



ENGLAND ATHLETICS LIMITED
(The 'Company')

Minutes of the Annual General Meeting of the Company held at Athletics House, Alexander Stadium, Perry Barr, Birmingham on Saturday 27th October 2012

Present:	John Graves (Chairman)	Executive Chair, England Athletics
	Peter King	Director, England Athletics
	Chris Jones	Interim CEO, England Athletics
	Graham Jessop	Bognor & Chichester AC/Director, England Athletics
	Michael Heath	Enfield & Haringey AC, BAL Director, England Athletics
	Nigel Rowe	Director, England Athletics
	Wendy Sly	Non Executive Director, England Athletics
	Kevan Taylor	Finance Director, England Athletics
	Peter Crawshaw	Achilles
	Margaret Grayston	Wigan
	Barry Parker	Derbyshire AA
	Peter Cassidy	Race Walking Ass & Loughton AC
	Ian Byett	English CC, Basingstoke & Mid Hants AC
	Stewart Barnes	West Midlands
	Norma Blaine	Birchfield Harriers
	Ted Butcher	Colchester & Tendring AC
	Andy Ward	Middlesborough AC
	Paul Gooding	Bedford & County
	Geoff Durbin	Midland Counties
	Neil Costello	Cambridgeshire & Coleridge AC
	John Aston	Cambridgeshire & Coleridge AC
	Valerie Norrell	Cambridgeshire & Coleridge AC
	Len Quartly	Bromsgrove & Redditch AC
	Geoffrey Morphitis	Shaftesbury Barnet Harriers
	Dave Billiard	Birchfield Harriers
	Rita Brownlie	Bromsgrove & Redditch AC
	Juliet Kavanagh	Highgate Harriers
	Andrew Gardner	St Theresa's AC
	Jean Hobbs	Loughton AC
	David Hobbs	Loughton AC
	Wendy Haxell	Southern Group
	Andy Day	Tamworth AC
	Debbie Beresford	Manchester Harriers
	Lynette Smith	Head of Membership Services, EA
	David Jeacock	Company Solicitor
	Kate Liggins	Finance Manager, England Athletics
	Sue Banks (mins)	PA to Executive, England Athletics

Apologies: Niels de Vos, Mike Moss, Karen Neale, George Bunner and Alan Barlow

The Chairman welcomed all present to the meeting and thanked them for attending.

Minutes of the AGM meeting held on 10th September 2011

The Minutes of the AGM held on 10th September 2011 had been made available on the website. Hard copies were available at the meeting also.

The Chairman asked all present if they accepted the minutes as a true and accurate record of the meeting held on 10th September 2011. **Proposed: Graham Jessop and Seconded: Margaret Grayston.** Unanimously agreed.

Matters Arising

Research by Sheffield University

Geoffrey Morphitis (GM) asked for feedback from the research by Sheffield University. Chris Jones (CJ) replied that this formed part of the Coaching audit which Membership Services team were now using. He also confirmed that sports coach UK would be carrying out another audit (free of charge) regarding programme delivery – looking at whether the right courses were being put on and in the right places. GM asked if there had been any input from the clubs. CJ said that many clubs had been interviewed including athletes and parents.

Approval of 2011 Accounts:

Peter Cassidy (PC) questioned why the company's audited accounts for the year ended 31st March 2011 had been proposed, seconded and approved as he understood that these were not voted on. KT replied that attendees at last year's meeting chose to propose, second and approve the accounts but this was not a statutory requirement as the accounts had been approved before the meeting.

Endurance Officials development:

Andrew Gardner (AG) asked whether there had been any improvement with Endurance Officials development. Lynette Smith (LS) replied saying that there were six courses being run from now until the end of the year and she would let him know later where they were being held.

Loughborough University Volunteer:

Peter Crawshaw (PC) asked about the volunteer's 12 month contract from Loughborough. CJ said that we had taken on Ollie Toogood for the last 12 months during which time he had led on the 'Are You Ready' campaign and '100 days to Go' campaign.

'Reasons for leaving the sport' study:

GM asked if there were any outcomes from the 'Reasons for leaving the sport' study. CJ said this had been shared with the Regional Councils and would be published on the website but he would circulate this again.

