**SPORTS BUSINESS COUNCIL**

**NOTES OF THE MEETING HELD ON 16 APRIL 2018**

**M&C Saatchi, Golden Square, London**

**Attendees**

Co-chairs:

Tracey Crouch MP Parliamentary Under Secretary for Sport and Civil Society

Richard Scudamore Executive Chairman, Premier League

Members:

John Allert Chief Marketing Officer, McLaren Technology Group

Kate Bosomworth Independent Consultant and Board Member, Sport England

Richard Callaway UK Sports Marketing Director, Nike

Paul Foster CEO, The Great Run Company

Tom Harrison CEO, England and Wales Cricket Board

Dan Lane CEO and Founder, WOOOBA

Mark Lichtenhein Chair, Sports Rights Owners Coalition

Sally Munday CEO, England Hockey

Barbara Slater Director of Sport, BBC

Steven Ward CEO, ukactive

Robert Cook UK Managing Director, Virgin Active

Christopher Lee Managing Director, Europe, Middle East and Africa, Populous

Philip Yates Managing Director, UK, Ottobock

Secretariat:

Emma Boggis CEO, Sport and Recreation Alliance

Simon Miller Policy Advisor, Major Events and Sports Economy, DCMS

Leigh Thompson Policy Manager, Sport and Recreation Alliance

Others:

Francesca Broadbent Head of Elite Sport, DCMS

Bill Bush Director of Public Affairs, Premier League

Andrew Honeyman Head of Sport, DCMS

Cameron Yorston Private Secretary to Tracey Crouch, DCMS

Oliver Rooke Department for Business, Energy and Industrial Strategy

Apologies:

Jo Adams CEO, England Netball

Christian Brodie Chair, South East Local Enterprise Partnership

Bill Sweeney Chief Executive, British Olympic Association

1. **Welcome from co-chairs**
   1. Kate Bosomworth (KB) welcomed the Sports Business Council (SBC) to M&C Saatchi, providing a short summary of M&C Saatchi’s engagement with sporting and societal themes, often in collaboration with government.

* 1. Tracey Crouch (TC) welcomed attendees to the fourth meeting, outlining the main aims of the meeting. These were (i) an opportunity for subgroup leads to update the Council on progress in their respective areas, (ii) to have a broader discussion on how the SBC might best support the sector in the future, given that it had been in operation for nearly a year.

1. **Note of last meeting and Matters Arising**
   1. TC offered the chance for attendees to comment on the note and progress against actions from the 15th January meeting
   2. Richard Scudamore (RS) asked if a clearer system for logging actions which were ongoing could be created **ACTION: DCMS/Alliance**
2. **Subgroup Update**
   1. In introducing the item, TC thanked the subgroup chairs for their prompt and thorough updates that were submitted in written form ahead of the meeting for circulation.
   2. Steven Ward (SW), chair of the Skills subgroup, gave the following update:

