

ENGLISH TABLE TENNIS ASSOCIATION Limited  
(Trading as Table Tennis England) ("Company")  
Company number 04268058



To: Company Members

7705/0617/AMG  
16.06.17

The President, Vice-Presidents and Honorary Life Members  
The Secretaries of Affiliated Organisations  
The Auditors

88 Saxon Gate West  
Milton Keynes  
MK9 2DL  
Tel: 01908 208860

### **NOTICE OF ANNUAL GENERAL MEETING 2017**

#### **DATE AND VENUE**

In accordance with Article 37.1, notice is hereby given, by order of the Board that the 2017 Annual General Meeting of the Company will be held on July 8<sup>th</sup> 2017 at the Park Inn by Radisson, Mansfield Road, Nottingham, NG5 2BT starting at 2pm.

The business of the meeting shall be to:

1. Minutes silence for members of the Table Tennis family that have passed away during the year
2. Report of Standing Orders Committee (7710/0617/DLH)
3. Adoption of Standing Orders (7711/0617/DLH)
4. Appointment of Tellers
5. Apologies for absence
6. Declaration of Business Interests
7. Minutes of Annual General Meeting held 2<sup>nd</sup> July 2016 (7696/1/AMG-distributed)
8. Matters arising from Minutes of last AGM
9. Receive the report of the Directors and audited accounts for the previous year and approve the accounts (7707/825/KT)
10. Proposition -Proposed Increase of Affiliation Fees 2017/18 (7712/0617/AMG)
11. Consider and, if thought fit, pass the following resolutions, which shall be proposed as Special Resolutions:

**Special Resolution 1 (Proposer: The Board of the Company)**

The Board's proposition is set out in the document "Background to the changes to the Articles referred to in Special Resolution 1" (7715/0617/AMG)

***That the Company's Articles of Association be amended by the adoption of the Articles of Association attached to this Notice in substitution for, and to the exclusion of, the Company's existing Articles of Association.***

Background to proposed amendments provided by the Proposer:

The proposed changes to the Articles implement requirements of the Code for Sports Governance (Code). The Code is mandatory for organisations receiving government funding and adherence to the Code is a condition of any funding by Sport England and UK Sport. This means that all National Governing Bodies are adhering to this Code and are working through the same processes. Under the terms and conditions of our Sport England award non-compliance by 31<sup>st</sup> October 2017 would mean that we would be in breach of our award conditions leading to the award being withdrawn.

The Code requires that the Chairman be appointed by the Board after an open public advertisement followed by interview by a nominations committee. Currently the membership elects three Directors, namely the Chairman, Deputy Chairman and Treasurer. To comply with the Code these changes propose that Company Members would still elect three Directors but that they would not be titled as the Chairman, Deputy Chairman and Treasurer. These Elected Directors would be eligible for appointment by the Board for the role of Chairman and all would be titled Elected Deputy Chairman (except where one of them is appointed Chairman). The Elected Deputy Chairmen would be eligible to sit on the aforementioned nominations committee.

The Board would consist of the Chairman, three Elected Directors (Elected Deputy Chairmen), at least three Independent Directors (to comply with the Code) and a number of other Appointed Directors, and the Chief Executive Officer. The Chairman may be one of the Elected Directors. As required by the Code, the total number of directors may not exceed twelve (12) and at least 25% must be Independent Directors. The proposed changes meet these requirements and reflects current practice.

The proposed changes also implement the Code's requirements restricting the length of service as a director, requiring the appointment of a Senior Independent Director and prohibiting the Chairman from also being the Chief Executive Officer. The opportunity has also been taken to allow the Chairman a casting vote at board meetings if voting is tied.

The Board recommends that the members vote in favour of this resolution.

Resolution 1, which is supported and proposed by the Board, will be considered and voted on first.

Only if Resolution 1 is carried, Resolution 2, which does not have the Board's support, would then be voted on as an amendment.

