**SPORTS BUSINESS COUNCIL**

**NOTES OF THE MEETING HELD ON 10 OCTOBER 2017**

**Portcullis House, Westminster, London**

**Attendees**

Co-chairs:

Tracey Crouch MP Parliamentary Under Secretary for Sport and Civil Society

Richard Scudamore Executive Chairman, Premier League

Members:

Jo Adams CEO, England Netball

John Allert Chief Marketing Officer, McLaren Technology Group

Kate Bosomworth Independent Consultant and Board Member, Sport England

Richard Callaway UK Sports Marketing Director, Nike

Robert Cook UK Managing Director, Virgin Active

Paul Foster CEO, The Great Run Company

Dan Lane CEO and Founder, WOOOBA

Mark Lichtenhein Chair, Sports Rights Owners Coalition

Sally Munday CEO, England Hockey

Barbara Slater Director of Sport, BBC

Bill Sweeney Chief Executive, British Olympic Association

Steven Ward CEO, ukactive

Philip Yates Managing Director, UK, Ottobock

Secretariat:

Emma Boggis CEO, Sport and Recreation Alliance

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

Robert Gill Policy Support Officer, 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

Alex Williams Department for Business, Energy and Industrial Strategy

**Apologies**:

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

Tom Harrison CEO, England and Wales Cricket Board

Christian Brodie Chair, South East Local Enterprise Partnership

1. **Welcome from co-chairs**
   1. The Minister welcomed those assembled, in particular Bill Sweeney, Robert Cook and John Allert as this was their first meeting since becoming members of the Council. She also noted that Christian Brodie from the South East Local Enterprise Partnership would be joining the group but was unable to attend this meeting as it clashed with a pre-existing commitment but she looked forward to seeing him at the next meeting.
   2. She thanked attendees for the work they had done since the last meeting and looked forward to hearing more about the progress of the subgroups. She restated her view that the Council should be industry-led.
   3. RS reiterated that the focus of the group must be on sport business, and that the health of the sport product was central to ensuing economic success.
2. **Update from Subgroups**

2.1 The Minister invited updates from each subgroup in turn.

2.2 The Skills subgroup (led by Steven Ward) gave the following update:

* Issues around ‘skills’ had been raised with the Minister in other meetings since the last Sports Business Council.
* The scope of the subgroup would include the core delivery and broader sport workforce (ie. stewards, licensing, marketing and media).
* the Chartered Institute for the Management of Sport and Physical Activity (CIMSPA), which had recently had funding confirmed from Sport England, played a key role.
* The sport workforce would likely be impacted by the wider trends within society.
* A key question the subgroup would address would be how to equip the sector for the next decade.
* The subgroup would (i) seek to use the Council to elevate and focus discussion on the needs of the sport workforce; (ii) feed into the Industrial Strategy and Sport England’s Workforce Strategy; (iii) test and share approaches to workforce delivery through Sport England Local Delivery Pilots.
* Key challenges that the subgroup would also consider include (i) our understanding of the sports workforce is based on limited and outdated insight; (ii) there is a lack of visibility of the Chartered Institute within the sector so there was a need to ensure CIMSPA is fully utilising its resources and training senior leaders in sport; (iii) navigating recent changes in the educational landscape that have serious implications for the sector such as the new apprenticeship framework.
* A further area of focus would be to examine the ‘balance of payments’ between what sport pays into the apprenticeship levy and what it gets out.
* The subgroup would engage the whole Council to ensure views around the table were taken into consideration, and would appreciate its continuous feedback
* A Terms of Reference document would be produced. **ACTION: SW**