* On apprenticeships, SW highlighted that the challenges faced following recent reforms, notably the Apprenticeship Levy, was cross-sectoral, rather than sport specific. The Confederation of British Industry (CBI) and Federation of Small Businesses had been vocal in this area, pulling together views from different sectors.
* On the one hand this was positive, but it might also make getting the sport sector’s voice heard more challenging, and the subgroup was preparing a consultation to make sure the Department for Education (DfE) understood any sport-specific issues, albeit recognising that there were some fundamental issues relating to policy design which were common to all sectors.
* Bill Bush (BB) highlight concerns that the Premier League had on meaningful engagement with DfE. He also highlighted the Premier League’s wish to ensure skills issues around stewarding and temporary event staff (which were shared across other sports) were also reflected in future SBC conversations. **ACTION: Bill Bush/Steven Ward**
* SW highlighted Sport England’s Professional Workforce Strategy, and the subgroup’s intention to enlist the SBC in promoting the transformation of the sector’s workforce.
  1. Paul Foster (PF), co chair of the Event Staging subgroup, gave the following update:
* The Sporting Arenas Audit was progressing well. The subgroup is running a joint tender process with UK Sport, aiming to have a defined provider and confirmed costs by May and the audit completed by the autumn.
* On issues around regulatory inconsistencies between “one-off” and “regular” events, taxation is proving to be a large area of focus, particularly given the importance of attracting major events in a highly competitive marketplace. PF is working closely with Tom Harrison on this area, and committed to bringing back the issue to the SBC in the autumn. It was noted that there was read across to the Sports Economy work on tax so the two groups should link up to avoid duplication. **ACTION: Paul Foster/Emma Boggis**
* On counter-terrorism, useful links had been made with existing groups on this issue and the focus was on ensuring consistency of guidance and application.
* TC offered the support of the DCMS sport team in communicating the issues to other government departments. The minister also flagged that issues around corporate sponsorship of events and the Markets in Financial Instruments Directive (MiFID) had come to her attention, requesting that this topic should feature in future discussions **ACTION: Paul Foster/Jo Adams**
* RS confirmed that Ernst & Young had offered their services to the SBC and RS offered to help facilitate this contact. **ACTION: Richard Scudamore/Bill Bush**
  1. Emma Boggis (EB), co-chair of The Sports Economy subgroup, gave the following update:
* Further to discussions at the last SBC, the subgroup had prepared a briefing note that put forward a possible common understanding of what is meant by the ‘sport economy’. This was part of the update circulated ahead of the meeting.
* The subgroup has enjoyed very positive engagement with local level stakeholders, especially via Local Enterprise Partnerships (LEPs). The focus has been on encouraging LEPs to proactively think about strategies for maximising sport’s impact on their local areas.
* Suggestions for alterations to the taxation system have been brought together, although as discussed the subgroup would work closely with Event Staging subgroup to ensure there was no duplication as some of the Sports Economy subgroup’s recommendations were aimed at creating a more attractive tax regime for events.
* Following the ‘Culture is Digital’ work DCMS has led, the subgroup would recommend a similar ‘Sport is Digital’ initiative to help the sector embrace the opportunities provided by the digital age.
* TC applauded the subgroup’s innovative thinking described in the update.
  1. Mark Lichtenhein (ML), chair of the Intellectual Property Rights subgroup, gave the following update:
* On the subject of copyright in general, ML highlighted that, following the recent introduction of the Portability Regulation, EU citizens may now use their digital subscription services freely elsewhere in the EU.
* Regarding copyright matters currently going through EU institutions, good progress had been made and it was likely that sports rights will continue to be sold on the basis of territorial exclusivity.
* The government will need to consider how these issues will be affected by EU Exit.
* On the relationship between sport and gambling, as part of the subgroup’s written update, an outline of the models used by other countries to ensure a ‘fair return’ from the gambling industry has been provided. ML offered to flesh out these models in more detail.
* This is an area where harmonisation at the EU level has already been ruled out, and therefore it is possible for individual Member States to decide their own rules.
* An update was provided on the progress of legalised sports betting and proposals for an ‘integrity fee’ for sports in the United States.
* TC said she would ensure that the DCMS Secretary of State be briefed of the subgroup’s work **ACTION: DCMS**
* BB highlighted that there is still a considerable lack of data in this area. Overall figures are available, but there is currently limited scope for meaningful interrogation of these data. EB noted that the Gambling Commission did collect and publish some data but there remained much work to do to ensure there was sufficient granularity of data on gambling by sport. This was particularly important in order to understand the associated integrity risks. The group would welcome support from DCMS in engaging with the Gambling Commission on this issue. **ACTION: DCMS**
* ML explained there are no data for spot or in-play betting, with no information on the types of bets being placed. Evidence presented by law enforcement agencies suggested 90% of all matchfixing is related to gambling, so this area clearly merited more work.

1. **Review of Progress to Date and forward look** 
   1. TC invited RS to introduce this item.
   2. RS emphasised his gratitude for the work being taken forward in the subgroups. The time had now come to identify how the specific actions that they had unearthed could be taken forward in detail, involving those members of the SBC with the greatest relevance to each issue. Commercially-orientated stakeholders (such as the Premier League and ECB) need a specific partnership with government on a fairly well-defined range of issues, which were set out in a note that was tabled at the meeting. There would still be, however, many issues of shared interest with the wider group.
   3. TC agreed that good progress has been achieved so far in the SBC. All parties were united by the belief that sport was fundamentally positive for the country, but now may be the time for reducing the number of full SBC meetings in order to allow more time to be dedicated to working to specifics.
   4. The following points were made in discussion:

