

# LTA OPERATIONS LIMITED

Company number 07475460  
(the “Company”)

**Minutes of a meeting of the BOARD OF DIRECTORS of the Company (the “Board”) held on Wednesday 25 September 2019 at 8.30 am in the Boardroom at The National Tennis Centre, 100 Priory Lane, Roehampton, London, SW15 5JQ**

## Present

Lord Davies of Abersoch, Rachel Baillache, Sara Bennison, Craig Haworth, Clare Hollingsworth, Scott Lloyd, Sandi Procter, David Rawlinson, Simon Steele and Sir David Tanner

## Not present/Apologies

Martin Corrie, Pamela Woodman, Alice Lacroux

## In attendance

Richard Daish (Item 7.4), Jackie Freeman (minutes), Paul Guyer (Item 7.5), David Humphrey (Item 5), Caroline Lepetit (Item 7.4), Rob Mackmurdie (Item 7.3), Chris Pollard (Item 7.2), Julie Porter (Item 7), Sam Richardson (Item 7.2), Olly Scadgell (Item 7.1), Roy Staniland (observer)

## Minutes

### 1. Welcome and Declarations of Interest

Lord Davies welcomed everyone to the meeting. Apologies had been received from Pamela Woodman and Alice Lacroux.

In accordance with section 177 of the Companies Act 2006, each director present confirmed that they had no direct or indirect interest in any of the business to be transacted at the meeting. Otherwise, the declarations of interest were as previously recorded and Board members were reminded to continue to declare any interest which may arise during the meeting at the appropriate time.

### 2. Minutes and Matters Arising

The minutes of the meeting of the Board held on 18 July 2019 were approved as a correct record.

#### **Item 2.2 LTA/AELTC topics to be discussed further during the second half of the year**

Lord Davies confirmed that he and Scott Lloyd would be meeting the incoming Chair of the AELTC on 9 October 2019.

### 3. CEO Executive Summary

Board members had received a comprehensive summary in the Board pack. This was taken as read and Scott Lloyd provided the following updates.

**Coaches:** The LTA has agreed to take in house the management of the She Rallies website and social media accounts and the LTA will build the programme into the coach education strategy.

**Venues:** Scott Lloyd informed Board that Coach and Venue forums would be running across the country throughout October.

**Players:** Scott Lloyd pointed out that the successful scaling of the NVBTW has so far seen over 75k players take part this year. However, numbers of Tennis for Kids participants have not seen the growth that had been targeted.

**Facility Investment:** 54 existing community accessible tennis venues have been audited with a view to further investment and the property team is looking to segment and prioritise those who could grow their base and evolve their product offering. This will be another strand of the facility investment strategy that may be brought back to Board for investment consideration.

**NTC:** The junior programme has started with over 200 children signed up. Promotion and marketing will start in January 2020. It had been noticed that the elite professional players are now choosing to train at the NTC and level of service has been augmented.

**Sports Governance Review:** Sport England's requirements have been received and it is likely that Board members will be interviewed. Jackie Freeman will be in touch to gain Board availability in due course.

### 3.1 Dashboard

Scott Lloyd said that a full scale review of the Tennis for Kids programme will take place to look at the reasons why the numbers have decreased, the learnings and what the ideal targets and conversion rates into the programme, more broadly, should be going forward.

Participation figures for those playing once a year continues to be a challenge and the LTA will be focussing on this metric and its links with the fan strategy. Participation figures for those playing once a month, however, are declining at a lesser rate. Figures for those playing padel will be included in the Dashboard metrics going forward.

Clare Hollingsworth thought it would be beneficial to have an overview of how well some of the initiatives are doing that support the Dashboard metrics. Scott Lloyd said that he and the Executive are already beginning to think about the top line business measures for 2020 and whether they should consider some 'softer' measures to reflect the direction of travel. In the meantime, he said that an updated business narrative would be produced to aid the Board's use externally.