2.3 The following comments were made in discussion:

* Accepting that a lot of the work of the subgroup would be longer-term in nature, the Council would welcome short-term outputs too and the work around the apprenticeship levy was a good example where work was needed now to ensure flexibility for the sector.
* Given the importance of volunteers to the sector they should be included in this work strand with the focus on the ‘skill’ they bring regardless of whether the individual was paid for delivering that skill. The relationship between volunteering and career progression should also be considered as young people in particular are often motivated to volunteer in order to gain skills or experience which will help them secure paid employment.
  1. The Intellectual Property Rights sub-group (led by Mark Lichtenhein) gave the following update:
* The work of the subgroup would focus on three issues:
* *Digital piracy*: The protection of IP was key to maximising reinvestment in grassroots sport. The law as it stands does not protect the value of sport’s live experience. Although the UK is comparatively in a good position, long-term illegal piracy is still an issue.
* The ‘burden of proof’ is still on the rights owner when it comes to enforcement.
* The issue of piracy is part of a wider piece in terms of the accountability of platforms when it comes to illegal purposes (eg. terrorism, hate speech etc.)
* The work of the subgroup in this area would focus on (i) examining the timeliness of ‘take-down’ orders; (ii) evaluating potential guidelines and measures to augment the proactivity of online platforms regarding removal of illegal content; (iii) investigating measures to inhibit the sale/rental of hardware to be used for illegal purposes (building on discussions already taking place with ebay and Alibaba).
* *Copyright reform in context of Brexit*. The Digital Single Market formed a big part of the current Estonian Presidency of the EU, and the UK will be affected by what is agreed. EU Directives on ‘country of origin’ undermine the territorial exclusivity that sport relies upon.
* The work of the subgroup in this area would focus on (i) monitoring of EU copyright and competition law, and evaluating post-Brexit impacts on UK law; (ii) recommending future policy for UK copyright law as Brexit implications become clearer.
* *Economic and legislative relationship between sport and betting*. There is little return for sport from its current relationship with betting (other than heightened visibility and revenue generated by sponsorship deals). On the other hand, sport is asked to ensure integrity, but gets no financial support from the betting industry for this. Meanwhile, there is missing data on the size of the market.
* The work of the subgroup in this area would focus on (i) discussing with sports bodies regarding their interest in this area, and to attempt the measure the size of the market; (ii) summarising best approaches taken in other countries; (iii) evaluating how betting relationships might work post-Brexit.

2.5 The following comments were made in discussion:

* The group discussed if there were other issues raised in the sphere of Intellectual Property, given the third proposed area of work would be difficult to enact swiftly if primary legislation was required.
* There is a lack of evidence about the benefits of developing a betting ‘right’ for sport, which would consist of an agreed financial return for sport.
* Sports would like to see action on legislative relationship between betting and sport because of the positive impact it would have on integrity, not primarily for financial gain. The Premier League made it clear that, despite staging matches which carry the largest volume of sports betting, they would want the prime uses of any betting rights revenue to be integrity and sports development.
* Questions were raised on how much was within the UK’s jurisdiction to act.
* The subject had come up in wider discussions, notably at a recent National Olympic Committee and there was an appetite from the Olympic sports to pursue these discussions.
* ‘Bigger’ sports need to protect their IP, but it was not just a concern for them - ‘smaller’ sports need protection to build a ‘product’ that is right for market.

2.6 In summing up the discussion, the Minister:

* Asked if the subgroup could broaden the focus of the third area of work to an examination of the relationship between sport and betting more generally. **ACTION: ML**

2.7 The Event Staging subgroup (led by Jo Adams and Paul Foster) gave the following update:

* To narrow down the focus of the subgroup, it would be renamed as ‘Event Staging’ as opposed to ‘Event Staging and Venues’.
* The subgroup’s work would focus on security, regulation, bidding for the best events (although the subgroup recognises the work of UK Sport regarding the latter) and ensuring sports can create a product that is good enough to sell to sponsors and broadcasting companies.
* One area of focus would be to examine the size of facilities available against what sports actually need. Could there be an incentive or requirement for facility operators to allow their usage by emerging sports?
* The group would examine ways to incentivise facility owners to showcase sport rather than other forms of entertainment (eg. music).
* Police and local authority approaches to security for events differ substantially across the country. Hostile vehicle mitigation is a particular issue at present. The development of a central ‘best practice’ set of guidelines would be valuable in establishing how public agencies can be supportive of event staging.
* There is an issue around where responsibility for security matters lies (ie. where is the boundary between the event and wider society’s responsibilities?). Therefore, one area of focus for the subgroup would be around defining where the gaps and inconsistencies lie.
* The support offered by government to ‘one-off’ and regular events is very different - the subgroup will identify these differences.

2.8 The following comments were made in discussion:

* The tragic events of this summer have shown the need to iron out the inconsistencies in security and to clarify responsibilities.
* Small scale events are feeling the burden of security needs (example of grassroots swimming galas was mentioned).
* Some localities have consistently good reputations when it comes to delivering events.
* Sports deemed to be ‘small’ in the UK often have significant levels of popularity internationally, yet they will often not receive the same degree of support from government compared to sports that are big in the UK but with smaller international followings when it comes to event hosting. This should be revisited in the Brexit context given the recognition of the contribution sport can play to the soft power agenda.

