

## **Board Terms of Reference – United Kingdom Sport Council (“UK Sport”)**

### **1. Introduction**

- 1.1.** The UK Sport Board (“**Board**”) is appointed by the Secretary of State for Digital, Culture, Media and Sport (“**Secretary of State**”) and shall comprise of appointed individuals (“**Board Members**”).
- 1.2.** These Terms of Reference should be read in conjunction with the UK Sport Royal Charter, the Management Agreement, the National Lottery Directions or Framework Document and the Code for Sports Governance. In the event of conflict between these documents, the Terms of Reference shall not prevail.

### **2. Membership**

- 2.1.** The Board shall consist of the Chair and not more than eleven Board Members<sup>1</sup>.
- 2.2.** Board Members shall comprise of one Board Member from each Home Country Sports Council, with the remaining seven Board Members being independent.
- 2.3.** One independent Board Member shall be appointed as a Senior Independent Director. This appointment shall be made by a decision of the Board.
- 2.4.** The Chair and the Board Members shall be appointed by the Secretary of State in accordance with the Governance Code of Public Appointments.
- 2.5.** Board Members shall be subject to the following terms of appointment:
  - 2.5.1.** The Chair shall be appointed for a term not exceeding five years; and
  - 2.5.2.** Board Members shall be appointed for a term not exceeding four years.
- 2.6.** The Chair and Board Members shall be eligible for reappointment by consideration of the Secretary of State on ceasing their term and may serve on the Board for a maximum of two terms.

### **3. Responsibilities**

- 3.1.** The Chair shall be responsible for:
  - 3.1.1.** ensuring that the Board takes proper account of guidance provided by the Secretary of State or Department of Culture, Media and Sport;
  - 3.1.2.** promoting the efficient and effective use of staff and resources; and
  - 3.1.3.** promoting high standards of regularity and propriety and representing the views of the Board to the general public; and
  - 3.1.4.** line management of the Chief Executive.
- 3.2.** The Board takes overall responsibility for UK Sport and its performance. In particular, the Board shall:
  - 3.2.1.** set and agree the strategy of UK Sport, aligned with the strategic direction set out in the Royal Charter and any policy and / or resource frameworks as determined by the Secretary of State;
  - 3.2.2.** keep the Secretary of State informed of any changes which may impact the strategic direction of UK Sport or the meeting of agreed targets;
  - 3.2.3.** ensure that the Board operates within any limits of its authority as set out in statute, regulation and as directed by the Secretary of State;

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<sup>1</sup> In accordance with Article 6 (1) of the Royal Charter the Secretary of State has determined the UK Sport may consist of up to twelve Board Members.

- 3.2.4.** ensure that statutory and administrative requirements for the use of public funds are complied with;
  - 3.2.5.** ensure that effective arrangements are in place to provide assurances on risk management, performance management, governance, organisational culture and internal controls;
  - 3.2.6.** maintain a matrix detailing the skills, experience, independence, knowledge and diversity required across all Board Members;
  - 3.2.7.** monitor and address financial and other risks. This shall include receiving regular financial information concerning the management of UK Sport and ensure any concerns are acted upon;
  - 3.2.8.** establish committees in accordance with these Terms of Reference;
  - 3.2.9.** establish and maintain a stakeholder engagement strategy; and
  - 3.2.10.** ensure annual accounts and report include statement on responsibility for annual accounts and comply with standards and codes of practice on corporate governance.
- 3.3.** In carrying out their responsibilities the Board shall:
- 3.3.1.** seek to promote diversity and inclusion.
  - 3.3.2.** shall ensure its responsibilities towards the welfare and safety of its members and people are factored into the decisions it makes; and
  - 3.3.3.** ensure it factors impact on stakeholders, wider society and the environment into the decisions it makes, and the actions implemented by the organisation.

#### **4. Reserved Decisions**

- 4.1.** The following matters shall be reserved to the Board:
- 4.1.1.** Approval of UK Sport's vision, mission and objectives.
  - 4.1.2.** Approval of the long term business plan, financial plan, key performance indicators (KPIs) proposed to DCMS.
  - 4.1.3.** Approval of the annual reports, accounts and budgets.
  - 4.1.4.** Approval of the risk appetite for the organisation.
  - 4.1.5.** Approvals of financial decisions and investments, in accordance with the agreed scheme of delegation (as set out at Annex One).
  - 4.1.6.** Decisions to approve, disband and agree members of any committees or panels to the Board, and their terms of reference.
  - 4.1.7.** Decisions relating to the creation and dissolution of a subsidiary body, including the appointment of any Chair and the high-level strategies, budgets.
  - 4.1.8.** Appointment and removal of the Chief Executive.
  - 4.1.9.** Arrangements for reviewing the Board's performance.

