



An outline for a future EA and DOCA 24 June 2020

EA Directors

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The following discussion paper was developed by the four EA Directors in consultation with the Discipline Chairs.

While the preference for a Discipline based structure and operating model is agreed by all. Due to time constraints some of the operating approaches have yet to be fully aligned.

Consequently this paper is offered to inform ongoing discussion.

Options for future structural models

	Option 1: No change	Option 2: Cancel everything and create a "New EA"	Option 3: Minimalist change, State Based	Option 4: Discipline based combined administration	Option 5: State based combined administration	Option 6: Membership and sports based
Outline			Remains State based, though control of the National Board is ceded to the full membership, rather than the States.	Discipline based, with national administration.	As for Option 3 but all national administration.	All memberships direct with EA National. State coordinating committees and national discipline approach within one administration/company. State organisations can remain as separate entities if conducting OC activities.
Board			Three to four members voted by membership, three members by State and Disciplines Committees, two directly appointed (all overseen by Nominations Committee)			
Plus		Clean start.	States rights preserved. Board voting may be sufficient to allow SA funding to resume.	Disciplines are separate entities., effectively replacing State entities.	States rights preserved . Cost reduction. Board voting and operational efficiency may allow SA funding to resume.	All EA members treated equally, national membership funding only EA activity. EA membership costs reduce for same services. Utilise existing staff/infrastructure. SA funding to support transition and ongoing almost certain.
Minus	EA will almost certainly fold.	Loses everything we have, good and the bad.	Disparity between State membership conditions remain. Some members fund activities that are not EA based. Friction and lack of national alignment remains. Costly, funds diverted to multiple administrations.	Disparity between discipline and membership conditions remain. Friction and lack of national alignment remains. Costly, funds diverted to multiple administrations.	No evidence that it will succeed based on current MOU Disparity between State membership conditions remains Some members fund activities not EA based Friction and lack of national alignment remains	Maximum change and disruption.
Accreditation and funding	Lost accreditations.	Any "new organisation" will have to be accredited by EA, SA and the Olympic and Para Olympic committees. It may occur but not timely and likely to threaten Olympic campaign.	SA may accept that this will be more representative, though its operational success could be questioned. Funding may resume, and accreditations remain.	SA may accept that this will be more representative, though its operational success could be questioned. Funding may resume, and accreditations remain.	SA may accept that this will be more representative, stable and operationally successful – funding likely to resume, and accreditations likely to remain.	Almost certainly acceptable to SA as more representative, stable and likely to be operationally successful – funding will resume, and accreditations remain certain.
Comparison with other sports and countries			Most Australian sports	Similar to British Equestrian, John McMillan model	Golf Australia, Softball Australia	Sailing Australia



Which option?

Options 1 and 2 not viable

Option 3 minimum essential change

- Does not progress sport quickly, will require long journey to effect meaningful change

Option 4

- Replaces States with Disciplines but no significant advantage over Option 3

Option 5

- Requires willing cooperation and not been successful to date

Option 6

- A hybrid solution, the preferred option,
- Enshrine sufficient change in constitution to ensure EA moves forward quickly
- Use next 12 months to develop detailed structures and operating practices

Its about balance, not control...

Athletes, judges, officials, coaches, volunteers....

Clubs, organising committees and affiliates...



EA
National

The accredited
national organisation
for FEI, Olympic and
Para-Olympic Federations
and Sports Australia

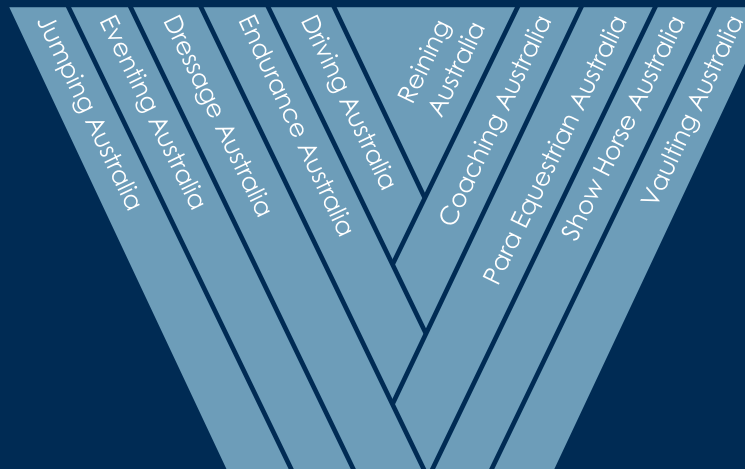
Some principles?

- Balanced
- Focussed on participants, clubs, events
- Driven by the needs of the sport disciplines
- A single legal, disciplinary and tribunal system
- More efficient—less duplication
- Local coordination and liaison within states and territories
- State and territory funding spend in contributing state and territory
- A direct voice for participating members
- EA established as independent, answerable to the membership

A sport-focussed structure

Athletes, judges, officials, coaches, volunteers....

