

SPORT NORTHERN IRELAND

MINUTES

CONFIDENTIAL

Third Meeting 2012

Held on Tuesday 1 May 2012 in the House of Sport, Malone Road, Belfast BT9 5LA.

PRESENT

In the Chair:	D Walsh
Members:	G Campbell R Carr P Cummings J D'Arcy B Delaney B Macaulay R Mallon A Money Penny S McCullough H McGrady D O'Connor J O'Neill P Turnbull
Chief Executive:	E McCartan
Staff in Attendance:	N Harkness S Ogle A Sloan R McCormick A Campbell (for agenda item 7.8) E Bailey

1 **APOLOGIES**

An apology was received from M Cowan.

2 **DECLARATION OF INTERESTS**

The Chairman asked everyone individually if they had any interest to declare. No interest was declared.

3 **CHAIRMAN'S BUSINESS**

- 3.1 The Chairman welcomed Members to the meeting and informed them that two members of staff had recently had a bereavement. The mother of Mr Ian Weir, Accountant; and the father of Mr John News, Participation Manager. Members expressed their condolences to Mr Weir and Mr News.

4 **MINUTES**

The Minutes of the First Meeting of 2012 held on 7 February 2012; the Continuation Meeting held on 21 February 2012 and the Second Meeting of 2012 held on 30 March 2012, having been previously circulated, were approved and signed.

5 **MATTERS ARISING**

5.1 Quarterly Assurance Statement to 31 December 2012

Members were advised that the Quarterly Assurance Statement for the Quarter to 31 December 2012 had been re-submitted to the Department following the discussion at the Council Meeting on 7 February 2012.

5.2 50-metre Pool Project

Members were advised that following the Council meeting on 7 February 2012 Sport Northern Ireland's (SNI) Chief Executive had written to the Permanent Secretary in response to her letter of 27 January 2012.

Members asked if Sport Northern Ireland had received the Department's Independent Review in the matter and were advised that this had not yet been issues by DCAL.

Members asked if Sport Northern Ireland had made a bid for the funds eased in 2011/12 in relation to the 50-metre Pool Project. The Director of Corporate Services advised that this would be done in the June 2012 monitoring round and that this was the first opportunity to bid for funds.

Action 1: Officers to make in-year bid for 50m Pool easement.

5.3 CAL Committee Correspondence

The Chairman advised Members that he had written to the Chair of the CAL Committee and the Minister giving his unreserved apology for misleading information sent to the CAL Committee. He further advised that he was content with the delegated arrangements for the clearance of business intended for the CAL Committee, which were that an officer would prepare a response, the respective Director would sign it off, and finally the Chief Executive would sign it off.

Action 2: New sign-off arrangements for correspondence with scrutiny committees of the Northern Ireland Executive.

6 **CORRESPONDENCE**

6.1 The Chief Executive referred to correspondence from the Department of Culture Arts and Leisure (DCAL) relating to:

- The Stadia Programme Transfer of Responsibility
- Letter from the Minister regarding common working between DCAL and the Department of Education
- Letter regarding Executive decision on Campaign Advertising

- Letter regarding draw down of cash
- Letter regarding St Colman's College Newry

Other correspondence referred to included:

- Limavady Borough Council – thanks regarding the new sports facilities at Scroggy Road.

Members noted letter dated 22 February 2012 thanking Board Member Mr D O'Connor for his visit to the official opening of

- Mrs U Duncan – thanks for the opportunity to be involved as a Member of SNI.
- Mr B McCargo – reflecting on his membership of SNI.
- Ballymena Rugby Football Club – thanking SNI for the assistance in connection with the British Irish Lions Legends Masterclass.
- Generalitat de Catalunya – on behalf of the Catalan Sports Council, who had found the Activ8 programme very worthwhile and were planning to roll out a similar programme in their region.
- C2K - thanking SNI for the assistance given to the launch of the Aim, Aspire, Achieve eLearning activity for schools.
- Mr Kevin O'Neill - thanking SNI for input to an inter-primary schools competition.

7 **PARTICIPATION UNIT**

7.1 **Sports Matters Community Capital Project**

Members considered Paper SNI/12/57 which was presented by the Community Capital Manager.

The paper proposed an approach for the Sport Matters Community Capital Programme (SMCCP) on whether SNI will allow applicant organisations to change their application details. Members heard that legal advice had been taken on how to consider any change in an application and the legal briefing was attached at Appendix 4 of the paper.

Members were required to make decisions on the approach to be adopted when dealing with requests for changes. Members were also asked to consider delegating responsibility to the Places Committee to apply the agreed approach at a subsequent meeting of the Places Committee to the three requests outlined in the paper (one now withdrawn).

The paper had appendices as follows attached.