PC highlighted the sentence on Page 4 regarding only half of candidates handing in their diaries. He asked if there was similar statistics for officials. CJ agreed this could be done and LS would provide.

Directors' Report of the Activities of the Company

A copy of the presentation made by Chris Jones is available on the website and forms part of the minutes of the meeting. Matters arising in the presentation by CJ included:

CJ felt that the sport was in a good place now after a unique year and continued to grow. There is a need to sustain interest and keep connection with clubs local. A plan has been submitted to Sport England ("SE") for future funding over the next 4 year period (April 2013 to March 2017) with input from key members of the England and Regional Councils, our National Officials forum and Area competition providers. Outcome to be advised by Sport England in December. NGBs are likely to be under more pressure to deliver payment on results.

Many clubs are working together. London activation project – a flagship activation project for local communities has seen great return on investment (85,000 participants in less than two years) and will be used as a blueprint for other work of this nature in major cities moving forward. England Athletics ("EA") is working to get more registered running groups set up and registered – just under 1,500 at this point with 30,000 Run England registered members as part of a broader growth in the running community – growing as a sport but providing clear evidence of cause and effect is a continual challenge. Attendance at coach education courses has risen in the last few months with the challenge being the attainment of qualifications beyond assessment stage – support to candidates with logbook completion is crucial and something built into plans for 2013 onwards. EA continues to work with and through a number of partners on Championships at national, area, county and local levels. We are developing a closer working relationship with counties and continue to work closely with ESAA.

Many club coaches (450) attended our recent coaching conferences – this being vital to ongoing development. A full winter programme is now taking place up and down the country. Club relationships are important to make sure ongoing support programmes are taking effect.

A diversity of volunteers are recognised in the 2012 regional award programmes with over 400 guests attending the Hall of Fame & Awards Evening for the fourth year – funded by sponsorship and ticket sales. The AAA is a key partner this year and was last year – we are delighted with this formal partnership to recognise the heritage of the sport. Norma Blaine (NB) commented that the History of the Women's AAA book was being launched today in Solihull prior to the major event in the evening (Men's AAA already published).

Area officials' conferences for Midlands, North and South took place in the last 12 months with between 60-140 officials at each event. These events were supported in 2012 as part of this formal arrangement between EA and the area officials' associations. This is the third year we have supported such invaluable programmes.

Athletics networks (52) continue to be invested through to deliver development programmes. CJ said they are all different – we look at what works best for these local clubs and help solve some of their challenges with direct investment. We continue to work with ESAA although there is a challenge with schools moving forward – SE will not fund activities for Under 14s. We have launched a 4 year facility plan to help direct

investment in this area (both from the NGB and from third party bodies) – protecting and preserving facility stock locally is crucial for our sport. Working with clubs and local authorities to action this work will be crucial.

Inclusion – We have continued to deliver the targeted Playground to Podium investment through working with schools, clubs and coaches locally. Providing information on integration, moving forward as one sport – education is at the heart of this approach to ensure that more disabled athletes can be integrated into the mainstream sport. Two athletes from the Playground to Podium programme competed in the Paralympics this year.

Website – Our 5th Officials magazine will be produced at the end of the year. Run England group finder is now on the website alongside an online Club finder. There was a 250% increase of website traffic during the Olympic period.

Priority City Activation & Facilities – We have pinpointed 11 priority cities we would like to work in moving into the next cycle using targeted resources and building on the success of the London RUN! Project. However this does not mean we will not work with other partners who wish to integrate athletics into their local plans. The priority cities will be earmarked for specific and focused facility investment from the NGB and we will seek to accelerate our activation programmes in such areas by leveraging local investment to do so. We are piloting a compact athletics facility in London which will be used as a blueprint for other similar projects in the other cities moving forward.

A net Income / Expenditure slide was shown for the year ended 31 March 2012 outlining where income has been invested. Large numbers against club development (£1.9m), coaching (£1.8m), competitions (£0.4m), schools and youth development (£0.4m) and Run England (£0.3m). CJ explained that under Membership Services an income of £0.7m came from affiliation fees. The total income of £8.7m was the amount that went into the sport with £5.8m coming from Sport England alone.

