

## EIHA/IHUK Joint Steering Group Governance Report February 2019

### Post-consultation Update

#### Introduction

We have now shared our Report with the Board members of both the EIHA and IHUK as well as with members of both organisations. We have also had three helpful consultation meetings with members in Sheffield (Sunday 3 March), Bracknell (Sunday 10 March) and Murrayfield (Sunday 24 March) and we have also received some written feedback.

Thank you to all of you that gave up time to come along to the meetings and to those of you who took the trouble to write to us. Your feedback has been very useful and constructive.

We thought it would be helpful to produce an update to our February Report based on all the feedback and input that we've had. We've tried to group our update into the key themes that have cropped up – they are in no particular order.

We will also now update our Report based on this feedback and the final version will be published on the EIHA and IHUK websites.

#### New Board Composition – 4 home nation directors

There has been strong feedback on the issue of 4 home nation directors on the new Board with the overwhelming view being that this was the wrong way forward. As we explained, this is just one way of ensuring there is the necessary balance of skills, experience and knowledge on the Board and having a director for each home nation reflects the 4 sports councils within the UK.

There is however no need to have a director for each sports council country in order to work with the sports councils. An alternative suggestion, as most people have suggested, is to recognise the current make-up of ice hockey in the UK with England and Wales together on the one hand and Scotland and Northern Ireland together on the other – this could mean either:

- (i) reducing to 2 elected directors, one for England/Wales and one for Scotland/Northern Ireland. If this were to happen we would then suggest also reducing the number of independent directors by 2 (from 5 to 3);
- (ii) or retaining the 4 elected directors but having 2 elected by the members from England and Wales and 2 elected by the members from Scotland and Northern Ireland.

In the case of (i) or (ii) above the composition of the new Board would be a total of 7 (or 11 directors) as follows:

Independent Chair

CEO (ex-officio)

3 (or 5) independent appointed directors

1 (or 2) England/Wales director – elected by those members

1 (or 2) Scotland/Northern Ireland director – elected by those members

## **Communication & Engagement**

Throughout the meetings and in our Report we have stressed the need for the new organisation to ensure good, transparent communication and engagement with members and those involved with the sport. A number of people suggested that we provide some examples of how this might be done.

Ultimately the new Board should establish what it thinks the best approach is. For example, there may be existing meetings/gatherings of members/stakeholders that already take place and which are well-attended - these may be a good place to start. The new Board might also consider using existing ice hockey events as an opportunity to hold roadshow meetings or “drop-in surgeries” to allow stakeholders to meet Board members in order to raise queries and issues with them. It may also be helpful for members of the Game Advisory Group to be present at those.

The new organisation should disclose information on its governance (decision-making processes and structures), activities and financial position to enable all stakeholders to have a good understanding of them. The information should of course be fair, accurate and published in an understandable manner. The Code for Sports Governance endorses this approach and requires organisations to create a strategy for how it plans to engage with and listen to its stakeholders at all levels of the sport. The Code sensibly recognises that a balance must be achieved between ensuring that disclosed information is meaningful while not creating an unnecessary burden on the organisation or indeed overloading stakeholders with information. Technology naturally makes it far easier to communicate and share information these days.

For example, the website can be used to provide regular updates on the Board’s discussions and, indeed, the Game Advisory Group. Some organisations simply publish the minutes of meetings, though that can be problematic when confidential and/or commercially sensitive discussions take place as will be necessary from time to time. Minutes are often not an effective way of communicating the key messages to stakeholders so some governing bodies publish a summary of what was discussed at each Board meeting.

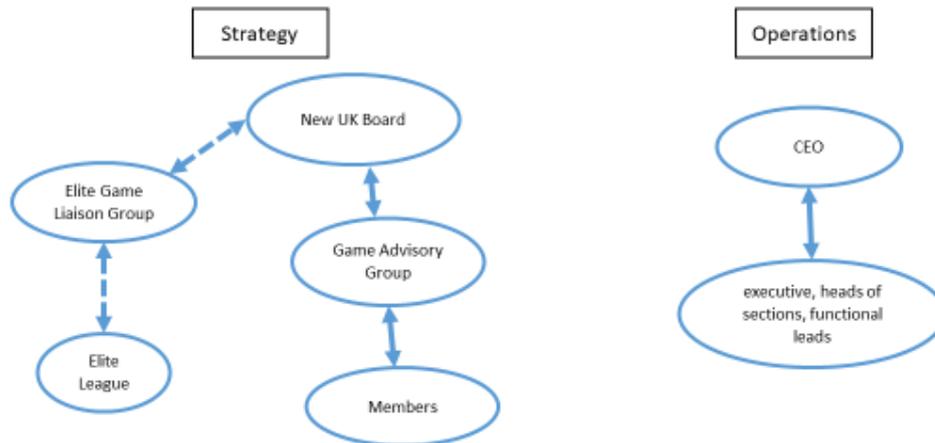
A website can also capture all the various governance documents such as articles, terms of reference, composition of the Board etc as well as other matter such as the overall strategy for the sport as decided by the Board, an annual report on progress against the strategy as well as the audited annual accounts and any material conflicts of interest including how they have been managed.

