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## Terms of Reference/Schedule of Reserved Decisions – UK Sport Board

### Role

The Board of UK Sport (the “Board”) is responsible for:

- establishing and taking forward the strategic aims and objectives of UK Sport consistent with its overall strategic direction<sup>1</sup> and within the policy and resources framework determined by the Secretary of State (DCMS).
- ensuring that the responsible Minister (DCMS) is kept informed of any changes which are likely to impact on the strategic direction of UK Sport or on the attainability of its targets, and determining steps to deal with such changes.
- ensuring that any statutory or administrative requirements for the use of public funds are complied with; that the Board operates within the limits of its statutory authority and any delegated authority agreed with DCMS, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the Board takes into account guidance issued by DCMS.
- ensuring it receives and reviews regular financial information concerning the management of UK Sport; is informed in a timely manner about any concerns about the activities of the UK Sport; and provides positive assurance to DCMS that appropriate action has been taken on such concerns.
- demonstrating high standards of corporate governance at all times, including the use of an independent Audit Committee to help the Board to address key financial and other risks, and by<sup>2</sup>:
  - publishing Board Member and Committee/Panel Members names and declaration of interests
  - ensuring the Annual Report and Accounts include statements on responsibility for annual accounts, compliance with standards and codes of corporate governance and effectiveness of internal controls
  - reviewing annually the Corporate Risk Register
  - maintaining oversight of key policies such as Equality and Diversity, Health & Safety, Information Security, Anti-Fraud Anti-Bribery and Anti-Corruption
  - engaging with stakeholders through, where appropriate, consultation
  - having a complaints policy
- appointing/removing a Chief Executive and, in consultation with DCMS, setting performance objectives and remuneration terms linked to these objectives for the Chief Executive which give due weight to the proper management and use and utilization of public resources

In addition to these, the Chair of the Board has a personal “leadership responsibility” for:

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<sup>1</sup> as defined by the Royal Charter (1996)

<sup>2</sup> see also the Cabinet Office’s guidance - Principles of Good Corporate Governance for Executive NDPBs

- ensuring that the Board, in reaching decisions, takes proper account of guidance provided by the responsible minister or DCMS
- promoting the efficient and effective use of staff and other resources
- delivering high standards of regularity and propriety; and representing the views of the Board to the general public
- the line management of the Chief Executive

### **Schedule of reserved decisions**

The following matters are reserved specifically for the Board of UK Sport:

- approval of the Mission, Vision and Objectives
- approval of both the 4-year rolling Business Plan and associated Financial Plan, including agreement of Key Performance Indicators (KPIs) for the life of the Business Plan
- approval of the annual budgets and associated operational plan for UK Sport
- approval of the Annual Report and Accounts
- all financial approvals consistent with the agreed Scheme of Delegation (appended as Annex One)
- appointment/removal of the Chief Executive
- any decision to establish (or disband) committees/panels to the Board (for whatever duration), their associated Terms of Reference and membership<sup>3</sup>
- the risk appetite for the organisation (as part of the annual review of strategic risk for the organisation)
- approval of the scheme of delegation for the sign-off of policies within UK Sport (including the specific approval of any policies that the Board wish to reserve authority for, within that scheme)
- the appointment of the Chair of the English Institute of Sport
- the over-arching strategies and budgets for any subsidiaries to UK Sport (including the English Institute of Sport)
- arrangements for reviewing the Board's own performance

### **Composition & Terms of Appointment**

The Board shall consist of a Chair and not more than nine other members<sup>4</sup>. The Chair and Board members are appointed by the Secretary of State in compliance with the Code of Practice of the Commissioner for Public Appointments. The Chair will be appointed for a term not exceeding five years, Board members will be appointed for a term not exceeding three years. Membership comprises one nomination from each of the four Home Countries, with the remaining (up to five) members being independently appointed.<sup>5</sup>

### **Operation**

Quorum for the Board is four members, provided that at least two of those members are drawn from those nominated from the Home Countries, OR, where this is not possible, a Board of six members will be considered quorate.

Should a vote be required to make a particular decision, a simple majority will apply. In the event of a tied vote then the Chair's vote shall count double.

The Board will meet a minimum of four times per year (or more often if required).

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<sup>3</sup> Royal Charter Article 10

<sup>4</sup> or other such maximum as determined by the Secretary of State. See Royal Charter Article 6.

<sup>5</sup> the specific process for the appointment/removal of members is contained within the Royal Charter Articles 6 and 7

The Secretary of State may appoint any officer to attend (but not vote) at the UK Sport Board or any of its committees/panels.<sup>6</sup>

The Chair of the English Institute of Sport may attend (but not vote) at the UK Sport Board.

### **Conduct, Conflict and Confidentiality**

Board members are required to follow the Code of Conduct for Board Members of Public Bodies (see Annex Two).

### **Status**

Nothing in these terms of reference shall be read, interpreted or construed as seeking to modify, amend or supersede the Royal Charter, Framework Document or the National Lottery Directions. If there is any conflict between these terms of reference and the Royal Charter, Framework Document or the National Lottery Directions then the terms of the Royal Charter, Framework Document or the National Lottery Directions shall prevail.

**7 May 2014**

**UK Sport**

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<sup>6</sup> Royal Charter Article 12

## Annex One

### Summary of delegated authority for procurement (including contract signature) and grant investment decisions

Table 1 summarises the delegated authority for all decision making other than sensitive payments.

<b>Table 1 Delegated authorities for procurement and grant investment</b>					
	<b>Procurement</b>	<b>Grant investment</b>			
		<b>Performance</b>	<b>Major Events</b>	<b>International Relations and Development</b>	<b>Other Teams</b>
Board approval	> £0.5m	Agree investment strategy			
		4 year investments in line with investment strategy	All grants above £250k. These will normally have been reviewed by the Major Events Panel.	All grants above £100k	All grants above £100k
CEO	Up to £500k	Unlimited for awards within strategy and budget	Up to £250k for awards within strategy and budget and subject to Major Events Panel approval.	Up to £100k	Up to £100k
Director	Up to £150k	Up to £250k for awards within strategy and budget	Up to £100k within strategy and budget	Up to £50k	Up to £50k
Heads of Teams	Up to £100k	N/A	N/A	N/A	N/A
Officers with expenses sign off	up to £25k	N/A	N/A	N/A	N/A

authority					
All Staff	Up to £500	N/A	N/A	N/A	N/A

Responsibility for confirmation that the goods/services have been received, or that a invoice can be paid (in the case of procurement) lies with the member of staff who creates a Goods Received Note against the purchase order.

## **Annex Two**

### **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>7</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>8</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

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<sup>7</sup> *Standards in Public Life: First Report of the Committee on Standards in Public Life*. Volume 1: Report. CM 2850-I.

<sup>8</sup> This should be taken to include all forms of receipts from fees, charges and other sources.

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.

### **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>9</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>10</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>11</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>12</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.

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<sup>9</sup> This includes facilities, equipment, stationery, telephony and other services.

<sup>10</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>11</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>12</sup> [www.cabinetoffice.gov.uk/content/public-bodies-and-appointments](http://www.cabinetoffice.gov.uk/content/public-bodies-and-appointments)

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 your public duties<sup>13</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>14</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>15</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.

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<sup>13</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>14</sup> These are common law provisions.

<sup>15</sup> In the case of a body incorporated under the Companies Act or the Companies (Northern Ireland) Order, you will also be subject to the duties of directors under company law. In the case of a body that has charitable status, you will also be subject to the duties of trustees under charities law.

6.2 You will not ask or encourage employees to act in any way which would conflict with their own Code of Conduct.