#### **5. Meetings**

- 5.1.** The Board shall meet a minimum of four times per year and will maintain a proper record of all meetings and decisions.
- 5.2.** A copy of all Board meeting minutes, redacted as appropriate, will be made available on the UK Sport website.
- 5.3.** Board meetings may be conferred by technological means where Board Members are able to simultaneously hear each other and / or participate in discussions.
- 5.4.** The Chair of the UK Sports Institute and an appointed officer of the Secretary of State shall be entitled to attend, but not vote, at Board meetings.

## **6. Quorum**

### **6.1.** Quorum for Board meetings shall be:

- 6.1.1.** four Board Members, where at least two of those Board Members are from the Home Country Sports Councils; or
- 6.1.2.** in the event where the above is not possible, six Board Members shall be considered as a quorum.

## **7. Decision making and voting**

- 7.1.** Decisions of the Board shall be made by resolution and any such decision shall be recorded in the minutes.
- 7.2.** In the event that a consensus cannot be agreed, a simple majority vote shall take place where each Board Member shall have one vote. In the event of a tied vote, the Chair's vote shall count double.

## **8. Confidentiality, Conduct and Conflicts of Interest**

- 8.1.** Board Members and attendees of Board meetings should not disclose the detailed substance of the Board pack or discussions without the prior written consent of the Chair or Chief Executive.
- 8.2.** In the performance of their role, Board Members shall at all times conduct themselves in accordance with the Code of Conduct for Board Members of Public Bodies (as set out at Annex Two).
- 8.3.** Board Members shall declare any direct or indirect interests that they hold at the commencement of Board meetings. Board Members may be required to leave a Board meeting where areas of discussion and decision are conflicted with these interests.

## **9. Board Committees**

### **9.1.** The following are committees of the Board:

- 9.1.1.** Group Audit and Risk Committee
- 9.1.2.** Remuneration and Nominations Committee
- 9.1.3.** Major Events Panel
- 9.1.4.** Eligibility Panel

The Board may approve the creation of additional committees as appropriate.

### **9.2** The following are Advisory Panels whose terms of reference have been approved by the Board

- 9.2.1** Performance Advisory Panel

## **10. Regular Review**

### **10.1.** The following items (but not limited to) shall be subject to regular review:

<b>Review Annually</b>	<b>Reviewed Quadrennial</b>
Board Terms of Reference	External review of Board effectiveness
Internal review of Board effectiveness	Evaluation of Board committees
Chair and NED performance	
Executive team performance	
Board skill matrix	
Annual report, accounts and governance statement	
Progress against strategy	
Declarations of conflicts of interest	
Staff survey	
Diversity Inclusion Action Plan	
Stakeholder engagement strategy	
Effectiveness of risk management and internal controls	

## Annex One - Delegated Authorities 2021-25

Delegated Authorities	Board	CEO	Director of Business Services	Director	Head of Team	Officers with Expenses Sign off Authority
		£000	£000	£000	£000	£000
<b>Grant Expenditure</b>						
<b>Investment strategies and financial plan</b>	Board approval	Nil	Nil	Nil	Nil	Nil
<b>Performance Grants (within Board agreed investment strategy and budgets allocated for this purpose)</b>	N/A	Unlimited	Nil	250 (DoP only)	Nil	Nil
<b>Major Events Grants</b>	>£500k	500	Nil	200 (DoSE only)	50 (HoME)	Nil
<b>Other Grants (eg IR)</b>	>£100k	100	Nil	50	Nil	Nil
<b>New Grant Streams (until Strategy agreed with Board)</b>	Board approval of new streams/ strategies	Nil	Nil	Nil	Nil	Nil
<b>Signing Grant Agreements (once award approved)</b>	N/A	Unlimited	500	500	250	Nil
<b>Non Grant Expenditure and Income</b>						
<b>New Projects/Programmes (within departments' existing budget)</b>	>£500k	500	150	150	Nil	Nil
<b>Use of Unallocated Funds</b>	>£500k	500	Nil	Nil	Nil	Nil
<b>Use of Contingency Funds</b>	>£500k	500	150	Nil	Nil	Nil

