ANNUAL SURVEY 2018/19

DIVERSITY IN SPORT GOVERNANCE
<table>
<thead>
<tr>
<th>CONTENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>KEY FINDINGS</strong> 04</td>
</tr>
<tr>
<td><strong>METHODOLOGY</strong> 05</td>
</tr>
<tr>
<td><strong>SPORT BOARDS ANALYSIS</strong> 06</td>
</tr>
<tr>
<td><strong>SPOTLIGHT:</strong> DIVERSITY ON SPORT BOARDS 09</td>
</tr>
<tr>
<td><strong>CONCLUSION</strong> 10</td>
</tr>
<tr>
<td><strong>BIBLIOGRAPHY</strong> 11</td>
</tr>
</tbody>
</table>
The findings of this report lay bare one of the most important challenges we face in the sport sector; that of diversifying our sports boards. The data in this report does not lie and we welcome its publication whilst recognising the role we must all play to change it.

Why should this matter? It matters because more diverse boards make better decisions. Reports by McKinsey (2015), Harvard Business School (2016) and Credit Suisse (2017) show that companies in the top quartile for ethnic and racial diversity are 35% more likely to have financial returns above their industry mean. Companies in the top quartile for gender diversity are 15% more profitable and those that have at least one woman on board yield higher returns on equity and higher net income growth than those who do not have any female board members. Working with people who are different provides more challenge for decision making, broadens opinions, improves performance and helps create empathy with a greater diversity of customers.

My determination to address sport’s diversity problem is absolute. The Code for Sports Governance is one of the tools that we can use and has already started to make a difference but we will continue to review its effectiveness. It is a living, breathing document. If change doesn’t happen at the speed or scale needed, we’ll consider rolling out specific equality targets that are embedded in the way we fund partners in much the same way that we have for gender diversity. We also need to consider what other measures can be used to improve the situation such as our work in developing a list of board ready candidates from diverse backgrounds.

There is no shortage of goodwill. Every time I meet leaders from across the sector, awareness of the Code is high. But equality is only achieved when people in Boards and beyond understand, embrace and champion diversity.

Sport has the ability to engage everyone, whatever their background, ability, ethnicity and age, whether as participants, volunteers, coaches and officials. The time has now come for it to rise to the challenge of diversifying its sports boards and we look forward to working with our partners to ensure this happens.

In the two years since the publication of A Code for Sports Governance many publicly funded sport organisations have made significant improvements in how they are governed. Women now hold 40% of board positions across UK Sport and Sport England funded organisations and almost three quarters of boards have achieved the required 30% gender balance. Most of the remaining boards are close to hitting their 30% target.

Having said that, we shouldn’t get carried away. There is still plenty of work to do. This is no more true than in the areas of disability and Black, Asian and minority ethnic (BAME) representation. Just 5% of Olympic and Paralympic national governing body board positions are filled by people from minority ethnic backgrounds. And only 5% of board members declared themselves as having a disability, compared to around 22% in the wider UK population.

These figures are not where we want them to be. Diversity of thought and experience at board level is essential for the effective running of any organisation. To help drive the necessary change we continue to work closely with a range of partners and I would urge the national governing bodies and funded organisations to develop their own partnerships with key equality organisations to help put in place systems to allow them to recruit quality board members from all quarters of society.

Away from specific measures of diversity, we must all continue to embed good governance practices at the heart of our operations. Governance cannot simply be a tick box exercise, it needs to be part of the culture and fabric of every sporting organisation and our decision making.

My colleagues and I remain hugely committed to continuing to make this happen across the Olympic and Paralympic system.
KEY FINDINGS

40%

Women now make up an average 40% of board members across Sport England and UK Sport-funded bodies. Almost three quarters of sports boards have already achieved the required gender benchmark of 30%.

5%

5 BAME board members identified across Sport England and UK Sport-funded bodies. Inclusive Boards’ findings also show that the sport sector is falling behind FTSE 100 firms (8% BAME board membership), third sector (6% BAME board membership) and UK population (13% BAME).