- 1 - Sport Matters Community Capital Programme Application Form
- 2 - Sport Matters Community Capital Programme Information and Guidance Notes
- 3 – List of Assessed Applications
- 4 – Legal Briefing

5 – Legal Advice Pertaining to SNI’s Approach to Consideration of the Elite Facilities Late Applications.

Members discussed the issue at length and recognised the importance of the process being correct.

After discussion Members agreed that SNI should use its discretion to consider requests for change. Members also agreed the approach to be adopted when dealing with requests for change and agreed to delegate authority to a further meeting of the Places Committee to make decisions in respect of specific requests for change.

Action 3: Places Committee to consider requests for changes to applications under delegated authority.

7.2 Induction Briefing on SNI Participation Team Interventions

Members considered and approved Paper SNI/12/50 which contributed to the induction process of new Members of the SNI Participation Committee by bringing them “up to speed” with current SNI Participation Team interventions and priorities. Separate briefings would be arranged for those Members who were not able to attend.

Action 4: Officers to brief Members of Participation Committee not able to attend.

7.3 Memorandum of Understanding Between SNI and Sported

Members considered Paper SNI/12/51. Members noted the background to “sported” which is a national charity established in 2008 by Sir Keith Mills (Deputy Chair of LOCOG).

Members queried the funding of “sported” and where it sat with similar schemes run by SNI. Members agreed that there should be no duplication of funding.

After discussion, and taking into account the above provisos, Members approved the Memorandum of Understanding.

Action 5: SNI to sign the Memorandum of Understanding with Sported.

7.4 Tollymore National Outdoor Centre

Members considered Paper SNI/12/52 which provided an update on progress made to date in the implementation of Post Project Evaluation (PPE) recommendations. The Paper also informed Members of revised timescales for completion of a number of recommendations; and proposed and recommended a new pricing structure for Tollymore National Outdoor Centre (TNOC).

Members noted that since the re-opening of Tollymore National Outdoor Centre it had attracted the attention of two private sector companies in the Mourne area who were making complaints to DCAL that activities at Tollymore National Outdoor Centre were impacting negatively on their business.

Members agreed that concerns of others should be noted but that SNI had to be true to the goals of the Centre for the purpose for which it was built. Members

heard that Committee had given this matter significant debate.

After discussion Members approved the recommendation and agreed that the implementation of the new pricing structure should be carefully monitored and regularly reviewed.

Action 6: New TNOC pricing structure to be implemented and carefully monitored and regularly reviewed.

7.5 Delegated Decisions – Participation

Members considered and approved Paper SNI/12/53. They noted decisions taken in accordance with Council's Delegated Policy and the new/revised awards requiring Committee Delegated Authority.

7.6 Stadium Programme – SRO Report

Members considered Paper SNI/12/54 which provided an update on recent progress made on the delivery of the Stadia Projects.

Members noted the major progress made in Section 1.

Members noted that the responsibility for the Stadia Programme moved on 30 April from SNI to DCAL. They heard that the Programme Director had commented on the professional hand-over from SNI staff.

Members noted the staffing situation and the Staffing Committee's proposal that Council write to DCAL offering the advice secured by the HR Manager. Members agreed the importance of an efficient handover and agreed that the Programme Director should be asked to confirm if the handover had been adequate and if SNI could do anymore to assist.

Members adopted the Report.

Action 7: HR Manager to write to DCAL and offer access to the legal advice. Director of Participation and Places to contact new Programme Director to confirm adequate handover.

7.7 Delegated Decisions – Places

Members considered Paper SNI/12/55 and noted decisions taken in accordance with Council's Delegation Policy.

7.8 Safety of Sports Grounds (NI) Order 2006

Members considered Paper SNI/12/56 and noted the ongoing work in the overseeing of the implementation of the Safety of Sports Grounds (NI) Order 2006 and the progress made in monitoring the implementation of Part 4 of the Justice Act.

8 **PERFORMANCE UNIT**

8.1 Delegated Decisions – Performance

Members considered Paper SNI/12/63 and noted actions taken in accordance

with Council's Delegation Policy.

8.2 Investment in Amateur Boxing 2012-2015

Members considered Paper SNI/12/64. The Paper sought approval of the programme level business case for investment in amateur boxing over the period 2012-15. It also requested approval to allocate £3.27m from SNI's Lottery Funds to initiative the development of a funding programme.

The business case identified a need for strategic intervention in the sport of amateur boxing. In order to meet performance and participation needs in the sport in the medium term, immediate intervention would be required to address the capital needs of clubs, primarily equipment, new ancillary facilities and repair of existing facilities.

This business case identified the resources required to fund the preferred option for investment and identified a programme management partnership that would deliver investment at a club level.

Members considered the challenge in meeting societal outcomes but recognised the potential benefits for areas of deprivation from this investment.

Members approved the recommended preferred option and structure for delivery.