Delegated Authorities	Board	CEO £000	Director of Business Services £000	Director £000	Head of Team £000	Officers with Expenses Sign off Authority £000
Reallocation of budgets from original purpose (budget virement)	>£500k	500	150	150	Nil	Nil
Procurement	>£500k	500	150	150	100	Nil
Entering into new partnership arrangements (for eg income or VIK)	N/A	Unlimited	Nil	Unlimited (DoSE only)	Nil	Nil
<b>Expenditure subject to additional Controls</b>						
Any expenditure which is unusual in nature, potentially novel or contentious	Board approval will be sought at the discretion of CEO/Director of Business Services	Delegated to make decision as to whether DCMS/HMT approval needed	Delegated to make decision as to whether DCMS/HMT approval needed	Nil	Nil	Nil
Any expenditure on Comms, marketing or advertising (including print and publications)	N/A	Per allocations agreed by DCMS	Per allocations agreed by DCMS	Per allocations agreed by DCMS (DoEEA only)	Nil	Nil
Contingent (Temporary) Labour	N/A	Per allocations agreed by DCMS	Per allocations agreed by DCMS	Per allocations agreed by DCMS (PeoDir only)	£750/day, up to 6 months (HoHR/HoF&R only)	Nil
Expenses Approval	N/A	Unlimited	5	5	5	5
Any Information Technology expenditure	>£500k	Nil	All IT expenditure routed through IT Steering Group	Nil	Nil	Nil
Internal Staff Resource (diverted from core role responsibilities)	Nil	Any	Any within own Department	Any within own Department	Any within own Team	Nil

Note: DoP =Director of Performance; DoSE= Director of System and Events; DoEEA =Director of Engagement and External Affairs; HoME = Head of Major Events; HoHR= Head of Human Resources; HoF&R = Head of Finance and Risk, PeoDir = People Director

## Annex 2 – Code of Conduct for Board Members of Public Bodies

### 1. Introduction

- 1.1. As a public office-holder, your behaviour and actions must be governed by the principles set out in this Code of Conduct. It is your responsibility to ensure that you are familiar with, and comply with, all the relevant provisions of the Code.

### 2. Key Principles of Public Life

- 2.1. The key principles upon which this Code of Conduct is based are the Seven Principle of Public Life<sup>2</sup>. These are:

***Selflessness***

*You should take decisions solely in terms of the public interest. You should not do so in order to gain financial or other material benefits for yourself, your family or your friends.*

***Integrity***

*You should not place yourself under any financial or other obligation to outside individuals or organisations that might, or might be perceived to, influence you in the performance of your official duties.*

***Objectivity***

*In carrying out public business, including awarding contracts and recommending individuals for rewards and benefits, you should make choices on merit.*

***Accountability***

*You are accountable for your decisions and actions to the public and must submit yourself to whatever scrutiny is appropriate for your office.*

***Openness***

*You should be as open as possible about the decisions and actions that you take. You should give reasons for your decisions and restrict information only when the wider public interest clearly demands.*

***Honesty***

*You have a duty to declare any private interests relating to your public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.*

***Leadership***

*You should promote and support these principles by leadership and example.*

- 2.2. These principles should inform your actions and decisions as a board member.

### 3. General Conduct

#### **Use of Public Funds**

- 3.1. You have a duty to ensure the safeguarding of public funds<sup>3</sup> and the proper custody of assets which have been publicly funded.
- 3.2. You must carry out your fiduciary obligations responsibly – that is, take appropriate measures to ensure that the body uses resources efficiently, economically and effectively, avoiding waste and extravagance. It will always be an improper use of public funds for public bodies to employ consultants or other companies to lobby Parliament, Government or political parties.

#### **Allowances**

- 3.3. You must comply with the rules set by the board and the public body regarding remuneration, allowances and expenses. It is your responsibility to ensure compliance with all relevant HM Revenue and Customs' requirements concerning payments, including expenses.

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<sup>2</sup> *Standards in Public Life: First Report of the Committee on Standards in Public Life*. Volume 1: Report. CM 2850-I.

<sup>3</sup> This should be taken to include all forms of receipts from fees, charges and other sources.

## **Gifts and Hospitality**

- 3.4. You must not accept any gifts or hospitality which might, or might reasonably appear to, compromise your personal judgement or integrity or place you under an improper obligation.
- 3.5. You must never canvass or seek gifts or hospitality.
- 3.6. You must comply with the rules set by the body on the acceptance of gifts and hospitality. You should inform the Chief Executive (or equivalent) of any offer of gifts or hospitality and ensure that, where a gift or hospitality is accepted, this is recorded in a public register in line with the rules set by the body.
- 3.7. You are responsible for your decisions on the acceptance of gifts or hospitality and for ensuring that any gifts or hospitality accepted can stand up to public scrutiny and do not bring the public body into disrepute.

