

**Department: Operations**

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Paper Number: 6b

Author: Adrian Christy/Joanna Keay-Blyth

**Introduction:**

1. This paper presents the proposed Resolutions to amend the Current Articles that the Board of Directors intends to present to the Annual General Meeting being held on 16 July 2022
2. Furthermore, and associated with the proposals, and Code requirements, the Board is undertaking a review of its Skills & Diversity Matrix and invite comments at the National Council Meeting on the 19<sup>th</sup> March 2022.

**Resolutions:**

1. In accordance with Article 3.1:
  - I. Resolutions 1, 4, 5, 6 and 7 require a 75% majority
  - II. Resolutions 2 and require a simple majority
2. A revision to the Code for Sports Governance, was conducted by Sport England and UK Sport, and was published at the end of 2021
3. The Resolutions proposed incorporate all necessary provisions to be compliant with the Code, and subsequently ensure the continued investments from both Sport England and UK Sport.
4. The Board of Directors strongly recommends the approval of the Resolutions which are summarised as follows – a more detailed explanation is contained in Annex 1:
  - I. Resolution 1
    - a) Amend Article 34.3 to remove the requirement for Affiliation Fees to be set at the General Meeting  
*Please note, if Resolution 1(a) is approved, Resolutions 2 and 3 will be withdrawn*
    - b) Amend Article 24.2 to add in skills and diversity matrix
    - c) Amend Articles 23.5 to include Nominations received for Elected Directors will be reviewed by the Nominations Committee against the role description and the skills and diversity matrix and present suitable candidates to the Membership for the voting of their preferred candidate.
  - II. Resolution 2
    - Increase Compete Member fees
  - III. Resolution 3
    - Increase Club Play fees

- IV. Resolution 4
  - Amend Article 23.1 to proposal to increase the number of Elected Directors from three to four
- V. Resolution 5
  - Amend all relevant Articles – Change the title of ‘Individual Company Member’ to ‘Director Company Member’
- VI. Resolution 6
  - Amend Article 41.1 – Simplification of Casting votes at General Meetings
- VII. Resolution 7
  - Amend Article 51 – Change the phrase of ‘Board of Appeal’ to ‘Appeals Panel’

### **Skills & Diversity Matrix:**

1. Requirement 1.3 of the revised Code for Sport Governance requires NGBs to maintain an up-to-date matrix detailing the skills, experience, diversity, independence and knowledge required of its Board
2. The Board of Directors has therefore begun to review its matrix and Annex 2 includes a redrafted Skills & Diversity Matrix and invites comments to inform the final version

## Annex 1: Proposed Amendments to the Current Articles

**Resolution 1** – (this is a Special Resolution, which requires three-quarters or more of the votes cast by Company Members)

This Resolution is presented to ensure Table Tennis England is compliant with the revised Code for Sports Governance. The Resolution is in three parts but is presented as one Resolution for voting purposes.

The implications of not complying to the Code of Sports Governance is the risk of our funding being withdrawn (as previously done in 2017). If this is withdrawn this will severely limit the Investments into the development of the sport, including, but not limited to, back office, grass roots, competitions and ranking, membership, marketing, safeguarding, talent and performance.

### Part A

Article	Current Wording	Change to
34.3	Affiliation fees shall be set only at a General Meeting	Affiliation fees shall be set by the Board of Directors no later than 31 March annually
<p><b>Rationale / Background</b></p> <p>The Code is very clear in setting out that the Board is the ultimate decision maker.</p> <p>It is also clear in stating that Members (legal members) of the organisation, also have an important role to play in governance, and the requirement that the Board has ultimate authority does not override or supersede the powers of such members.</p> <p>The Code is also clear in stating that Matters Reserved for the Board for decision would, among other things, typically include the annual budget.</p> <p>Given that affiliation fees are a significant part of TTE's self-generated income, it would be expected under the Code that the Board determine such fees to ensure it is financially best placed to deliver its obligations.</p>		
<p><b>What the Code says (1.1)</b></p> <p>The Board of the organisation shall:</p> <ol style="list-style-type: none"> <li>1. be the ultimate decision-making body and accordingly exercise all the powers of the organisation;</li> <li>2. be responsible for setting the strategy of the organisation</li> </ol> <p>5.6 The Board must actively plan and regularly monitor the financial position and performance of the organisation</p>		

**Part B**

Article	Current Wording	Change to
24.2	Such directors shall be appointed by resolution of the Board following an open, formal, publicly advertised, and transparent selection process by an appointments panel, taking account of the candidate's ability, experience, and expertise to fulfil the identified role on the Board.	Such directors shall be appointed by resolution of the Board following an open, formal, publicly advertised, and transparent selection process by an appointments panel, taking account of the candidates' skills, experience and knowledge, and the needs of the Board as determined by the skills and diversity matrix.