***The Proposer's rationale for the changes, together with references to the Code, is set out in 'Background to the changes to the Articles referred to in Special Resolution 1'.***

**Special Resolution 2 (Proposers: Martin G Clark Chris Dangerfield, Dorothy MacFarlane, Malcolm MacFarlane, Alan Ransome OBE )**

The Proposer's proposition is set out in the document "Background to the changes to the Articles referred to in Special Resolution 2" (7716/0617/AMG)

**Subject to Special Resolution 1 being passed, the Company's Articles of Association be amended as follows:**

**1. Amend the definitions in Article 3 as follows:**

**"Elected Deputy Chairman means the director or directors elected as Elected Directors for the time being of the Company;" be replaced by "Deputy Chairman means a director elected as Deputy Chairman for the time being of the Company;**

**2. Adding the following definitions to Article 3:**

**President means the person elected as President for the time being of the Company;**

**Treasurer means the person elected as Treasurer for the time being of the Company;**

**3. Delete Article 23.1 and replace with the following**

**"23.1 Company members shall elect three Directors: President, Deputy Chairman and Treasurer."**

**4. Delete Article 24.2 and replace with the following:**

**"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 consisting of the Elected Directors and the Chief Executive Officer only, taking account of the candidate's ability, experience and expertise to fulfil the identified role on the Board."**

**5. Delete Article 24.3 and replace with the following:**

**"24.3 Appointed Directors shall serve for of a term of up to four years that will terminate with the conclusion of the period of office relating to the Elected Directors."**

Background to proposed amendments provided by the Proposers:

In January, our National Council was told that Sport England required changes to the Table Tennis England Constitution. Amongst those changes was the fact that the election of the main officers would be abandoned and the Chairman would be appointed by an undefined group of board members with possibly very little table tennis knowledge and experience. This would have the effect of removing the control of the sport in this country from the members for the first time in since our formation in 1926.

The threat from Sport England is to put our funding at risk if we do not comply with the changes that they require Therefore, to comply with Sport England demands, the Board have proposed amendments to our Constitution.

National Council expressed serious concern about all of this at its January and April meetings and at the first meeting set up a steering group to look into the matter more closely. A report was submitted to the April meeting by the steering group which was supported by councillors unanimously. The steering group were empowered to follow up the points raised in the report with the Board. However, not one suggestion (from that report) around the issue of the appointed Chair has been included in the final proposition, which is very disappointing.

We, the named proposers of this amendment are very uncomfortable with what is being proposed. Our goal has always been to try and find a way to meet Sport England's requirements, whilst at the

same time protecting our democracy (the right to elect our leadership). We do believe that it is vital the sport keep the rights of its members to elect its key officials based on the manifestos they put forward. Those officials once elected need the backing of the board and authority to carry out their mandate. The proposal from the Board does not achieve this.

Our amendment protects the democracy of our Association by ensuring those elected by the membership to serve us, have both the title and status within the board that they will require to set and implement the agenda on which they are elected.

Anything less than this amendment leaves open the possibility that our sport will be seriously damaged and we therefore in good conscience cannot and will not support the boards proposition.

We advocate that the amendment is supported in order to make a serious attempt to meet with Sport England requirements, without losing the control of our sport.

Proposed by A. Ransome (Cleveland), M. Clark (Worcestershire), C.Dangerfield (Shropshire), D Macfarlane (Coventry), M. Macfarlane (Leamington)

***The Proposers' rationale for the changes is set out in the document 'Background to the changes to the Articles referred to in Special Resolution 2'.***

Board response:

The Board strongly urges the members not to approve this resolution as the changes are not compliant with the Code and jeopardises the Company's Sport England funding. This is confirmed in an email received from Sport England attached to this notice and referenced below.