## 4. Finance

Board members had received a report from Simon Steele in the Board pack, which was taken as read. Simon Steele explained that there had been two main changes to income. As a consequence, a paper will be presented to the Board in December setting out the options for this additional profit with a recommendation. The working assumption currently is that this it will used to replenish our reserves. Sara Bennison felt it would be beneficial to have some 'live' examples of how the extra money is invested and indeed the communication messages around how the LTA uses its money.

Scott Lloyd referenced a discussion on corporate governance structure at the Audit Committee whereby the LTA would look to review how some of the LTA entities could be streamlined.

## 5. Safeguarding Report

[Olly Scadgell and David Humphrey joined the meeting]

The report prepared by David Humphrey was noted. He also gave an update on the following:

**Sport England safeguarding awareness project:** The project is on track to launch later this year.

**Coaching standards:** There were 342 venues and 360 coaches who are Level 3 or above who are not accredited. The team is working to ensure that these venues become compliant as soon as possible. In 2020, LTA Coach Accreditation will be mandatory for all Level 2 and above coaches. In reply to a question by Rachel Baillache, David Humphrey said that they would start targeting those clubs that only had a Level 2 coach thereby ensuring that all registered venues have an accredited coach (L2 and/or L3). He reiterated that Level 1 coaching assistants, activators and tennis leaders will require safeguarding training and a DBS check to also include working with vulnerable adults.

Sandi Procter asked if year 2 of the welfare officer training could be retained.

**Safeguarding Audits:** 575 audits had taken place so far. The only area where numbers are low is in Scotland due to a lack of safeguarding officers. This issue is being addressed by the team.

### **Request to Appeal:**

Board approved the recommendation to appeal the decision of the Safeguarding and Protection Committee (SPC) in a confidential case highlighted in the Board pack.

Going forward, the Safeguarding report to Board will include a note on the work of the SPC, including the number of cases being handled.

Furthermore, the LTA is reviewing the Disciplinary Code for 2020 onwards which will look at the process in which appeals are considered and at which point Board needs to be involved. Rachel Baillache offered her support.

[Oliver Scadgell and David Humphrey left the meeting]

## 6. Budget and Five Year Plan

Simon Steele's paper provided an update on the 2020 Budget and progress on the work to set the five year operational and financial plans.

Board members will be provided with a detailed plan of how the 2020 budget is proposed to allocate its investments and any risks and financial sensitivities in the five year plan. Scott Lloyd commented that although the LTA has benefitted from an increase in income as a result of The Championships' performance in 2019, this was unlikely to happen on the same scale next year. Consequently, any revenue growth would be driven by the commercial strategy which in itself is a risk due to the current challenges in the sponsorship market. Lord Davies reminded Board to help with any contacts they might have who could help the commercial team.

In reply to a question about Brexit readiness, Simon Steele did not think there were any immediate concerns for the LTA, although an internal policy paper had been prepared.

## **7 Key Business Areas**

### **7.2 Junior Programme**

[Chris Pollard, Julie Porter and Sam Richardson joined the meeting]

Chris Pollard, Head of Strategy & Innovation, gave the Board a presentation on the Junior Programme, one of the key tactics and drivers of the Five Year Plan, and Sam Richardson talked about the delivery principles and coaching content of the programme.

The team is currently prioritising what elements of the programme need to be ready by launch in April 2020. An on-line suite of activities and resources that parents can access will be part of the plan. Julie Porter said that the mini-tennis coaching framework will stay the same but the content will be refreshed. It will not be called mini-tennis as the idea is to have a continuous programme from 4-18 years with a clear pathway of the progression from each stage. Board suggested it might be helpful to have some kind of infographic to demonstrate what the programme looks like.

[Chris Pollard and Sam Richardson left the meeting]

### **7.1 Technology**

[Rob Mackmurdie and Mark O'Loughlin, Atos, joined the meeting]

Rob Mackmurdie gave an update on Project Odyssey. This is now moving into Transition stage 2 which will run until May 2020. This will enable LTA to replace many existing legacy systems with reduced timelines improving the customer experience in the quickest and most resilient way. There is a large amount of interdependency across all current programmes within the LTA and close governance has been set up to reduce any possible impacts.

Progress across this area will be communicated through the Club Forums and venue registration to ensure expectations are correctly set.