**Rationale / Background**

Based on the Code of Sports Governance 1.2 The Board shall be of an appropriate size, not exceeding 12 unless agreed with UK Sport and/or Sport England, in order to:

b. have the appropriate balance of skills, experience, diversity, independence, and knowledge;

To comply with the Code 1.2 a change to the wording is required to add in diversity but the fundamental process has not changed as outlined below:

- Appointed Directors will be recruited through an open, publicly advertised recruitment process
- A minimum of 25% of Appointed Directors will be deemed independent as outlined in the Code of Sports Governance and recruited through an open, publicly advertised recruitment process; the Directors will be independent from any close connection to Table Tennis England e.g. that cannot come from within the formal governance structure of Company Members such as County Committee's and/or League Committee's.
- All Appointed Directors will be considered against the needs of TTE, as determined by the Skills and Diversity Matrix, agreed by the Board at the time
- All candidates for Appointed Director vacancies will be considered by the Nomination Committee, and recommendation(s) made to the Board
- Appointed Directors will be appointed as a vacancy arises

**What the Code says (2.8)**

The Nominations Committee shall lead the process for Board appointments on behalf of the Board.

This process has been confirmed as acceptable to deliver against the Code by Sport England

**Part C**

Article	Current Wording	Change to
New 23.8	N/A	Nominations received for Elected Directors will be reviewed by the Nominations Committee against the role description and the skills and diversity matrix and suitable candidates presented to the Membership for the voting of their preferred candidate.

**Rationale / Background**

Based on the Code of Sports Governance 1.2 The Board shall be of an appropriate size, not exceeding 12 unless agreed with UK Sport and/or Sport England, in order to:

- a. meet the requirements of the organisation;
- b. have the appropriate balance of skills, experience, diversity, independence, and knowledge;

It is only possible to deliver against the code if nominations go through the nominations committee reviewing all applicants and presenting those who deliver the skills, experience & diversity required to be on the Board at that time to the membership. Concern was raised previously in relation to Independent Directors having the majority of the voting as required by the Code, however, with the change to the definition of an Independent Director at last years AGM, the scope for further Independents sitting on Nominations Committee from the sport would allow a broader inclusion into the process.

Summary of process:-

- Elected Directors will be recruited through a restricted recruitment process with candidates sought from across the TTE membership
- All Elected Directors will be considered against the needs of TTE, as determined by the Role Description, Skills & Diversity Matrix, agreed by the Board at the time
- All candidates for Elected Director vacancies will be considered by the Nomination Committee against the role description, skills, and diversity matrix . Those considered suitable to fill a Board vacancy will be presented to the Members to vote for their preferred candidate
- Vacancies for Elected Directors are filled as a vacancy arises
- This process aligns to the recruitment process for Appointed Directors

**What the Code says (2.8)**

The Nominations Committee shall lead the process for Board appointments on behalf of the Board.

This process has been confirmed as acceptable to deliver against the Code by Sport England

The following presents further proposed Resolutions. None of the following are required for Code compliance but include amendments to display good governance practice, or general tidying up of wording to ensure clearer understanding.

Please note: Resolution 2 and 3 will be withdrawn if Resolution 1 is approved.