Looking forward to some years of opportunity with the 2014 Commonwealth Games in Glasgow; 2016 Olympics in Rio and the 2017 World Championships in London. Our plan is one of continuity and evolution from where we are at present.

2013 Challenges

- Affiliation and road race licence fee restructure would be a challenge as we seek to reduce dependency on third party funding and become more sustainable as a sport;
- Government funding – continually changing – Comprehensive Spending Review in the next two years;
- No new commercial deals signed at this point;
- Wider running fraternity and linking this to formal, competitive club work;
- Hope to get more clubs to run road races to generate more investment for clubs to offset expenditure in other areas;
- Need to retain our best people (staff and volunteers).

Affiliation – CJ explained that for several years we have not increased our affiliation fee since raising it from £3 to £5 in 2008, even after consultation with an affiliation working group that met to discuss this some 2-3 years ago. Different and diverse opinions, views and perspectives had been received from online surveys, national and

regional councillors plus volunteers advisory group meetings during the last 12 months. Different considerations were taken into account but a decision had to be made despite it being challenging to provide a solution that met everyone's expectations. He said that we had to ensure that we became self sufficient to ensure we could deliver at a minimum the basic core services if our third party grant aid and support was compromised at any time moving forward. CJ also confirmed that Lynette Smith was working alongside Cherry Alexander on tightening the control measures that are so important to ensure people have faith in the system applied. There would also be improvements made to the portal to help club secretaries and this work is being piloted before Christmas with clubs ready for 1st April 2013. The broader NGB market place was looked at to see what others were charging and in light of changes made by Scottish and Welsh Athletics several years ago – CJ said that it was arguably the most difficult decision they had to make together since EA conception. He said that this was the only way to go as funding from other sources was becoming more restricted and we should now work through this together to ensure preservation of core sport services.

CJ advised the names of vital partners, giving thanks particularly to the AAA. He confirmed that elections for Councils would be taking place in the coming months and urged attendees to encourage others to get involved. He said that we were now working closer with UKA than ever and it was essential that this continued.

After a short discussion on the Talent pathway, trying to get red to blue (shown on slide) and how vital we are connected to these levels CJ opened up the floor for questions. Comments were made by members and directors at the meeting in the course of discussions which covered a range of matters which have been grouped into the three sections below:

Affiliation Fees:

Consultation process was very restricted (see Communications below for more comments on this matter);

Increase in affiliation fees was high and value for money is questionable;

Process for deciding fees didn't involve a wide enough range of members and has caused resentment;

Increase to £20 for track and field cannot be imposed on members;

Number of fee levels creates an administration burden to be borne by volunteer club secretaries;

No fees for coaches, officials and other volunteers – Position confirmed under current Board;

Timelines for setting annual fees – Mixed views on duration for which fees should be fixed in advance: one year, four years or longer;

8% of total income from fees was considered to be low by certain attendees but reasons for increase in fees had not been explained;

Current model anticipates that in next four year cycle, affiliation fees will represent 24% of total income dependent on SE funding level;

EA should justify what clubs receive in support from EA activities;

Work done at club level in relation to fees - No opportunity given for this to be considered at Council or Board level;

Process of collecting fees – Should clubs act as collection agents?

Request from representatives of London and other clubs in the South to withdraw proposals pending meeting with representatives of clubs – request to withdraw proposal rejected but agreement to a review meeting would be held in coming weeks;

How should clubs inform members of new fees?

Communications:

Process through Councils doesn't reach members;
Consultation with Regional Councils had taken place over twelve month period but there were differences in interpretation of how the information was to be applied;
Important stage of consultation on fees was omitted – "Views of the membership – strong consensus that members weren't adequately informed or consulted";
Showing details of affiliation fees and related costs would have helped membership understand.