5%

Only 5% (29) of board members declared or consider themselves to have a disability, compared to around 22% in the wider UK population; 96% of board members reported having no disability.

3%

3% of board members identified as being openly LGBT+. This is slightly above the national average for the UK population; 2% of UK residents identify as LGBT+, although this rises to 4% among 16 to 24 year olds.

People on sports boards are more likely than the wider population to have attended private schools and prestigious universities. Olympic and Paralympic sports boards also have a higher than average proportion of Oxbridge board members.
METHODOLOGY

This report presents the data on National Governing Bodies (NGBs), Active Partnerships and funded bodies, correct as of November 2018. It therefore may not reflect recent changes in board governance structures and recent board appointments. Sports organisations whose board information is not disclosed have not been included within this report.

LITERATURE REVIEW
Inclusive Boards conducted an extensive review of available literature relating to diversity and inclusion in sport governance, employment and wider sporting participation.

SURVEY
Inclusive Boards distributed a board diversity monitoring survey to all sport NGBs and Active Partnerships. We received 66 responses from senior leaders at the organisations we contacted covering 649 Board members. Respondents answered all questions in the survey.

BOARD DIVERSITY ANALYSIS
Inclusive Boards conducted a board diversity analysis of 63 NGBs, 44 Active Partnerships and 33 other UK Sport and Sport England-funded bodies. We corroborated the findings from the survey using information compiled from multiple sources, including official websites, annual reports and financial statements, professional profiles and biographies and digital profiling tools. Inclusive Boards profiled 649 board members. Our analysis included gender, ethnicity, age and secondary and higher education characteristics.

RESEARCH LIMITATIONS
The sporting ecosystem is currently fragmented. Estimates on the size and scope of the sector may not capture the true economic value of the sporting industry. This would better support the business case for diversity in sport. A limited amount of data is available concerning sexual orientation and other characteristics such as gender reassignment. We have, however, provided the fullest possible dataset, based on a representative sample.
SPORT BOARD ANALYSIS - KEY FINDINGS

Inclusive Boards conducted a board diversity analysis of funded sports organisations using information compiled from official websites, corporate reports and professional profile and digital profiling tools. Inclusive Boards also distributed a diversity board monitoring survey to senior leaders within NGBs, Active Partnerships, and other funded bodies.

BOARD COMPOSITION
- The average board size of organisations reviewed was between 9 and 10.
- One-third (33%) of board members reviewed were elected, whilst two-thirds (67%) were independent non-executive directors (INED).

GENDER DIVERSITY
Our internal board analysis identified 40% female board members across all Sport England and UK Sport-funded bodies. In terms of gender equality the sports sector is falling behind the 500-largest charities in the third sector, which achieved a 43% female membership on governance boards in 2018. However female sport board membership was higher than FTSE 100 firms, which achieved close to a 29% female presence across board positions in 2018.

Almost three quarters (75%) of organisations reviewed have achieved the Code for Sports Governance requirement of a minimum of 30% from both genders on their boards. Active Partnership boards have achieved a gender target of 41%.

Four Active Partnerships have yet to achieve the required target of 30%, whilst 34% Active Partnerships have achieved gender parity or above. A number of funded bodies and Active Partnerships have an over-representation of women on their boards. It is important for organisations to ensure that 30% of each gender are reflected.
ETHNICITY

Our board analysis of Sport England and UK Sport-funded bodies identified 5% BAME board membership. Two-thirds (64%) had no BAME board members, moreover the proportion of BAME board members was slightly lower among Active Partnerships (4%). Our findings show an improvement in minority ethnic presence on sports boards since 2016: The Sporting Equals Leader Board survey identified that just 4% of board members were from BAME backgrounds. However, the current rate of progress is slow; sports boards have yet to achieve ethnic parity with the UK minority ethnic population, which at the time of the 2011 Census stood at 13%. This clear stagnation should be viewed seriously when compared with BAME participation within many elite sports and demographic changes.