Clubs, organising committees and affiliates...



Discipline role

- Organising and coordinating their discipline in the manner that best suits the Discipline
- Development of national competition framework
- Talented rider development
- Sports rules and standards

Individual development role

- Establishment of standards for athletes, coaches and officials
- Organising and coordinating accreditation of coaches and officials
- Quality assurance framework

State roles

- Coordination of state program of events and training calendar
- State government liaison
- State based sponsorship programs
- Coordination of discipline support for minor disciplines in that state/territory

EA
National

The accredited national organisation for FEI, Olympic and Para-Olympic Federations and Sports Australia

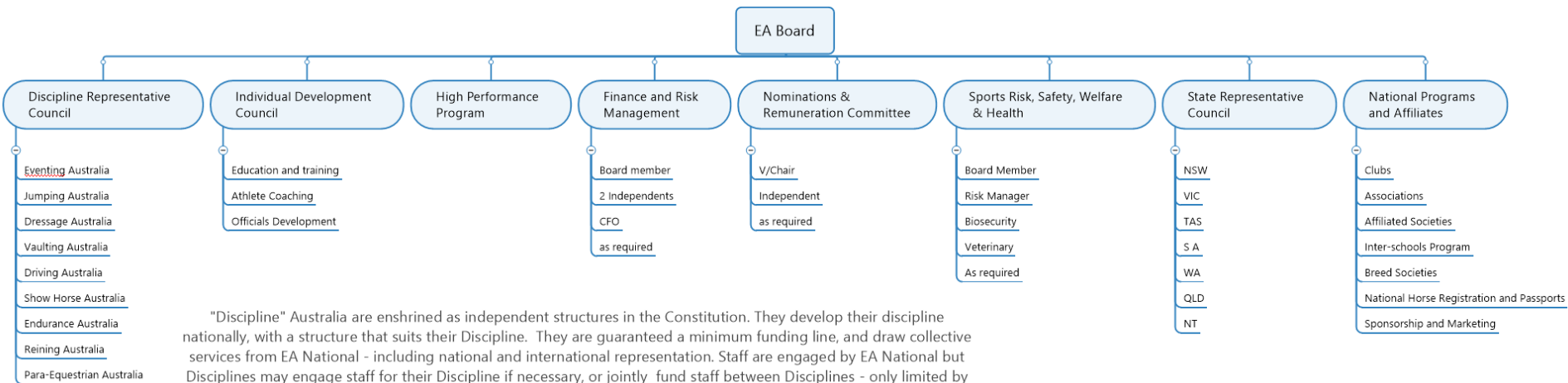
National organisation

- Secretary-General
- Members registration
- Horse registration
- Passports
- Administrative support to discipline, coach, state and committee delivery
- Management of bylaws and judicial frameworks
- Staffing for programs and Sports disciplines
- Marketing
- National federation liaison
- High performance and international competition support
- National risk and safety framework

Board role

- Enterprise and sport risk
- Compliance
- Operational performance
- Strategy
- Selection of the CEO/ Secretary-General

Board and committee structure: strawman



- Executive structure under CEO/Secretary-General to be designed by the CEO.
- State Committees cannot be organising committees or facilities managers. It is a conflict in the governance structure. If they currently hold that role, they become a club/associate or affiliate.
- Sports Development is essentially Coaching and Pathways program
- Current CEOs might become:
 - GM Discipline Programme Committees
 - GM Sports Development and Training
 - GM State Coordination, Inter-schools, Funding and Sponsorship
 - GM Clubs, Associations and Affiliates
- Business Operations Manager role remains



Board and Committee Structure – strawman commentary...

- Core to the success is the organisation's leadership—the Board and the committee structure.
- The 'strawman' model is more complex than it is today within EA, but simpler than it is across the eight participating organisations.
- The model addresses the essential governance elements of FARM, risk, nominations and remuneration.
- A sports discipline structure is included for national integration, as is a sports development structure focussed on coaching, education and training.
- A state committee is included to address state issues and coordinate State activity including the expenditure of state grants.
- A committee on national programs is included to address the needs of clubs and affiliates, and to drive and manage donors, funders and sponsors, including Sports Australia and to coordinate state obligations.
- A committee to oversee the risk, safety, health and welfare aspects of the sport
- The high-performance program is reinstated to support the high performance and international competition activities.
- We feel that an approach like this is likely to address the core Sports Australia concerns and allow our funding to be reinstated as quickly as possible, and a rapid move out of voluntary administration.