## **Game Advisory Group and Operational matters**

Our Report explained the need for the new Board and the Game Advisory Group to focus on strategic decision-making, based on a long term strategy for the sport as a whole. Neither group should get burdened with sorting out operational matters. These should be a matter for the Chief Executive to coordinate with the relevant executive person or head of section or other appropriate person. Whilst it is possible for someone both to be on the Board/Game Advisory Group and to have certain operational responsibilities, they are separate roles for that person and it important that they are not confused. Board members and Game Advisory Group members should therefore refer any operational issues to the Chief Executive who will liaise with the relevant person and be able to ensure that matters are dealt with in a coordinated way in line with the strategy set by the Board. In this way the Board and Game Advisory Group retain an oversight and strategic role.

After the discussion on this at the first consultation meeting we re-presented this in the following way at the second and third meetings:

## Key Recommendations 1



To help members better understand how this would work in practice we have set out some examples below.

For any decision/issue there is a standard complaints policy which anyone can follow for an issue to be resolved. Complaints about operational issues should be made in line with the agreed policy and not direct to the Board which needs to be able to focus on being the strategic and oversight decision-making body; this will include the responsibility of overseeing the way in which any complaints are managed and ensuring it is done properly.

### Example 1 -GDPR

In the new structure this is an operational issue to manage in order to ensure the organisation is legally compliant.

- It would fall to the CEO and the management team to seek appropriate legal advice and develop an implementation plan.
- The CEO would have input from the heads of section and functional leads as he/she develops the proposal for implementation.
- The Board would receive the plan as an update and be able to challenge any areas they do not feel are right or appropriate.
- The CEO and the heads of section will send out the information for implementation across the membership.

### Example 2 - League Structure – individual league type changes

The structure of leagues would be a result of the strategy for the sport overall and it would be rare for an individual section to need to restructure without involvement with the overall sport.

The overall decision for any change in individual league structure would need approval from the Board.

- The head of the section would develop a proposal for changing their league structure.
- The proposal would be created in consultation with the existing teams in the league and also using the Game Advisory Group for input.
- The proposal would also contain a policy outlining how teams can enter the league, alongside requirements of participation for the teams to be eligible to enter the league, and any promotion/demotion between the leagues.
- The head of section would work on the proposal with the CEO.
- The proposal would be presented to the Board for approval.
- The new structure would be put in place by the head of section.

### Example 3 - Overall League Structure

The delivery of the sport overall, performance pathway and development pathway require a holistic piece of work rather than each individual league or section re-designing their own part without working on the overall pathway together.

- The Board would task the CEO with presenting back to them a proposed development and performance pathway for the sport.
- The CEO may choose to seek some advice from other sports and/or ice hockey structures in other countries.
- The CEO may choose to employ a consultant to help develop the proposal in the absence of having a full-time head of performance or head of development.
- The CEO may also choose to pull together a working group across the head of sections so a proposal can be developed as a collaborative piece of work.
- The final proposal would be taken to the Game Advisory Group for views and input.
- Where appropriate the proposal will be changed as a result of views from the sport which have considered the impact and implementation.
- The Board would review and have responsibility for approval of the proposal.
- The CEO and heads of sections would implement the agreed new structure.

### Example 4 - GB Programme and Teams

The overall strategy for the GB programme would be a Board decision.

- The Board would task the CEO with designing the draft approach and strategy for the GB programme.
- The CEO may decide to hold some strategy consultation meetings with the Game Advisory Group for ideas.
- The CEO may appoint a Performance Director/Head of GB programme to design this either on a short-term consultancy basis or as an employee.
- The proposal is taken back to the Board for approval.
- The Board may review and seek advice from the Game Advisory Group.
- The Board may seek assurances from the CEO that the operational managers (exec and volunteers in operational roles) are supportive of the proposals.
- The approach and strategy would be approved by the Board.
- The CEO and operational functions would deliver the agreed strategy.

### **Elite Game Advisory Group**

There were a few queries on what the purpose of this group was, why it sat outside the Game Advisory Group and why there should be 3 from each of the new Board and the EIHL on this. As we explained, this is an important advisory group with a focus on elite game matters only, being issues relating to the EIHL and the interrelation with the international end of the sport run by the UK body. The EIHL is also separate from the EIHA and IHUK not falling within the existing governance structures so it makes sense to create a formal advisory group involving the EIHL. We also felt that given the specific issues that part of the game faced it was important to create such a group to encourage regular dialogue on that part of the game and for those discussions to take place in a dedicated group. There is no science to the numbers but having parity seemed fair and three from each seemed reasonable but if both parties decide to reduce or increase the number then there would be no problem provided parity was retained.

Other leagues fall within the existing governance structures of the EIHA/IHUK and issues relating to other leagues would therefore be addressed through the Game Advisory Group.

### **Finance**

We explained in our Report how we proposed to address previous concerns regarding the finances of both the EIHA and IHUK and there has been broad agreement to our Report's proposals on this subject. However it was also suggested that an update on the current financial position of both organisations would be helpful in order to ensure transparency prior to the move to a new UK organisation.