9 **SPORTS MANAGEMENT SERVICES (formerly Corporate Services Unit)**

9.1 Management Accounts for the 12 Months to 31 March 2012

Members considered Paper SNI/12/58 and noted that it was discussed in detail at the Audit and Risk Management Committee (ARMC) earlier in the day. The Director of Sports Management Services took Members through the paper in detail and provided explanations for any variances arising.

Members approved the Management Accounts for the 12 months to 31 March 2012.

9.2 Delegated Decisions – Sports Management Services

Members considered Paper SNI/12/59 and noted decisions taken in accordance with Council's Delegation Policy.

9.3 Risk Register

Members considered and approved Paper SNI/12/60 which provided a summary of the key corporate risks, their ratings, agreed mitigation activities and progress made against those activities.

Members heard the paper had been considered at the ARMC earlier in the day. The primary change was to the Stadium risk now that responsibility had been transferred to DCAL. Members heard that the ARMC Committee had expressed some concern that whilst the Stadium Programme had moved to DCAL there might still be residual risk to SNI.

9.4 Annual Report of the Chair of Audit and Risk Management Committee

Members considered Paper SNI/12/61 which highlighted the key achievements of the ARMC in 2011/12. Members were content that it provided a full and balanced account of the activities of the Committee during the year.

9.5 Audit and Risk Management Committee

9.5.1 The Chair of the ARMC advised Members that the NIAO Director had raised an issue regarding the transfer of projects between Lottery and Exchequer. The NIAO Director advised that the National Audit Office (NAO) had qualified the accounts of Arts Council England for the transfer of projects from Lottery to Exchequer. He had noted that the issue revolved around the fact that the projects had already been accounted for in Lottery and that these accounts had been laid before Parliament and then the Projects were transferred to Exchequer.

The Chair of ARMC advised that the Executive Team would be reviewing their files to establish if this applied to Sport Northern Ireland.

Action 8: Executive Team to review files and report back to next Council Meeting.

The Chair of ARMC advised that the Permanent Secretary had written to the Chair of Council on 29 March 2012 referring to a communication from a journalist in relation to the business case for St Colman's College project received by Sport Northern Ireland on 5 March 2012. The Permanent Secretary was very concerned that Sport Northern Ireland did not notify the Department immediately of this issue under its Anti-Fraud and Corruption Policy.

The ARMC Chair advised that he had carried out a review of the matter and he had reported his findings to the ARMC that day. They include:

- The journalist raised a series of questions seeking clarification in relation to the business case that was approved to support funding to the St Colman's College Project.
- On receipt of the journalist's communications of 5 March 2012, Sport Northern Ireland's Director of Corporate Services conducted a review of the matters raised in the communication, including meeting with the consultants who had prepared the business case. The Director of Corporate Services was unable to substantiate the matters raised by the journalist.
- Given the nature of the issue, the matter should have been handled in accordance with Sport Northern Ireland's Anti-Fraud and Corruption Policy when the communication was first received.
- All relevant Sport Northern Ireland officers have received fraud awareness training and in particular the officers who dealt with this matter.

The ARMC Chair also outlined a number of learning points he identified during

the course of his review:

- Letters of support for capital projects should be re-validated where a period of two years had elapsed between receipt of the letter of support and the project commencing.
- The assertion made by the journalist in relation to the scope of sports using the facility may have been resolved more expeditiously had greater focus been given to the facility user agreements that existed for the facility.
- The opportunity to demonstrate the project's value for money would have been welcomed but it was recognised that at this early stage a Post Project Evaluation had not been completed.
- As an additional step to the review undertaken by the Director of Corporate Services, validation of the information in relation to cross community usage by State Controlled Schools could have been obtained directly from St Colman's College.

Members were advised that at the invitation of the Department of Social Development's Deputy Director of Regional Development, Sport Northern Ireland representatives were invited to attend a meeting with the journalist to discuss the St Colman' College Project on 19 April 2012. Also in attendance at the meeting were representatives from Newry and Mourne District Council and FPM Consultants who had prepared the business case. During the course of this meeting the journalist reiterated and expanded on the assertions he had made in his e-mail to Sport Northern Ireland of 5 March 2012. The journalist also referred to communications he had from third parties that had not been available to Sport Northern Ireland. Members were advised that copies of these communications were requested but that this request had been refused by the journalist's Editor.

The ARMC Chair advised that the matter had been discussed at the ARMC in detail and that Members reinforced the need to ensure that Department are informed promptly of such issues and that if there is any doubt the Executive should err on the side of caution and advise the Department. It was agreed that the Chair of the Council should write to the Permanent Secretary on this matter.

Members of Council were content with the investigation carried out by the ARMC Chair and the subsequent learning points and actions.

