

# A Code for Sports Governance

## **Emma Farlow, UK Sport**



#### **Introduction to UK Sport**

- UK Sport is the United Kingdom's elite sport agency.
- Established by Royal Charter, we're an arms-length governing body of the Department of Culture, Media and Sport.
- We strategically invest National Lottery and Exchequer income into Olympic and Paralympic sport.

Total funding for Tokyo 2021 Olympic and Paralympic Games:

£341,389,115

Total funding for Beijing 2022 Winter Olympic and Paralympic Games:

£23,800,000



## **Governments Strategy: Sporting Future**

"UK Sport and Sport England will, along with the other Home Nations' Sports Councils, agree a new UK Sports Governance Code by September 2016, the equivalent of the Financial Reporting Council's UK Corporate Governance Code. This new UK Sports Governance Code will be mandatory for all sports bodies seeking public funding in the next funding period. Organisations that do not meet the code will not be eligible for public funding."



## **Three Tiers**

• Tier 3 top level of mandatory governance requirements

• **Tier 1** - minimum level of mandatory governance requirements

• Tier 2 - all Tier 1, bespoke from Tier 3

## Principle 1 - Structure

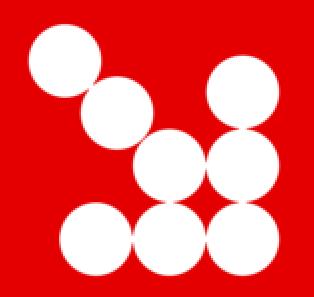
Organisations shall have a clear and appropriate governance structure, led by a Board which is collectively responsible for the long-term success of the organisation and exclusively vested with the power to lead it. The Board shall be properly constituted, and shall operate effectively.

## Principle 2 - People

Organisations shall recruit and engage people with appropriate diversity, independence, skills, experience and knowledge to take effective decisions that further the organisation's goals.

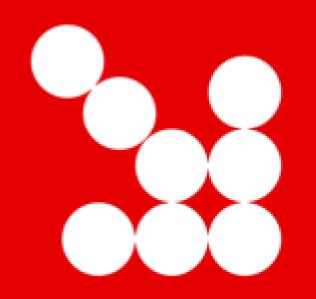
## **Principle 3 - Communication**

Organisations shall be transparent and accountable, engaging effectively with stakeholders and nurturing internal democracy.



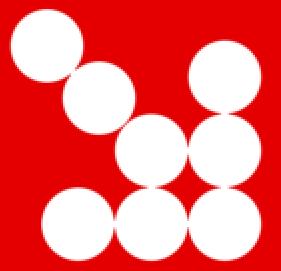
#### Principle 4 – Standards and Conduct

Organisations shall uphold high standards of integrity, and engage in regular and effective evaluation to drive continuous improvement.



#### Principle 5 – Policies and Procedures

Organisations shall comply with all applicable **laws and regulations** and to take responsible financial **strategic planning**, and have appropriate controls and **risk** management procedures.





#### Implementation

The Process:

- Scheduled Initial Phone Calls and Meetings
- Desktop Assessments
- Meetings
- Finalised Assessments
- Moderation of Assessments and Actions
- Bespoke Governance Action Plans



## Support

- Dedicated Governance Manager
- Technical support
- Legal support
- Professional advice



#### **Achieving Compliance**

# We did it!!



## **Maintaining Compliance**

- Compliance with the Code is a mandatory requirement of UK Sport and Sport England's funding agreements and therefore sports must implement all of the actions set out in their Governance Action Plan in full by the dates set.
- Non-compliance will be treated as a breach of these agreements and could lead to a withdrawal of funding.

'Right of Remedy'



#### **Results of Compliance**

- Boards are being given mandate to become the ultimate decision-making bodies in the sports
- Boards are becoming better equipped take the sort of complex decisions that modern sport demands:
  - greater transparency measures are being introduced; and
  - diversity is getting on the agenda at the top table.

This new Governance Code, and NGBs' compliance with it, sends a strong message that the sector is willing to take its responsibilities seriously.