The amendments proposed by the Board in Special Resolution 1 have been made in order to comply with the Code, as outlined in more detail in the background to Special Resolution 1 above. Within the constraint of the Code we have sought to protect the membership voice by retaining three Elected Directors who will be titled as Elected Deputy Chairmen. Under the terms and conditions of our Sport England award non-compliance by 31<sup>st</sup> October 2017 would mean that we would be in breach of our award conditions leading to the award being withdrawn. In relation to the proposed amendments to Article 3 Sport England have stated *"we would strongly advise against having portfolio director positions both because all directors are required to be equal on the Board and this can lead to directors having too much of an operational role. We would however be happy for TTE to recognise the elected directors with a title to differentiate them from the independent roles. As per the original suggestion we would be satisfied that the title of Elected Deputy Chairman fell in line with the spirit of the code. "*

The proposed amendment to Article 24.2 contravenes paragraph 1.26 of the Code which states *"a majority of the members of the nomination committee shall be independent non-executive directors and it shall be chaired by the chair (except when it is dealing with the appointment of a successor to the chair, when it shall be chaired by an independent non-executive director)."* In relation to this proposed amendment Sport England have stated *"the suggestion of having the nominations committee made up of elected directors and the CEO would be in direct contradiction to the code section 1.26"*.

The proposed amendment to Article 24.3 ties the terms of office of Appointed Directors to those of Elected Directors. This is impractical as the nominations committee may wish to appoint directors on an ongoing basis. It is also bad governance as it would lead to all of the Directors retiring at the same time and would take the Company back in time to pre 2014 when Officers and Vice Chairmen were appointed and removed from office at the same time – something that was unacceptable to Sport England and stated as bad governance back in 2013 in the Portas Report. Sport England state in relation this proposed amendment “*it would be both contrary to the code and strongly ill-advised to remove all board members simultaneously. This would lead to a significant loss of knowledge and a lack of continuity for the Board and organisation. As per the code section 2.7 “The Board shall have in place succession plans for orderly appointments to the Board and to key positions of senior management”. Again, the suggested amendments to 24.3 from Mr Clark [and others] would leave Table Tennis England non-compliant with the governance code.*”

Sport England have also stated “*For the removal of any doubt and as per your award agreement, any NGB not meeting the code by 31<sup>st</sup> October 2017 will be seen to be in breach of the agreement and no further payments will be made to the NGB in question. It should also be noted that continued compliance with the Governance Code will remain a condition throughout the duration of your Award Agreement. While the sport itself will remain eligible to apply through Sport England’s open funding programmes, a lack of clear strategic direction for the sport from a strongly governed NGB would make any significant investments difficult to justify.*”

The Chairman of the National Council Steering Group, Tony Catt, along with the majority of the steering group has asked the Board to relay the following message because of concerns in the way the steering group has been portrayed.

*Members of National Council expressed serious concern about the Governance changes at its January meeting and set up a Steering Committee to consider how to respond to Sport England. 5 member of the Steering Committee met on 13<sup>th</sup> March and put together a paper with input from all members. This paper was circulated and then discussed at the April meeting. The Steering Committee gained backing from the National Council to discuss the paper with the Board.*

*The Steering Committee met with the board on 11th May. Significant progress was made at the meeting, wherein the following agreements were made:-*

*\*It was agreed that the Chair would be appointed by the board, as this was felt to be a minimum requirement from Sport England to retain funding for Table Tennis England.*

*\*There would continue to be 3 directors elected by the membership.*

*\*One of the elected directors could be chair, following a formal recruitment process.*

*\*The 3 elected directors would have the right to be members of the Nominations Committee, which would have the decision-making powers to appoint the Independent directors, appointed directors and the chair.*

*\*The member elected directors would have a title to enable members and external bodies to identify them. This was settled as Elected Deputy Chairs, following confirmation that this would be acceptable to Sport England.*

*\* The nature of the National Council meant that currently it could be considered to be outside the reach of the Governance Code in its current format. Therefore, the terms of tenure could remain as they are.*

*The negotiated agreement was reported back to the National Council. The points agreed now form the proposed amendments put forward by the Board.*