Financial Management -

The ARMC Chair advised that DCAL's Director of Finance had written to Sport Northern Ireland Director of Corporate Services on 20 April 2012 expressing concern with regard to cash forecasting within Sport Northern Ireland. There had been a variance of 55% between the cash forecast submitted in March and that actual drawdown submitted in April. In addition it was noted in the letter that a major variance had occurred in October 2011 and December 2011 and that there was the requirement for emergency funding in July 2011.

The Director of Corporate Services advised:

- That Sport Northern Ireland operated in an environment that includes working with a significant number of community/voluntary organisations which have limited capacity to submit claims regularly and to the desired quality to enable the timely release of funds.
- That Sport Northern Ireland predicts cash needs on data from past claims submitted; future activity anticipated based on discussion with grant recipients; and an understanding of the grant recipient's needs.
- Sport Northern Ireland factors these issues within its cash planning framework, however there are times when deviations occur due to claims which are not received with the timeframe expected or where paperwork is missing from the claim to fully comply with grant vouching requirements. In addition, grant recipients can submit claims when they are not expected due to their own cash flow issues. Sport Northern Ireland endeavours to process all claims quickly.

The Director of Corporate Services advised that Sport Northern Ireland was not aware that it could revise its forecasted cash requirement once the figure had been submitted. He further advised that Sport Northern Ireland will introduce a step within its internal processes to review cash requirements between the submission of the cash requirement and the submission of the drawdown claim so as to enable differences to be identified and the Department advised at the earliest possible time.

Members were advised that the matter had been discussed by the ARMC in detail and that they were content that SNI's cash forecasting process was in a state of control but recognised that third party actions and pressures had an impact on accuracy.

Action 9: SNI Finance team to introduce a step within its internal processes to review cash requirements between the submission of the cash requirement and the submission of the drawdown claim.

9.6 Advocacy and Communications Department

Members considered Paper SNI/12/62 and after discussions approved the advocacy and communication activities.

Members noted the communication from DCAL regarding protocols on arms-length bodies' advertising and branding.

Mrs H McGrady left the meeting

9.7 Business Plan 2012/13 and Revised Savings Delivery Plan

Members considered Paper SNI/12/65 which provided them with the current Sport Northern Ireland Draft Business Plan and Savings Delivery Plan for the period 2012/13 which had been submitted to the Department. The Chairman noted that Members had been consulted on the plans before they had been submitted to the Department on 20 March 2012.

9.8 Sport Matters

Members considered Paper SNI/12/66 which provided an update on the targets

within Sport Matters. Members received an update on each of the targets and were content with progress.

9.9 Monitoring Policy

Members considered and approved the Monitoring Policy (Paper SNI/12/67) which replaced the Grant Monitoring Policy and provided a more detailed, structured and consistent approach to monitoring through the organisation.

9.10 Business Plan Quarter 4 Review

Members considered Paper SNI/12/68 which outlined Sport Northern Ireland's out-turn against its key performance indicators 2011/12.

Members considered the key performance indicators and sought and received explanation of where targets had not been achieved.

After discussion Members approved the Business Plan Quarter 4 Review.

9.11 Annual Quarterly Assurance Statement

Members considered Paper SNI/12/70 which provided Sport Northern Ireland Chief Executive's Quarterly Assurance Statement (QAS).

Members discussed the QAS in detail and raised concerns that in relation to Risk Management that the Chief Executive had ticked "no" to question 2 which states that "I am satisfied that there are appropriate controls in place to manage the risks for which I am responsible and that these controls are both adequate and effective to manage the risk to an acceptable level". The Chief Executive explained that this related specifically to the Stadium programme and that it was detailed in the notes within the QAS.

After discussion Members approved the QAS for the period January to March 2012.

10 **COMMITTEE REPORTS**

10.1 Audit and Risk Management Committee

Members received the Minutes of the Meeting held on 7 February 2012.

10.2 Places Committee

Members received the Minutes of the Meeting held on 20 September 2011.

10.3 Mountain Leader Training Northern Ireland

Members received the Minutes of the One Hundred and Sixth Meeting held on 8 November 2011.

10.4 Northern Ireland Mountain Cave Cliff Rescue Co-Ordinating Committee

Members received the Minutes of the One hundred and First Meeting held on 17 November 2011.

10.5 Participation Committee

Members received the Minutes of the Meeting held on 19 January 2012.

11 **PUBLICATIONS**

There were none.

12 **DATE OF NEXT MEETING**

Tuesday 7 August 2012.

13 **ANY OTHER BUSINESS**

13.1 Directors' Liability Assurance

Members queried the availability of Liability Assurance but noted that this was not available to Members.

There being no further business the Chairman thanked Members for their attendance and the meeting closed.

Signed: _____

Dated: _____

House of Sport
Upper Malone Road
Belfast
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