

## **National Council Select Committee on the Constitution**

### **National Council Greater Independence Report**

As you know from the last National Council meeting Select Committee were given the responsibility of following through the suggestions of greater independence for National Council and report back to the January meeting.

In this respect we have corresponded with Adrian Christy and Adrian has asked us to put our suggestions in writing to him, which we have done, but up to now we have not had a formal response from Adrian. There has, however, been discussions with Neil Hurford, as new Chair of National Council, and Neil in turn has spoken to Joanne Keay-Blyth who has indicated the wish for the committee to continue with its endeavours.

The recommendations we have made to Adrian which are also for consideration by Council, are as follows.

1) National Council proceeds along the lines of considering measures which will give it greater independence. These include -

a) National Council should manage its own secretarial matters and that Council, in addition to appointing the Chair, as per the recent elections, would also appoint a Secretary who would take care of all the secretarial functions including the preparation of minutes. This role could be shared by more than one person should Council decide to do so.

2) That the Council meeting agenda should be divided between periods when the Council meets with board members of TTE and staff and considers reports and has the opportunity of asking questions from those reports and any other matters Councillors wish to raise. In the same meeting there is a period when attendance is restricted to Council members. Estyn Williams has contributed to this debate with the Select Committee and has recommended that the first hour of Council is Council only, the middle part of the Council would be with TTE board members and staff, and the final hour would be Council only. The Select Committee are in favour of recommending this.

The Council would need to have a member of the board who would be responsible for liaison between the Board and National Council in the same way that Susie Venner was responsible for liaison between the Board and MAG. The Select Committee recommends that it should be one of the four elected board members.

3) National Council would need to have confirmed by the board that funding for the Council meetings would be similar to current whereby the Association would be responsible for meeting any expenses. The cost of all National Council meetings has been reduced considerably by several members joining on Zoom and we would see that this would continue.

We will have the opportunity of discussing the above as an agenda item on our report on 27<sup>th</sup> January 2024.

Another matter which has been referred to the Select Committee by Susie Venner is that I understand discussions are taking place at the moment with regard to the possibility of propositions to the AGM to increase the number of elected directors from four to five. Susie has provided the Committee with a full rationale with regard to this which we are pleased to attach to our report. In the opinion of the Committee this seems to be a sensible move and, therefore, would like to draw it to the attention of Council at our January meeting.

#### Membership of the Select Committee

At the last meeting we agreed a procedure for election by National Council whereby there would be a vote should the number of nominations be too high for a workable committee. From the previous committee Alan Ransome has been elected as Chair and it is recommended that Alex Murdoch, Neil Le Milliere and Malcolm Allsop be reappointed their membership as they have all contributed significantly to the work of the committee.

We have three nominations to put to Council;

Estyn Williams – Warwickshire

Tony Catt – Sussex

And from a non-member – Susie Venner who is Deputy Councillor for Lancashire. Susie would be a useful member of the committee in view of the fact she has had 8 years experience working with Deputy Chairman and in other positions on the Board.

I recommend acceptance of the above.

A proposal has been put to the Select Committee that the Board should be more balanced and that of the 12 members there should be 5 elected, 5 appointed plus the Chair and the Chief Executive. The Select Committee have the view that this would be an improvement and, therefore, are ready to support this recommendation. See email below

**Alan Ransome**

**Chairman**

**National Council Select Committee on the Constitution**

**28<sup>th</sup> December 2023**

Email from Susie Venner of 2 January 2024

Hi Alan,  
Hope you are keeping well.

As Chair of the Select Committee, I would like to share my thoughts with you and other Committee members about the merits of creating a post for a fifth Elected Director on the Board of TTE.

Background:

As you will be aware, the original number was three - this was in line with the original elected positions on the Management Committee or Chair, Deputy Chair and Treasurer who would then appoint their own team, to be ratified at the agm.

That changed significantly with the other positioning being appointed, and then changed further with the Chair's position also being appointed, and just three positions available for election, as 'so-called' Deputy Chair (later reduced to just one of the positions being Deputy Chair).

It should also be recalled, that while Sport England Code (SE Code) requires a minimum of 25 per cent of the Board to be 'independent', TTE chose to gold-plate this by defining 'independent' as 'not a member of TTE', which effectively ruled out anyone who played or participated in the sport. This led to an imbalance of the Board being dominated by people from outside the sport.

