



8 February 2010

Mr David Bellenger
Chairman
Sport & Club Development Council (Victoria)

Dear David

ESTABLISHMENT OF TASK FORCE

I refer to the above matter and the further deliberations of the Board on 5 February 2010, which included consideration of the revised Terms of Reference, membership and the independent chair proposals submitted by you on behalf of the Sport & Club Development Council (Vic). As a consequence of this consideration the Board have instructed me to convene the Task Force, as a priority, under the original Terms of Reference.

However, in considering your proposals it is important to inform you the Board noted the following:

- The Board agree that submissions to the Task Force should not be restricted only to the members of the Task Force and any interested party should be able to make submissions to the Task Force. This has always been the intent of both the Board and myself and is catered for in the original terms of reference. Whilst it is impractical to have all members who raise an issue to be permanent members of the Task Force, it is fully recognised that input into the Task Force should not be restricted only to the members of the Task Force;
- The Board do not believe that the resolution of the issues presented at the Extraordinary Meeting of the Council, or subsequent submissions to the Task Force, would be expedited by the establishment of a judicial type tribunal as proposed by you. In actual fact the Task Force's core role is to identify the issues and develop actions plans to have them resolved in a collaborative manner. It is not and never has been intended that the Task Force would make judicial type findings on these *operationally based* issues;
- Whilst respecting the potential need for some form of independent facilitation during the operation of the Task Force, the Board do not accept that an independent chair needs to be appointed. The Board also believe that given the majority of the issues are operational in nature that the CEO is the most appropriate person to chair this process. Further, the Board do not accept that any of the *independent* chairs proposed by you are actually *independent*, quite the contrary;

- The media release distributed by you (dated 3 February 2010) is not conducive of a commitment to resolve these issues, nor is it consistent with our previous discussions regarding the establishment of *joint communiqués* in order to eliminate the potential confusion of the membership through a *he said, she said* type communications strategy. The Board also seeks to remind you of the general custom and practice and policy position that the only persons within the organisation authorised to distribute media releases are the President and CEO, or their appointed delegates. As the Sport & Club Development Council is a constitutional body of CAMS, the operations of such also fall within this purview and your role of Chairman does not have any authority in this regard;
- The need to convene the Task Force as a priority and commence the dialogue on the issues and their resolution rather than spending any more time disputing the mechanics on how this will operate;
- The need for the CEO to report to the Board as a priority on the operations of the Task Force and for the Board to continue to concentrate on the broader strategic issues of the organisation.

Having regard for the above, I am writing to you to outline how I intend to implement the Board's decision in this regard.

Firstly, whilst the Board has appointed me to convene the Task Force, I fully appreciate the thoughts of the Council in this regard and the need for the outcome to be transparent and credible. Accordingly, throughout the operation of the Task Force I will continually consult with the Task Force members on the potential need for certain issues to be the subject of independent facilitation and where this is considered necessary by me as a consequence of this consultation, I will engage the services of an appropriate independent person to fulfil this role. I currently do not have anybody in mind but will seek to source this person to be on stand-by as soon as practicable.

Consistent with our previous discussions regarding the need for the staff appointed to Victoria to be apprised of the workings of the Task Force, I accept that you as the Council Chair should also be considered in the same manner. Accordingly, I invite you to attend all meetings of the Task Force as an observer (the same status that would apply to the staff).

I also intend to immediately call for submissions to the Task Force, in order for these issues to be consolidated with the issues raised at the Extraordinary Meeting of the Council as soon as possible. I accept that it may also be appropriate for some persons who make submissions to attend a meeting of the Task Force in person to expand on/explain their submission, and this opportunity will be afforded to these persons as considered necessary.

To expedite the first meeting of the Task Force, I am in the process of notifying the Task Force members of the first meeting, which will be held early during the week of 15 February 2010. Should members decline to participate in the Task Force then I will consult with the remaining members of the Task Force and then issue an invitation to a replacement member with the requisite skills for the subject matter that the original member was selected to represent. Whilst ideally the replacements would come from Victoria, if this is not possible for whatever reason, then the replacement may be selected from another State or alternatively the position may remain vacant.

I trust the above provides you with both the position of the Board and also the manner in which I intend to execute the decision of the Board. I believe my proposed approach will expedite the establishment of the Task Force and also go some way to alleviate some of the concerns raised by the Council. I also hope that this will receive your support and we can work towards what I understand is our joint objective of resolving the issues of concern, making CAMS a better place and most importantly ensuring motor sport within Australia has a viable and sustainable future.

Should you have any queries regarding this matter please do not hesitate to contact me. I would be pleased to meet you and personally discuss these issues further if required.

Yours sincerely

Graham Fountain
Chief Executive Officer

Copy: CAMS Board
Senior Management Team
Regional Managers
Sport & Club Development Council Chairs
Task Force Members