**Resolution 2** – (this is an Ordinary Resolution, which requires a simple majority of the votes cast by Company Members)

<b>That from 1 August 2022 the following affiliation fees apply:</b>	
<b>Senior Compete Member</b>	<b>£20</b>
<b>Junior/Cadet Compete Member</b>	<b>£10</b>
<u>Rationale / Background</u>	
<p>These fees are in accordance with the 5-year strategy which was supported unanimously at the April 2016 National Council meeting. They would have been proposed for 2021/22 but were postponed owing to the COVID pandemic.</p> <p>As agreed at the December Board Meeting</p>	
<u>What the Code says / allows</u>	
N/A	

**Resolution 3** – (this is an Ordinary Resolution, which requires a simple majority of the votes cast by Company Members)

<b>That from 1 August 2022 the following affiliation fees apply:</b>	
<b>Senior Club Play Member</b>	<b>£6</b>
<b>Junior/Cadet Club Play Member</b>	<b>£4</b>
<u>Rationale / Background</u>	
<p>These fees are in accordance with the proposed resolution at the 2020 AGM, that were made free due to the pandemic and held at free for 2020 and 2021 whilst there was limited club play. As agreed at the December Board Meeting</p>	
<u>What the Code says / allows</u>	
N/A	

**Resolution 4** – (this is a Special Resolution, which requires three-quarters or more of the votes cast by Company Members)

Article	Current Wording	Change to
23.1	Company Members shall elect three directors, who shall be titled Member Elected Directors, one of whom shall be nominated by the Member Elected Directors as Deputy Chairman and ratified by the Board as such.	Company Members shall elect four directors, who shall be titled Member Elected Directors, one of whom shall be nominated by the Member Elected Directors as Deputy Chairman and ratified by the Board as such.
<p><b>Rationale / Explanation</b></p> <p>The Board has listened to, and understood, the request of the Company Members to further increase the table tennis knowledge on the Board.</p> <p>This increase has been proposed by Company Members previously and it is proposed for the Board to present this as a Resolution at the AGM 2022 subject to the nominations being presented to the Nominations Committee for consideration taking account of the candidates' skills, experience and knowledge, and the needs of the Board as determined by the skills and diversity matrix.</p>		
<p><b>What the Code says:</b></p> <p>N/A</p>		

**Resolution 5** – (this is a Special Resolution, which requires three-quarters or more of the votes cast by Company Members)

Article	Current Wording	Change to
Various	'Individual Company Member'	'Director Company Member'.
<p><b>Rationale / Explanation</b></p> <p>The Articles currently refer to Company Members who are directors as Individual Company Members. There is no good reason for this, and it causes confusion. The resolution is to refer to them as Director Company Members instead.</p> <p>Note: A motion on this topic was submitted to the 2021 AGM. That motion also proposed changing the title of County Representative Company Members. At the meeting Company Members said they preferred to keep that title, so the revised resolution omits that.</p>		
<p><b>What the Code says:</b></p> <p>N/A</p>		

**Resolution 6** – (this is a Special Resolution, which requires three-quarters or more of the votes cast by Company Members)

Article	Current Wording	Change to
41.4	In the case of an equality of votes, whether on a show of hands or on a poll, the person who is chairing the meeting shall have a second, or casting, vote on matters relating to finance but not on any other matters; in any other case the resolution shall fail.	In the case of an equality of votes, whether on a show of hands or on a poll, the resolution shall fail.
<p><b>Rationale / Explanation</b></p> <p>The current Article is unnecessarily complicated. The resolution simplifies it.</p> <p>Note: A motion on this topic was submitted to the 2021 AGM. That proposed simplifying the Article by allowing the Chair a casting vote. At the meeting Company members said that in the case of an equality of votes they thought the motion should fail. The revised proposal does that.</p>		
<p><b>What the Code says:</b></p> <p>N/A</p>		

**Resolution 7** – (this is a Special Resolution, which requires three-quarters or more of the votes cast by Company Members)

Article	Current Wording	Change to
51	That throughout Article 51 the phrase 'Board of Appeal'	Shall be replaced by 'Appeals Panel'
<p><b>Rationale / Explanation</b></p> <p>The regulations covering the Board of Appeal have been comprehensively revised since the current Article was produced. It is now chaired by a QC. The resolution changes the title of the Board of Appeal to the Appeals Panel to emphasize its independence from the Company Board.</p> <p>Note: A motion on this topic was submitted to the 2021 AGM. This included alterations to the circumstances in which an appeal could be made. At the meeting Company Members criticised that part of the resolution so the revised proposal omits that part.</p>		
<p><b>What the Code says:</b></p> <p>N/A</p>		





## Annex 2: Skills & Diversity Matrix

See separate spreadsheet