

## Sports Governance Academy

### Understanding Directors' and Trustees' Duties in Sport

#### Session 2 – Case study

Please read through the scenario below. Written responses are not expected.

#### Mountain Jump UK faces a venue dilemma

- The National Governing Body (NGB) Mountain Jump UK (“MJUK”) governs the spectacular sport of mountain jumping nationwide
- MJUK is considering a bid to host the 2028 European Championships after the previous host dropped out at short notice; the international federation is in need of a new host urgently and has offered good terms but needs an expression of interest within a month
- An initial feasibility study looks positive and UK Sport may offer financial support
- MJUK has a good relationship with Highland County in Scotland, which has previously hosted mountain jump events in temporary venues in a spectacular setting
- MJUK has a long-standing dream to have a permanent venue, which would need to be in a mountain location; Highland County seems keen
- However, local residents and an environmental group have complained about traffic and damage to nature resulting from events
- MJUK has also hosted successful city centre mountain jump events in a temporary venue in the town of Midville, which has a lot of experience of putting on sports events; it's a viable option but leaves no legacy
- Due to the short timetable, MJUK is reluctant to consider trying to host in an untested location

**Question:** As members of the Board of Mountain Jump UK, what will be your general approach to choosing a host for the potential bid? Or will you decide not to bid?

#### **Reminder – Companies Act 2006, section 172:**

*Duty to promote the success of the company*

*A director of a company must act... to promote the success of the company... and in doing so have regard... to -*

- (a) the likely consequences of any decision in the long term,*
- (b) the interests of the company's employees,*
- (c) the need to foster the company's business relationships with suppliers, customers and others,*
- (d) the impact of the company's operations on the community and the environment,*
- (e) the desirability of the company maintaining a reputation for high standards of business conduct, and*
- (f) the need to act fairly as between members of the company.*