Activities and Funding:

Contents of CJ presentation isn't consistent with views at club level – notably volunteer force declining; poorer quality of competition; athletes not maximising potential; starved of coach resources;
Expenditure on coaching isn't filtering down to clubs;
England Senior Championships – Decline in number of competitors by 10-15% over three years competing, lack of appetite for event from number of leading athletes and coaches along with staging costs represented poor value for money. Thus a decision was taken for 2013 not to hold this event;
Absence of senior Championships in 2013 created opportunity at lower level to drive competitors to the top level;
Age group national Championship continue to be well supported by athletes, coaches and EA;
Road race entry fees – Attendees advised that incremental fees for unattached runners are at the discretion of race organisers who receive the income. EA received licence fees from race organisers the levels of which are to be changed with effect from 1 April 2013 to benefit clubs and to increase fees from commercial race organisers.

The above comments were made by a number of attendees including: Paul Gooding (who CJ offered to meet to discuss matters further); Peter Cassidy; John Graves; Mike Heath; John Aston; Kevan Taylor; David Hobbs; Graham Jessop; Neil Costello; David Billiard; Geoffrey Morphitis; Nigel Rowe; Ian Byett; Juliet Kavanagh; Norma Blain and Andrew Gardner.

Outcome summarised by JG:

"Thank you for your constructive criticism. In view of the urgency, members of the Board will meet with representatives of clubs to review membership/ affiliation processes and connected matters in a number of consultation meetings which will take place in the coming weeks". [Subsequently regional meetings have been arranged for 30 November (North); 1 December (Midlands) and 14 December (South & London)]

Presentation of the Company's audited financial statements for the year ended 31st March 2012

A copy of the presentation made by Kevan Taylor is available on the website and forms part of the minutes of the meeting. Matters arising in the presentation by KT included:

KT advised that the published accounts were a statutory requirement and included Income, Expenditure and Balance Sheet.

Income & Expenditure Account

Income growth of 7% accompanied by related increase of 5% in costs.

Surplus £30k.

Average staff costs down although staff numbers up – 72 FTEs (including notable increases for RunEngland and RunLon during the year) with 3 members of staff (Membership Services) transferring from UKA to EA at the end of 2011 with related income also transferred over.

Average salary per employee down by 2%.

Matters raised by attendees:

Funding of under 14s' activities are not funded by SE

Announcement of funding for primary school age children due in coming weeks

Income Summary

Grants of £6.5m represented 75% of total income

Affiliation fees of £0.7m contribute 8% of income

Education income of £0.6m (7% of total) was higher than 2011 but below budget plans

Other income included funding from local authorities for RunLon! and Run England along with SE funding for Playground to Podium and receipts from coaching conferences and master-classes

Expenditure Summary

Front line activities cost £7.4m during the year, which represented 84% of total costs.

These delivery costs included: Club development - £2.1m; Coaching - £1.9m; Education & Membership Support - £1.1m; Schools & Youth Development - £0.5m; Competitions - £0.5m; Run England - £0.4m; RunLon! - £0.3m and other activities totalling £0.5m.

Communications and Marketing expenditure of £0.3m included costs for website developments, an activity funded by SE.

Governance costs of £0.8m included Finance, HR, IT and Procurement, all shared with UKA. The £¼ m irrecoverable VAT was a burden borne by NGBs, all action has been taken to restrict this cost.

Matters raised by attendees:

Cost Improvement Plan – KT advised that substantial savings had been achieved by actions across all activities

Education courses - Still work to be done on the accessibility and dynamics of courses. It was acknowledged this is a complex and important area.

Consultancy fees – KT explained fees included tax advice and research consultants. Also the consultancy fees paid to two non executive directors included endurance advice and governance work.

Balance Sheet

Current assets of £3.9m exceeded current liabilities of £2.9m by £1m and the balance of net assets included fixed assets of £0.1m.

Reserves of £1.17m were held as at 31 March 2012.

Resolution:

To appoint the Company's auditors for the year to 31st March 2013 and delegate agreement of their remuneration to the Company

JG stated that the Company's auditors recommended again by the directors this year were haysmacintyre. KT stated that they were a medium sized accountancy firm and he had been impressed with them as they had delivered a cost effective service for us and UKA. They also gave us top quality VAT advice, independent of their audit services.

All agreed that haysmacintyre be re-appointed the Company's auditors.

JG then asked all present if Item 6 (To receive the announcement of the directors of the Company and the England Council members) could be put back to the end of the Agenda.