This didn't need to happen - the SE Code only required independent to mean not holding another conflicting position, so, for example, an appointee who was also Chair of the Umpires and Referees, would not be deemed to be independent. The reality is that every single member of the Board of TTE could be a table tennis player/coach/supporter without breaching the SE Code.

From my experience on the Board over the past eight years, this imbalance has created divisions and a feeling of alienation by the membership of the National Governing Body.

An amendment to the Articles as proposed by Pete Charters increased the number of Elected Directors to four, after initial opposition from TTE, this was supported at a subsequent agm.

However, there is a Board of 12 people - four elected and eight appointed; eight of those people are appointed by the Board of four elected and eight appointed. A majority of eight will always trump a minority of four.

I know that one of the arguments against is that TTE needs to have a Board of mixed skills - in line with the 'skills matrix', which is meant to identify skill shortages and recruit or appoint accordingly. In my experience, this system is flawed for a number of reasons which I won't address here but will be happy to if required.

I should also nail the myth that this means flooding the Board with people who would 'win a popularity contest' rather than have the skills and experience to be a Board Director. At TTE and in the VETTS, I have worked with phenomenally talented and successful people from many diverse careers and professions, who also happen to have a passion for table tennis.

I believe I can make a strong argument for having more people with an understanding of and connection to our sport on the Board. But this paper is focused on the 'can it be done, rather than should it be done'. The latter is for another time.

Can four Elected Directors be increased to five?

I've done some digging into the SE Code to try to work out where this 'you can only have four elected directors' comes from. And I think that is wrong on two counts.

<https://sportengland-production-files.s3.eu-west-2.amazonaws.com/s3fs-public/2021-12/A%20Code%20for%20Sports%20Governance..pdf?VersionId=Q0JD6BVXB.Vgw bGEacG0zWsNPIWcGDHh>

This comes down to three sections which I've listed below. But basically, if a number of Directors come to the Board (one way or another) by a Council's decision (the Code says 'appointed' but one could argue that elected is appointed via a different route), then they can be no more than a third of the Board, ie four.

So it comes down to if National Council is a 'Council' under the terms of the Code, then there can be no more than four elected Directors. However, (and despite its name, which is in fact irrelevant, but confusing), National Council is not a Council under the terms of the Code. In order to be a Council, it would have to have 'rights and powers' - which it was made clear that it does not have. \*AND\* if it was a Council with rights and powers, then the National Councillors would only be able to serve a maximum of nine years. So it is accepted by National Council and the Board that it is not a 'Council' and therefore it does not have limited tenure. Those of us who were around in about 2017 will recall this point being debated, discussed and clarified. National Council is not a Council in the definition of the SE Code.

BUT - and here's the second point where the argument is wrong against the legitimacy of five Elected Directors - even if National Council were a 'Council', (which we've shown it isn't), it doesn't appoint/elect Directors - Company Members do. And Company Members aren't even a 'body' let alone a Council under the definition of the Code. And Company Members out-number members of the National Council significantly in terms of voting power. Plus, the definition excludes shareholders in a general meeting - which is as close as we have to Company Members.

So, as I see it. The restriction applies if the appointments are made by a Council. National Council isn't a 'Council' and it doesn't make the appointments anyway.

The limit of four is currently set by the Company Articles, which can be changed by a majority vote at the agm.

Details:

These are three sections of the SE Code which are relevant:

1. Sections 1.16, 1.17 and 1.18 (p.17) which is the 'mandatory' requirements. This says:

1.16 A Council shall not be able to override the Board but may have reasonable rights to consultation and constructive challenge.

1.17 A Council member may serve on the Council for a number of consecutive terms, each term being no more than four years in length, up to a maximum of nine years continuous service.

1.18 Where Councils are permitted to appoint Directors, such appointments shall reflect not more than one third of the Directors.

2. Section 1.18 (p.33) which is the 'commentary' on the mandatory requirement. In summary it specifies that Councils (regardless of their name) cannot appoint more than a third to prevent 'group think'.

3. Definition of Council (p.58)

A Council is a body forming part of the constitutional or organisational structure of a sports National Governing Body, representing some or all of its stakeholders in some capacity, and having powers or rights with respect to its governance, but which is not the Board of the National Governing Body (or a Committee of the Board) or the shareholders in general meeting. A body will be treated as a Council for the purposes of this Code if it fulfils this definition, regardless of the name given to it by the National Governing Body.

I'd be happy to discuss this further and welcome your and the Select Committee's thoughts.

Best wishes  
Susie Venner