## **Use of Official Resources**

- 3.8. You must not misuse official resources<sup>4</sup> for personal gain or for political purposes. Use of such resources must be in line with the body's rules on their usage.

## **Use of Official Information**

- 3.9. You must not misuse information gained in the course of your public service for personal gain or for political purpose.<sup>5</sup>
- 3.10. You must not disclose any information which is confidential in nature or which is provided in confidence without authority. This duty continues to apply after you have left the board.

## **Political Activity<sup>6</sup>**

- 3.11. In your public role, you should be, and be seen to be, politically impartial. You should not occupy a paid party political post or hold a particularly sensitive or high-profile role in a political party. You should abstain from all controversial political activity and comply with Cabinet Office rules on attendance at Party Conferences.<sup>7</sup>
- 3.12. On matters directly related to the work of the body, you should not make political statements or engage in any other political activity.
- 3.13. In your official capacity, you should be even-handed in all dealings with political parties.
- 3.14. Subject to the above, you may engage in political activity but should, at all times, remain conscious of your responsibilities as a board member and exercise proper discretion. You should inform the Chair and/or the parent Department before undertaking any significant political activity.

## **Employment and Appointments**

- 3.15. If you wish to take up new employment or appointments during your term of office, you must inform the Chair and/or the relevant parent Department.
- 3.16. On leaving office, you must comply with the rules of the body on the acceptance of future employment or appointments.

## **4. Members' Interests**

- 4.1. You must ensure that no conflict arises, or could reasonably be perceived to arise, between your public duties and your private interests – financial or otherwise.
- 4.2. You must comply with the rules of the body on handling conflicts of interests. As a minimum, these will require you to declare publicly any private interests which may, or may be perceived to, conflict with

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<sup>4</sup> This includes facilities, equipment, stationery, telephony and other services.

<sup>5</sup> Board members who misuse information gained by virtue of their position may be liable for breach of confidence under common law or may commit a criminal offence under insider dealing legislation

<sup>6</sup> If you are an MP, Member of the House of Lords, Member of a Devolved Administration or Local Councillor, you are exempt from these requirements - although you should still exercise proper discretion on matters directly related to the work of the body and recognise that certain political activities may be incompatible with your role as a board member.

<sup>7</sup> [www.cabinetoffice.gov.uk/content/public-bodies-and-appointments](http://www.cabinetoffice.gov.uk/content/public-bodies-and-appointments)

your public duties<sup>8</sup>. The rules will also require you to remove yourself from the discussion or determination of matters in which you have a financial interest. In matters in which you have a non-financial interest, you should not participate in the discussion or determination of a matter where the interest might suggest a danger of bias.<sup>9</sup>

- 4.3. It is your responsibility to ensure that you are familiar with the body's rules on handling conflicts of interests, that you comply with these rules and that your entry in the body's register of members' interests is accurate and up-to-date.

## **5. Responsibilities as a Board Member**

- 5.1. You should play a full and active role in the work of the body. You should fulfil your duties and responsibilities responsibly and, at all times, act in good faith and in the best interests of the body.
- 5.2. You should deal with the public and their affairs fairly, efficiently, promptly, effectively and sensitively, to the best of your ability. You must not act in a way that unjustifiably favours or discriminates against particular individuals or interests.
- 5.3. You must comply with any statutory or administrative requirements relating to your post<sup>10</sup>.
- 5.4. You should respect the principle of collective decision-making and corporate responsibility. This means that, once the board has made a decision, you should support that decision.
- 5.5. You must not use, or attempt to use, the opportunity of public service to promote your personal interests or those of any connected person, firm, business or other organisation.

## **6. Responsibilities towards Employees**

- 6.1. You will treat any staff employed by the body with courtesy and respect. It is expected that employees will show you the same consideration in return.
- 6.2. You will not ask or encourage employees to act in any way which would conflict with their own Code of Conduct.

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<sup>8</sup> In general, all financial interests should be declared. When considering what non-financial interests should be declared, you should ask yourself whether a member of the public, acting reasonably, would consider that the interest in question might influence your words, actions or decisions.

<sup>9</sup> These are common law provisions.