2.9 The Sports Economy Evidence Base subgroup (led by Emma Boggis) gave the following update:

* The name of the subgroup (initially Sports Economy Evidence Base and Local Partnerships) has been changed to focus on the ‘evidence base’, but it will continue to take account of the ‘local’ connection (fortified by the involvement of several Local Enterprise Partnerships within the subgroup). Sport’s contribution to ‘place-making’ across rural and urban areas will be evaluated.
* The group has already met, and will do so again in a couple of weeks time.
* The sector already holds masses of evidence - therefore, the work of the subgroup will focus on marshalling the existing evidence base. There will also be a focus on analysing the gaps in the existing evidence base and how these can be addressed.
* An initial piece of work is to define the terms ‘sport’ and ‘economy’.
* The subgroup is keen to include the socio-economic value of sport to the wider economy, as well as the contribution of the voluntary workforce.
* The subgroup will also examine what assistance the sector will need from Government in the above areas and will link back to the work done by the Intellectual Property Rights and Skills working groups.

1. **Presentation on Open Data Institute (ODI) and Sport England ‘OpenActive’ project**

3.1 The Minister invited Kate Bosomworth to update the group on the OpenActive project, and how the Council could support its work.

3.2 KB outlined the OpenActive project, led by the ODI who are a non-partisan organisation with expertise in data. The aim of the project is to improve data usage in the sport sector (it lags behind others in this regard). The aim is to get those within the sector to collaborate and liberate the potential for people to participate in sport more quickly and easily. The travel sector has made it easy to book a holiday - why can’t there be an integrated approach to sport? There has been a reluctance from the sports sector to get involved in this project, with only 15 organisations having signed up to date.

3.3 A major challenge in the past has been the general misunderstanding of the term ‘open data’. The benefits of using open data are visible everyday in other applications, but in the general population it is still wrongly linked with the idea of giving away personal information. KB invited the Council membership to get their organisations involved, and highlighted the opportunities for the Council to deliver ‘quick wins’ in this area.

3.4 The following comments were made in discussion:

* The project is welcome, but needs to be a long-term commitment.
* Regarding whether or not Sport England was the correct organisation to be leading this work, some within the sector see Sport England as imposing another obligation on them, rather than being presented as an opportunity to remove barriers to participation. The ‘pitch’ and ‘sponsor’ for the project might not be optimal. Tech companies should be more at the forefront of the work.
* There was reluctance in the sector to engage based on previous poor experience
* Sports must see the outcome of this work as a ‘win’ for them, and a critical mass of sports need to recognise the benefits in order for open data to take root.
* OpenActive will need to share examples of how the project is bringing tangible benefits to the sector.
* The Council could be a useful champion for the project.

3.5 In summing up the discussion, the Minister:

* Agreed for the Council to continue to be used as a sounding board for the OpenActive project
* Offered to share any tourism industry contacts or experience with which KB was not already cognisant **ACTION: KB/DCMS**

1. **Industrial Strategy Update**

4.1 The Minister invited Alex Williams to update the Council on the latest Industrial Strategy developments

4.2 AW outlined that following the Industrial Strategy Green Paper, there would be a White Paper (expected in the November). It would focus on (i) clarifying aims for the Industrial Strategy (including earning power and productivity); (ii) explaining the thematic approach that would be taken instead of the original ten pillars (namely with a focus on Business, Ideas, People, Places and Infrastructure); (iii) embedding the Industrial Strategy for the long term.

4.3 There is an open challenge to any sector in the economy to self-organise. AW expressed his interest in discussions held at the Council, and could see how there was potential for interaction between the Industrial Strategy and the sport and physical activity sector.

4.4 In summing up the item, the Minister:

* Highlighted that officials were exploring the potential for what a ‘sport and physical activity’ sector deal may look like.
* Flagged that even if a sector deal does not come to fruition, there will almost certainly be ways for the sector to feed into BEIS’ work.

1. **Any Other Business**

5.1 The Minister flagged that officials were already in touch with the Council membership on securing the January and April meetings of the Council.

5.2 RS suggested that any members of the Council feeling under-deployed should be put in touch with the work of the subgroups **ACTION: DCMS**