lauren O'Sullivan explained the recruitment process that is being followed.

Members' Survey

5. It was confirmed that AoC Sport is progressing towards achieving a recognised quality award 'Quest for Communities' for the sport and leisure industry. As part of the assessment process, a survey of heads of sport at member colleges has been undertaken, and the headline results were reported to the Board.

- 6 The responses are generally positive, with Aoc Sport representing good value for money for members, and scored as 'Good but with areas for improvement' in the net promoter question. Areas for development requested by respondents are in disability sport, LGBT, CPD and international links. The AoC Sport brand scored lowest among respondents.

Safeguarding

7. An external audit of AoC Sport's safeguarding arrangements has been undertaken, and a number of recommendations are being addressed. A Board Director is being sought to carry out the role of safeguarding champion, and this will be agreed after correspondence with the Board.

Competitions – Rule Changes

8. A number of rule changes have been adopted, following consultation with ECFA and the Operations Advisory Group, primarily to address the number of withdrawals from leagues and cups.
9. Some colleges fail to reach their recruitment targets, thus meaning that they do not reach their predicted number of teams, and have to withdraw from some competitions. It was suggested that these colleges be put in touch with colleges, who successfully recruit enough students to form teams, in order to learn from them.

Football

10. Lauren O'Sullivan provided an update on key football development issues.
11. The profile of colleges and AoC Sport is improving with the FA.
12. Tensions remain in respect of organisations, who are not colleges, being permitted to join competitions.

Risk Register

13. The risk register has been updated, and now includes new risks in respect of grant funding and safeguarding.

British Active Students' Survey

14. Sport England funding has been used to conduct a recent British Active Students' Survey. 3,500 students took part, and, although it was noted that most respondents were from sixth form colleges, it has provided some very useful data. William Bird suggested that DCMS would find data of this sort beneficial as long as it were backed up by academic research.

Conclusions

15. Board Directors resolved:-

- i) to note Managing Director's Report;
- ii) to approve the updated risk register, and the proposed new risks;
- iii) to agree that William Bird would make an introduction between DCMS and Marcus Kingwell to discuss the outcomes arising from the British Active Students' Survey.

S18/19 Management Accounts as at 28 February 2019

1. Peter Brophy presented the Board with the management accounts as at 28 February 2019.
2. These show a year-to-date operating surplus of £63k against the budget of £9k. The primary reasons for the positive variance of £54k are increased income from competition entries and sponsorship, and savings on pay and football competition entries.
3. The out-turn for 2018-19 is projected to be an operating surplus of £40k (£45k reported on 5 February 2019) against the budgeted surplus of £9k. This does include a prudent £10k provision for bad debts relating to the potential non-payment of competition entries.
4. In terms of membership subscription payments, 196 colleges have paid, and 16 remain outstanding. This is compared 42 colleges outstanding at the Board meeting on 5 February 2019. During the 2018-19 year there have been three new joiners and seven withdrawals.
5. Directors raised a concern that, although the current financial position was positive and the projected out-turn was ahead of budget, this had been achieved through pay and non-pay savings, rather than through income generation.
6. A confidential issue relating to a challenge by a long-standing debtor over previous invoice charges was reported to the Board, and guidance was provided. It was agreed that any further issues should be reported directly to Mark White, Karen Dobson and Kevin Hamblin.

7. Board Directors resolved:-

- i) to note the current positive financial performance, and the projected positive out-turn.

S19/19 Dates of the next meetings

The dates of the next meetings were confirmed for:

25 June 2019 at 10.30am
8 October 2019 at 10.30am
3 December 2019 at 10.30am

Jim Edwards
Company Secretary