Board appointments

- **Key to future stability is the balance in the appointment of Board members**
- **Objective**
 - Full engagement of Members, States, Disciplines and Clubs and Associations.
 - No single group with overall influence, not so unwieldy as to be unmanageable.
 - Democratic, but equally representative of the sport
- **Suggested approach**
 - Three Board members voted on by the general membership
 - A Board member voted on by discipline committees
 - A Board Member voted on by state committees
 - A Board Member voted on by individual development committees and national programs committees
 - Three Board members appointed by the Board to supplement Board skills or capacity
 - All nominees must be put forward through a Nominations Committee



Board member selection

- To foster appropriate behaviours and good governance practices, selection of the Board will require a strong recruiting and nomination process.
- Board nominees and members must have complementary skills and professional Directors qualifications or comparative experience.
- Nominees must match the guidelines of governance and Board Membership promulgated by Sports Australia
- Nominees must also be able to demonstrate personal qualities appropriate to the leadership demands of a Sports Board including the capacity to contribute, the competence to participate in a modern Board, the ability to work collegiately and a high ethical and moral compass.
- Nominees must be vetted and referred by the Nominations Committee
- EA will rely on the guidelines of the Australian Institute of Company Directors to set the standards for behaviour and conduct.

Transition and DOCA



A suggested way ahead...

- An approach and structure such as this is likely to address the core Sports Australia concerns, as well as the membership concerns, allowing the funding to be reinstated as quickly as possible, and a rapid move out of voluntary administration.
- Given the timeframe it would be useful to focus quickly on the most viable approach, and consider the issues, the challenges, flesh it out in as much detail as possible so that implementation is speedy, effective and with the least ongoing dispute.
- Achieving this requires essential change to the Constitution, providing the foundations for change, and a rapid transition to a new governance and operating model



Appointing the EA Board

A quorum of four, a maximum of nine

- 3 members by popular vote
- 3 members by committees that form the Councils
- 3 members by the Board, if required to fill capacity and skills gaps
- A mix of individuals from within and without the sport
- Nominated by the Nominations Committee

One or two members of each group rotates each year

- A person may serve no more than three terms

A Chair and Vice Chair

- Balancing corporate knowledge and sports knowledge
- Both must have corporate governance credentials

Chair FARM

- Must have accounting qualifications

Appointing the Discipline and State councils

Three separate councils

- The Discipline Representative Council (DRC)
- The Individual Development Council (IDC)
- The State Representative Council's (SRC)

Each council:

- Chair – either EA Board Chair or Vice Chair
- Members are Chairs of the State, Discipline and Individual Development Committees
- One additional member of the Board or a nominee
- Interim arrangement for 12 months is the State Branch or Discipline Chairs (or Nominee), EA Chair or Vice Chair and a Board member
- Councils meet at least twice yearly

Membership nominates for both State and Discipline(s)

- Each Discipline has a Discipline fee set by the Discipline, and used by the Discipline
- Nominally \$30 (tbc) a Discipline for first 12 months (working number tbc)
- State committees have no funds other than what they raise from State grants, which must be expended on sporting activity through a Club, Association or Activity in that State

Discipline and State committees

- Minimum of four maximum of seven members
- Five by popular vote
- Two by nomination of the EA Board on advice from Board Committees and Councils
- Structure of 'Discipline Australia' to be determined by the Discipline
- All admin supported by EA National

DOCA and Constitutional Change

Minimum constitutional change by SGM within 6 weeks of DOCA

- Positions of Chair and vice Chair, and Chair of FARM
- Recognise the DRC, IDC and SRC and their membership
- Recognise all members as full members and remove State Branches
- Recognise clubs, branches and affiliates
- Clubs, branches and affiliates are not recognised as members and have no voting rights, care that individuals who represented in both Clubs and EA do not exhibit a conflict of interest
- Allow for electronic voting (not in current constitution)
- EA Strategic Forum, open to all members, every two years (coincides with an AGM which should be at a new date as Nov doesn't work)

Transitional Board for 12 months

- Current State Board members excluded as they lack focus on change and represent the past
- A Chair from outside the sport
- A maximum of 12 appointees including
 - Seven from current Board members and independents from outside the sport
 - One from each of DRC, IDC, SRC
 - One nominated by Sports Australia as major creditor
 - One nominated by other major creditors or administrators



DOCA and transition

State Branches recognised for maximum of 12 months

EA Membership fee is set at say ~80%(tbc) of current total NSW State Branch fee incl insurance (working number, savings based on synergies)

- All fees paid to EA and remitted to States where appropriate, effective immediately
- EA component of fees remain unchanged, Residual remitted to States for current membership period
- 25% (3 month) holiday period recognised for all members as already committed
- Those on calendar rather than financial year memberships will be managed pro rata—principle that all are treated equally
- Single fee structure nationally across sport in place for 2021/22 renewal

States

- Staff may transition to EA
- Without loss of entitlements if State transfer funding to match liabilities
- Other liabilities may transfer with transfer of funding or on negotiated outcome
- May continue to operate as separate associations and conduct their own business, as a club or affiliate of EA or not, or
- Wind up in accord with their constitutions if they choose

Transitional state and discipline council and committees

- Interim arrangement for 12 months is the State branch or Discipline Chairs (or nominee), EA Chair or Vice Chair and a Board member
- State branches and Discipline committees are recognised for 12 months

Sport Forum

- National and State Disciplines within 6 months of DOCA to detail operating model and detailed transition plan