The sport sector is falling behind other sectors in terms of minority ethnic board members. In the charity sector, 6% of charity governance board members are from BAME backgrounds, compared to 8% across FTSE 100 boards.

AGE

The largest proportion (37%) of board members are aged between 50 and 59, whilst 35% are aged between 36 and 49 years. One in five (20%) of board members are aged 60 and over. Just 2.0% of board members are aged between 18 and 29.

The average age of sports board members is age 54. NGB boards are slightly older, with an average age of 55 compared to 53 in Active Partnerships. The oldest board member identified was aged 80+, whilst the youngest was aged under 25.

Female board members are slightly younger on average compared to male board members, with an average age of 51 and 56 respectively. Board members from minority ethnic backgrounds were younger still, with an average age of 48, compared to an average age of 54 for their white counterparts.

The data shows that those in sports board positions are comparatively younger compared to other sectors. The average age of FTSE 100 non-executive directors stands at 60.3 years old. In the charity sector, the average age of trustees is 57; however, two-thirds of charity trustees are aged 59 or over.

SEXUALITY

From our survey results, we found 3% of board members identified as being openly LGBT+. This is slightly higher than the wider population. The Office for National Statistics estimates that around 2% of UK residents are openly LGBT+, although this rises to 4% among 16 to 24 year olds. Evidence suggests that certain segments of LGBT people may chose not to disclose this information, whilst others may misreport their sexual orientation. As a result, estimates may underestimate or overestimate the true scale of LGBT+ communities.
**DISABILITY**

Only 5% of board members we surveyed had a disability or consider themselves to have a disability. This compared to around 22% in the wider UK population. A similar study conducted in 2016 identified just 3% of sports board members who were disabled. Whilst this suggests a slight improvement in the proportion of people with disabilities on boards, there is still work to do to ensure that sports organisations build on the success of the Paralympic legacy and beyond.

**EDUCATIONAL BACKGROUND**

Sports board members were far less likely to have attended comprehensive schools and more likely to have been educated privately. Just under half (43%) of board members we reviewed attended comprehensive schools, compared to 88% of the wider population. One-third (33%) attended grammar schools and around a quarter (24%) were educated privately, compared to just 7% of the wider population who attended fee-paying schools. In other sectors, an estimated 22% of FTSE 350 CEOs, 22% of Chief Constables and 20% of University Vice Chancellors were educated privately.

Around one in ten (11%) board members attended Oxbridge (Oxford or Cambridge) universities, compared to less than 1% of the wider population. This is comparable to around 6% of Police Chief Constables and 9% of Local Authority Chief Executives who were Oxbridge educated, but lower than the 31% of FTSE 100 CEOs. Our findings show that one-third (33%) of sport board members attended more prestigious Russell Group universities.
How did you get your first position on a sport board?
My first board position was with Muslim Women's Sports Foundation. Having volunteered with them from 2008-14 and then establishing Muslimah Sports Association (MSA), I was invited to apply for the board position by the Chair at the time. Following this position, the FA sponsored me for the 'On the Board' program with them. This gave me much needed insight and the governance and compliance skills required. After the course, it gave me the confidence to start applying for other sport board positions. I applied for two positions, one was the British Fencing position as Non-Executive Director, which I was successful.

What got you interested in sport boards?
I run Muslimah Sports Association (MSA), a grassroots sports association to get ethnic minority women into sports. I didn't realise at the time how many barriers there were for ethnic minority women and the lack of representation we had at leadership levels. I started MSA out of interest and a passion for sports to bring together like-minded women similar to me. However, when I looked across the sports boards and saw that we were not that represented, I have a lot of ideas and opinions and felt the best way to make a change was to get on a board and make a change from there rather than voicing my opinions from the sidelines.

Is your skill been fully utilised on the board?
There is still a lot for me to learn and it has been a big learning curve. I still need to understand more about the sport, how it works, the competition levels, and entry levels. In terms of being listened to, the board values my opinion and I really appreciate that. The board is very friendly but as an individual it is important to know when to engage and get a feel for the culture of the room.