[Rob Mackmurdie and Mark O'Loughlin left the meeting]

## 7.4 Customer Engagement strategy

[Richard Daish and Caroline Lepetit joined the meeting]

Board received a presentation on the customer engagement strategy. The key strategic objectives are to increase the number of fans on the database to 1m by 2023; build a communications and content programme to increase the level of fan engagement and to win back lapsed players by creating stimulating and engaging entry points. We will achieve this through an omnichannel and personalised approach, driven by data, and support by ongoing test and learn. Plans to create a digital strategy are in the pipeline to combine all the Apps so that there will be one single sign on. Sara Bennison felt that there needed to be a more 'emotional' hook to draw in fans.

[Richard Daish and Caroline Lepetit left the meeting]

## 7.5 Facilities Strategy

[Paul Guyer joined the meeting]

**Gate access:** Paul gave an update to the paper that had been circulated. Total LTA investment, as part of the Easy Access Loan scheme, will be £1.3m by the end of the year with £387k committed. Gate Access has been limited to parks so far but there will be a workshop at Council to ask counties to help with the messaging to Clubs.

**TSIT** – Currently, the number of projects that have been approved at stage 1 or 2 indicate a total project cost of £19.9m, which is fast progressing to the limit of the LTA's initial allocated project spend. As a result, the Facilities team is looking at how it manages the pipeline. Lord Davies suggested that there was a communication to Scottish politicians to update them on the projects being commissioned in Scotland.

The Board pack contained two projects asking for Board approval and after discussion, the Board approved them.

Board discussed an opportunity for the LTA to invest into Bromley Community Indoor Tennis Centre. Sandi Procter declared a potential conflict of interest and left the meeting.

[Paul Guyer and Julie Porter left the meeting]

## 7.1 Venue Registration

[Ollie Scadgell joined the meeting]

Ollie Scadgell gave the Board an update on the proposed new Venue Registration model and proposition which had also been discussed at the recent TDC meeting.

The key objectives identified were:

- More venues and a more diverse range of venues
- More people accessing LTA membership, with increased levels of engagement
- More efficient and effective ballot process with tickets working harder/driving the desired behaviour

One of the key considerations outlined is the linking up of the following 3 discreet projects, given the level of interdependency between them: Venue Registration, Membership and Wimbledon Ballot.

The outlined principles of the new **Venue registration** proposition are below:

- To be relevant and accessible to all types of venues (clubs, parks, education, commercial etc.)
- To offer high quality services, benefits & value for money
- To help them with the running of their venue & to attract & retain new members
- To generate (& protect) a revenue source for County Associations & the LTA to invest back into grassroots tennis

The proposal offers 3 different packages:

1. Club operators
2. Parks, LAs, Community Education
3. CITCs commercial

An update on the approach to be taken will be given at the Council meeting before going to a vote in principle required on the price points for the different packages.

- **Membership** A new proposition is close to being finalised and the Board will be updated in due course, but it will focus on enabling the LTA to have a more direct relationship with fans and players, as well as those who are members or play at a registered venue.
- **Wimbledon Ballot** – The LTA is proposing that it centrally administers the Wimbledon Ballot from 2021. As part of this, an additional volunteer ballot will be introduced to officially recognise and reward volunteers at registered venues.

Lord Davies informed the Board that the Board Nominations Committee had agreed at its meeting to form a Board Sub-Committee to oversee the investigation and potential disciplinary action into the use of Wimbledon tickets and hospitality by Counties. The Sub-Committee would be composed of Lord Davies (Chair), Clare Hollingsworth, David Rawlinson and Scott Lloyd.

[Olly Scadgell left the meeting]

## 8. Other Business

### 8.1 Deal Memos

#### 8.1.1 Tennis Scotland funding agreement

A Deal Memo had been circulated with the Board pack and after discussion, Board approved an investment in Tennis Scotland and Tennis in Scotland. This investment is outside of TSIT and the National Academy, RPDC and LPDC schemes.

The next steps will involve a draft agreement being submitted to the Tennis Scotland Chairman and CEO with an accompanying letter for their review and comment. Once agreed, a joint communications plan for announcement of this new agreement would be put in place, ensuring a briefing for key stakeholders.