Ultimately it is for each of the current EIHA and IHUK Boards to update their members on their respective current financial positions, however our understanding that we are able to share is as follows:

The latest accounts for IHUK (for year ended 30 June 2018) show a surplus of £122,000 against a prior year deficit of £137,000. For the year end 30 June 2019 IHUK is forecasting a small surplus having accounted for additional commitments around GB Men participation in the World Championship in Slovakia in May 2019.

Regarding EIHA, at its AGM last year the EIHA agreed to commission an independent finance person to look at the accounts and to confirm the position of the EIHA for the EIHA Board to update members on. We understand that this work has been done and it is for the EIHA Board to update its members. We will strongly suggest to the EIHA Board that they update members on this as soon as possible and, ideally, ahead of any planned General Meeting to proceed with these proposals. Our understanding which would need to be confirmed by the EIHA Board is that the way that the accounts have been prepared may have left members with the impression that there are healthy reserves, however these reserves are steadily reducing as they have been used to balance potential deficits over the last few years and these reserves will therefore be required to ensure the finances can remain on an even keel until the new organisation is able to address the underlying issues.

A query was raised about where the costs will come for the proposed part-time CEO and finance executive roles and the overall cost of the new corporate structure. As explained in our Report, the roles of the part-time CEO and finance executive should proceed based on what is affordable. We envisage there being some efficiencies to be made by creating a single new decision-making structure

– for example, there will no longer be a need for either EIHA or IHUK Board meetings, or indeed the Scottish Committee.

## **Members**

Our proposal was that the “unit of membership” for the new organisation should be teams and we explained the reasons for that in our Report. During the consultation we realised that we may not have been as clear as we could have been about what we mean by member.

What we are referring to is voting member i.e. the constitutional membership of the new organisation. The term “member” is of course also used by people in other contexts e.g. a member of a club, a member of a team, a member of a league. Our proposals on membership do not relate to these other types of members; they relate specifically to the voting members i.e. those teams who meet the definition we set out in our Report and which become the constitutional members of the new organisation and are therefore entitled to vote on matters taken to general meetings. Whilst general meetings are an important part of an organisation’s governance and provide an opportunity for the Board to engage with the voting members in particular, they should not be the only means of communicating and engaging with those involved with the sport (voting members, other types of members and any other stakeholders). As we have explained earlier, the new Board will need to establish what it thinks the best approach is to ensure good communication and engagement and we have suggested some solutions for them to consider.

## **Transition group of the extra 5 directors for year 1**

We received a lot of negative feedback on the transition group of the extra 5 directors who will be responsible for setting up the new Board over the first year. Many felt that some of these transitional directors would simply find a way of ensuring that the new Board was populated by the some of the same people as are on the current Boards of EIHA and IHUK.

We have explained that the role is temporary for a maximum of one year and that it is important to have a sensible handover to a new Board. The consultation meetings accepted that principle but wanted the members to have more say on who the 5 people should be and not leave it to the EIHA and IHUK Boards to choose. We believe it is essential for a smooth transfer that the IHUK Chair, a finance director from EIHA/IHUK and an independent director from EIHA/IHUK are on the transition group but we will therefore look at either allowing members to select the other 2 members of the group from the current EIHA and IHUK Boards and/or present names of individuals who are agreed by the Boards in advance to go on the transition group who we are confident the members are not going to reject.

## **Transition – Operational day to day activity**

We received a few queries about what would change at a day to day operational level for those playing and administering the sport. The short answer is that we do not expect anything to change in the short term while the focus is on transitioning to the new structure. Any day to day issues that might crop up can continue to be raised through the usual channels until people are informed otherwise. Ultimately the timing of any communication changes will be up to the new Board - in both cases with guidance from the new Game Advisory Group.

For example:

Fixtures issues - these will still be addressed by the person who has been doing the fixtures for the league that a club plays in, in the same way as currently happens.

Disciplinary issues - these will continue to be raised with, and addressed by, the relevant person managing discipline. That person will continue to deal with such issues based on the existing policy.

In both cases the only change will be that the relevant person may have previously been on a board/committee but will now be focusing on their operational role – continuing the important job of keeping the sport running in the area for which they are responsible for. In due course, direction and queries will be addressed by the new Board with the assistance of the Game Advisory Group.

In this way the day to day operations of the sport should not change and will continue to be managed in the same way as is currently the case until the new Board (advised by the Game Advisory Group) is bedded in and able to look at any relevant issues. The various operations of the sport will be carried out in accordance with the strategy and policy set by the Board.

### **Progress Review**

It was suggested that it would be helpful to build in a review of the new arrangements. We had envisaged that the new Board would do that as a matter of course but to avoid any doubt we will include that in our final recommendations that there be a formal review to take place as soon as possible after the first 18 months. In any event, we would also recommend that the new Board keep all members updated on progress reasonably regularly during the first year as the new arrangements bed in. This could be done as part of a regular report from the Board.

EIHA/IHUK Joint Steering Group

5 April 2019