Are there any Innovative D&I initiatives at British Fencing?
We have a diversity policy for the board and in a similar way to ensuring we have gender parity on the board, we have added that there should be ethnicity parity also. We are also trying to engage with more local communities and showing BF as a social sport by training local youth workers. We have partnered with Muslim Girls Fence which started in Doncaster, it is now in Tower Hamlets, London. This was a successful project where we ran two hour programme each week for 10 weeks. We wanted to showcase the social aspect of fencing and to engage with local communities so they can try it out.
CONCLUSION

There is a clear case for increasing diversity in sport, across governance, participation and competition levels. There have been ambitious strategies put in place to increase participation in sport, including at board level. Women now average around 40% of board members across Sport England and UK Sport-funded bodies. Almost three quarters of Sport England and UK Sport funded bodies have already achieved the required minimum 30% of both genders on boards. Clearly further work is needed in this area, however, many of the remaining organisations are close to meeting the required benchmark.

Slower progress is being made in terms of board members from BAME backgrounds, with an average of 5% across all Sport England and UK Sport-funded bodies. This is lower when compared to the private and third sectors. Board members from ethnic minority backgrounds were more concentrated within some organisations, particularly those with larger boards. In contrast, Active Partnerships have a lower proportion of BAME board members compared to the average for all funded bodies. This suggests that at a regional level more work is needed to draw on regional talent from the local areas, particularly in areas where BAME populations are higher than the national average.

The analysis of educational backgrounds shows that sports boards are more likely than the wider population to have attended private schools and prestigious universities, a fact more pronounced within the elite sports organisations. People from low socioeconomic backgrounds are also under-represented in sport participation and physical activity. There is a growing need to ensure that people from ‘working class’ backgrounds have a voice on sports boards at national and local levels, but also to increase opportunities for people from deprived backgrounds to participate.

Notable inequalities exist in participation rates between men and women, those with and without limiting disabilities and those of different socio-economic backgrounds. The categorisation of all those who are not ‘white British’ also hides wide heterogeneity in sports participation between ethnic groups, with black and Asian communities tending to be less likely to engage in sport than all other groups. With these historical inequalities, it is especially important that boards of funded partner organisations can represent and understand the needs of underrepresented groups in order to achieve the government’s goal of having ‘more people from every background regularly and meaningfully taking part in sport.’

We acknowledge that whilst progress is being made to tackle diversity and inclusion challenges in the sector, future population changes, including an older and more ethnically diverse population, will increase the imperative to increase diversity across all levels of sport. Currently many NGBs, Active Partnerships and funded bodies are failing to reflect the makeup of their communities across the different diversity strands. There is a growing need to ensure that people from different socio-economic backgrounds have a voice on sports boards at all levels to provide diverse and relevant input into decision making.
BIBLIOGRAPHY

Tier 3 represents the top level of mandatory governance requirements in the Code for Sports Governance.


A list of Olympic & Paralympic Sport classifications is included in Appendix II.


Stevens, B. (2017) Athleisure craze set to peak at £2.5bn services strategy.


Spencer Stuart 2017 UK Board Index. Charity Commission, A Breath of Fresh Air, Young People as Charity Trustees.


This Girl Can (2019) http://www.thisgirlcan.co.uk/about-us/
Inclusive Boards (IB) is a boutique executive search firm based in London and the Midlands set-up in 2017. We were set up to support organisations and sectors in their efforts to develop more diverse boards, senior leadership teams and stronger governance structures. Our services include Executive Search, Advisory, and Conferences. We also deliver Executive Training and have a flagship tech campaign - The Inclusive Tech Alliance.

Sport England is responsible for developing grassroots sport across England. The organisation works with national and local funded bodies to ensure that everyone in England can benefit from participating in sport and physical activity.

UK Sport provides strategic investment to enable Great Britain’s elite Olympic and Paralympic Sports and athletes to reach their full medal winning in Olympic & Paralympic Games.