### **8.1.2 Deal Memo for the Loughborough Facility investment and court hours**

After discussion, the Board agreed to approve the increase in capital facility investment as outlined in the papers.

## **8.2 Approval of Chair of Tennis Development Committee**

[Roy Staniland left the meeting]

Lord Davies updated the meeting on the interviews for the Chair of the Tennis Development Committee. There were seven applications, 4 were interviewed and two candidates had been shortlisted. Further references would be taken before a final decision is taken. However, it was expected that a decision would be reached by the Council meeting.

[Roy Staniland joined the meeting]

## **10. Reports for Noting**

### **10.1 Business Update**

The Business update provided in the Board pack was noted.

Lord Davies thanked the Executive for their presentations and there being no further business, the meeting closed at 1.30pm.

Signed .....Lord Davies

Date..... 4 December 2019

# LAWN TENNIS ASSOCIATION LIMITED

Company number 07459469  
(the “Company”)

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## Not present/Apologies

Martin Corrie, Pamela Woodman, Alice Lacroux

## In attendance

Jackie Freeman (minutes), Roy Staniland (observer)

## Minutes

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### 2. Minutes and Matters Arising

The minutes of the meeting of the Board held on 18 July 2019 were approved as a correct record.

### 3. CEO Executive Summary

Board members had received a comprehensive summary in the Board pack. This was taken as read and Scott Lloyd supplemented his summary with a verbal update on a variety of operational and other matters. Of particular note for the Company was the independent governance and finance review to be conducted by BDO on behalf of Sport England.

A copy of the requirements had been received and it was likely that Board members will be interviewed. Jackie Freeman will be in touch to gain Board availability in due course.

### 4. Finance

Board members had received a report from Simon Steele in the Board pack, which was taken as read. Simon Steele explained that there had been two main changes to income. As a consequence, a paper will be presented to the Board in December setting out the options for this additional profit with a recommendation. The working assumption currently

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Scott Lloyd referenced a discussion on corporate governance structure at the Audit Committee whereby the LTA would look to review how some of the LTA entities could be streamlined.

## **5. Approval of Chair of Tennis Development Committee**

[Roy Staniland left the meeting]

Lord Davies updated the meeting on the interviews for the Chair of the Tennis Development Committee. Seven applications had been received, 4 were interviewed and two candidates had been shortlisted. Further references would be taken before a final decision is taken. However, it was expected that a decision would be reached and Board approval sought ahead of the Council meeting.

[Roy Staniland joined the meeting]

## **6. Approval of changes to Standing Orders**

Board approved the changes proposed in the Board paper.

## **7. Verbal reports from Committees**

David Rawlinson gave an update from the recent Council Nominations Committee. Two applications had been received for the vacant Council Elected Board Members' positions and it was agreed that Craig Haworth's and Lesley Cundy's summary résumés would be included in October Council pack. Each would do a 3-minute presentation to Council.

Following the deaths of two Councillors this year, Board approved the recommendation to appoint replacements: Channel Islands (Rick Denton) and Oxfordshire (Steve Winyard).

Council Nominations had nominated Councillor Ambassadors for the major events in 2020 but, following a conversation with Stephen Farrow, David Rawlinson asked whether Board felt there was any value to having an Ambassador and instead having a member of the Board to attend the Major Events for hosting duties. Scott Lloyd asked David Rawlinson to compile a brief for each tournament and to determine who would be best placed to be an Ambassador, if required.

Separately, Board members would be very welcome to attend the events and help with hosting/presentation duties.

David Rawlinson is in discussion with Scott Lloyd on membership of the various ITF Sub-Committees. Board will be updated in due course.

## **8. Health & Safety Report**

The Health & Safety report provided in the Board pack was noted.

**9. International Report**

The International Report provided in the Board pack was noted.

**10. Committee Reports**

The minutes of meetings of the TDC meeting held on 17 July 2019 were made available on BoardPack and were noted.

There being no further business, the meeting was closed.

Signed .....Lord Davies

Date .....4 December 2019