*The amendments presented by Alan Ransome, Chris Dangerfield and Martin Clark were made without further reference to the other members of the Steering Committee.*

***Thus it is the amendments that have been presented by the Board, with relevant elements already agreed with Sport England that would receive the support of the remaining members and majority of the Steering Committee on behalf of the National Council. The Board amendments will be acceptable to Sport England and thus ensure the continuation of public funding of our sport.***

*The amendments suggested by Messrs Ransome, Dangerfield and Clark put the future public funding of our sport at risk. This would appear to be a very high price paid by everybody for the maintenance of "democracy" to be executed by a few selected individuals.*

The Board therefore strongly recommends that the membership vote against this resolution.

12. Reappointment of haysmactynyre as the Auditors, and authorise the Directors to agree their remuneration.
13. Reports of the Treasurer and the Auditors and Statement of Accounts for the Financial Year ending 31st March 2017 (7707/825/KT)
14. Election of Standing Orders Committee
15. Any other competent business

By order of the Board

**Sandra Deaton**  
**Chair**

The registered office of the Company is 88 Saxon Gate West, Milton Keynes, MK9 2DL.

**Note 1:** All Company members are entitled to attend and vote at the AGM. A member of the Company who is entitled to attend and vote at the above-mentioned meeting is entitled to appoint a proxy, who need not be a member of the Company, to attend and vote instead of them. You should have received a Proxy Appointment Form with this notice. Please read the notes to the Proxy Appointment Form. These must be returned to the

Company, to the postal or email address on the proxy form, to arrive not later than **2.00pm on Thursday 6<sup>th</sup> July 2017**.

**Note 2:** Enclosed are

1. Proxy form and explanation (7709/0617/AMG)
2. The Report of the Standing Orders Committee (7710/0617/DLH)
3. Standing Orders for the meeting (7711/0617/DLH)
4. Increase of Affiliation Fees 2017/18 (7712/0617/AMG)
5. Articles of Association referred to in Special Resolution 1 (clean version [7713/0617/CJC]) and tracked version against existing Articles [7714/0617/CJC])
6. Background to the changes to the Articles referred to in Special Resolution 1 (7715/0617/AMG)
7. Background to the changes to the Articles referred to in Special Resolution 2 (7716/0617/AMG)
8. Email from Sport England (7717/0617/SS)
9. Income and expenditure account, balance sheet, auditors report (7707/825/KT)

Other documents relating to the business of the meeting have been, or will be, distributed to those eligible members, as indicated on the above; copies of these documents will be available at the meeting.

**Note 3:** Attendance

- 3.1 Under Article 37.4, all Company Members, their Proxies and Affiliated Members are entitled to attend. Other persons may attend subject to the Chairman's permission.
- 3.2 Only Company Members and their Proxies are entitled to speak at the meeting. Other persons including Affiliated Members may speak subject to the Chairman's permission.
- 3.3 Every Company Member and every appointed Proxy attending must ensure that their attendance is recorded and their voting entitlement confirmed.
- 3.4 Provision will be made for the names of other people attending to be recorded.

**Note 4:** Voting

- 4.1 Any Company Member or appointed Proxy wishing to vote will be provided with the appropriate voting card at the meeting, and if required be able to provide evidence of identity.
- 4.2 An official Proxy Form is enclosed.
- 4.3 On a poll the vote of a Company Member shall count as the following number of vote units:
  - 4.3.1 Individual Company Member: 1 vote unit
  - 4.3.2 League Representative Company Member: 1 vote unit for each player registered to take part in the league competition of the Local League by which he is appointed.
  - 4.3.3 County Representative Company Member: 1 vote unit for each vote unit held by the League Representative Company Members appointed by Local Leagues affiliated to the County Association by which he is appointed.

**Note 5:** Questions

Anyone wishing to put a question requiring the provision of figures or other statistical data or information that is not generally available must ensure that the question is sent to the Jonathan Bruck, Head of Operations, to arrive not later than Monday 3<sup>rd</sup> July 2017