* There was generalised support for the idea of allowing for more time to be spent focusing on specific issues. It would, however, be important to divide the group up logically.
* The impact of a new system on the work of the subgroups must be assessed, in order to avoid duplication of efforts and ensure coherence of recommendations. The original purpose of the SBC was to bring the sector together, so there must be vigilance against returning to a silo mentality. Some of the specific issues highlighted by the PL could be discussed in the individual sub groups.
* As an example of the nuance between the needs of larger commercial sports organisations and other organisations, sporting events can be seen as a burden when they are regularly held, but are greeted and fully supported when they are ‘one-off’. There are commonalities between larger commercial sports in this area, which requires specific focus. There would still be great benefit in then bringing event staging issues together to ensure coherence of approach across all SBC members.
  1. EB then presented a paper which sought to plot the next level of detail for a potential sport and physical activity ‘sector deal’, following discussions on the topic at the last SBC. The paper indicated how the sector could be aligned along the cross-cutting ‘themes’ published in government’s Industrial Strategy White Paper (Ideas, People, Infrastructure, Business Environment and Places), with a clear crosscutting story emerging.
  2. The following points were made in discussion:
* Alignment with the Industrial Strategy is a clear way for the Council to focus the work of its subgroups.
* Identification of clear outcomes was important. If year one of the Council had focussed on productive conversation and creating a foundation from which to work, year two could focus on developing the sector deal and taking the work of the Council to a wider audience.
* Some SBC members are also involved in developing bids for the Industrial Strategy Challenge Fund. Collectively, the sport and physical activity sector could have a big role to play.
* The Creative Industries Sector Deal (published at the end of March) demonstrated that disparate sectors could come together on a range of issues.
* The Industrial Strategy is a rolling programme, and ideas for sector deals will be welcomed as long as there is a strong case and evidence base behind them. They can combine existing ideas with completely new proposals. Close working with DCMS will be important.
* There must be a clear offer from the sector to make a ‘deal’ possible.
* Pace and energy could be added to the creation of ‘wellbeing hubs’ through a sector deal.
* A possible way forward could be to bring subgroups in line more formally with the Industrial Strategy themes.
* The push for greater digitisation of the sector should be a crosscutting issue.
  1. In summarising the discussion, TC noted that there was SBC agreement to work towards a sector deal of the sort described by EB, using the realigned subgroups as a means of feeding in more developed ideas. RS requested EB, BB and Andrew Honeyman agreed a ‘route map’ for how the SBC operates in future. **ACTION: EB/BB/DCMS**

1. **Sport England’s OpenActive project** 
   1. TC invited KB to lead this item.
   2. KB outlined that Sport England were working hard on engagement for the project, but there remains a frustration around the pace of progress. Sport England are aware that limited engagement may be related to the lack of resource (cost, time, expertise).
   3. Further to a recent Investment Committee meeting, there was a motion passed to ask the Sport England board to consider mandating funded organisations to sign up to OpenActive and standardising and sharing their data.
   4. Further encouragement from the Minister would be welcomed by way of a meeting with or letter to all National Governing Bodies (NGBs) and operators to raise the importance of the issue.
   5. KB has engaged with Google to explore the opportunity to host a dedicated open data event for the sports sector and also explore a possible (non-commercial) partnership with Sport England
   6. The following points were made in discussion:

* Mandating funded parties to standardise and share data might not be the best route to take. Sports and providers needed help to understand the opportunities open data provided (there is currently a relatively low level of digital literacy) and mandating action could scare people off. It would be more productive to focus on the benefits of helping organisations become future proof.
* There was general support for the idea of the Google event although there was some concern that Google had a business model which might conflict with some of the open data principles.
* Given a limited number of companies dominate this space, the initial stages of this journey should be relatively simple.
* There would be obvious read-across between OpenActive and the digital part of any proposed sector deal.
  1. In summarising the item, TC:
* Agreed to write a letter to encourage NGBs and leisure operators to engage in OpenActive and open data more generally with officials working closely with KB **ACTION: DCMS/KB**

1. **Any Other Business**
   1. TC highlighted that an EU Exit update paper had been circulated to the SBC ahead of the meeting.
   2. In a short discussion, VAT was raised a potential issue for further exploration post-EU Exit
   3. TC thanked attendees, and committed the secretariat to contacting the SBC with a date for the next meeting **ACTION: DCMS**