Special Resolution – Company's memorandum

To be added at the end of paragraph 3(ix): "and to govern athletics in England in accordance with the powers delegated to the Company by UKA from time to time*."

KT explained the need for a balanced Board with no more than 12 members. This would normally be for an initial term of four years and with a maximum of two periods of four years. This needs to be aligned with the Councils.

He went on to explain that, following legal advice, if we make any changes we should consider new Articles rather than keep updating. After some discussion it was recommended that paragraph* be added after paragraph 3(ix) of the Company's memorandum. This was **unanimously accepted** by all present.

KT explained that it was also the Board's recommendation to insert in clause 3 of the Memorandum of the Company (after object 3xvi) the following additional new objects:

- (xvii) To do what is reasonable in all circumstances for the purposes of safeguarding or promoting the welfare of children and vulnerable adults
- (xviii) To take all reasonable steps to ensure that no child, young person, vulnerable adult, competitor, volunteer, official, employee or job applicant, receives less favourable treatment on the grounds of age, gender, colour, disability, ethnicity, race, parental or marital status, nationality, religious belief, political persuasion, social background or sexual preference.

This was also **unanimously accepted** by all present.

The final proposal by the 'that the draft regulations produced to the meeting and initialled by the Chairman for the purposes of identification be adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of Association was put to the floor also as a special resolution.

Matters raised by attendees:

Powers of meeting in relation to proposed new Articles – Advised by David Jeacock (“DJ”) (EA lawyer) that meeting could accept or reject proposed Articles but could not amend individual Articles.

Acceptability of proposed Articles – A number of attendees were initially of the view that the Articles should not be adopted. During discussion of the proposed Articles, the view was stated that to reject them would be a backward step as they were a notable improvement on the existing Articles. Members were advised by DJ that Article 30 allows members to give instructions to the Board.

Lack of consultation by the Board and senior management with members

Alignment of terms relating to Councils with latest discussions amongst councillors

Concern that the Articles referred to ‘he’ and did not recognise the feminine gender beyond a statement in the definitions.

Article 13 – In particular, how the Board dealt with members’ issues and how the Board was accountable. MH advised that the Board undertook these responsibilities as part of the obligations under which they were accountable.

The above comments were made by a number of attendees including: Peter Cassidy; John Graves; Mike Heath; Kevan Taylor; Graham Jessop; Neil Costello and Geoffrey Morphitis.

Outcome of discussions:

Proposed by Neil Costello, seconded by Rita Brownlie (RB) that the Articles of Association were approved

Vote: **14 For** and **1 Against** this proposal, therefore the chairman declared that the proposal was carried.

The meeting asked the Board to consider the points made about the Articles in debate and bring forward appropriate proposals at the next AGM. These included the alignment of the Articles relating to Councils with the outcome of discussions as agreed by England Council after consultation with Regional Councils and to recognise masculine and feminine genders in the terminology of the Articles.

The Directors of the Company and the England Council

JG confirmed that he was now standing down after five years at England Athletics. He stated that the Appointments Panel had elected Peter King earlier in the year as Chair Elect with the understanding he would now take over from JG as Chair.

JG thanked PK for doing this and he assured everyone present that PK would be invaluable in driving EA forward as he had gained previous experience at British Cycling. He then formally handed over to PK.

GJ thanked JG on behalf of the sport for all he had done saying that JG had been here since EA inception. He said that JG had been a very positive leader and was not afraid of ‘rolling his sleeves up’. He had taken the sport forward during his tenure.

PK also thanked JG saying he had been at EA in his capacity as Chair Elect since May. He stated that many may think that following recent discussions he would feel de-motivated but he said that this motivated him more. He said to all present that they

and their members owned the sport and he thanked them for their interesting and constructive comments. He said that he understood that people (including those present) were a very energetic bunch who gave a lot of their time for the sport. He also took on what everyone had said and he (and the Board) would try to give value for money and did not want to end up with a lack of trust. He then announced the new Board of Directors, with Mike Moss also stepping down, is as follows:

Peter King, Nigel Rowe, Graham Jessop, Niels de Vos, Mike Heath, Kevan Taylor, Wendy Sly and Karen Neale plus a Council nomination to be decided.

A list of England Council members was also presented.