

## ASSESSMENT AGAINST CODE REQUIREMENTS: Principle 1: Structure

REQUIREMENT	MET / NOT MET	ASSESSMENT (to be agreed between investor(s) and the sport)
1.1 The Board of the organisation shall: (A) be the ultimate decision-making body and accordingly exercise all of the powers of the organisation; (B) be responsible for setting the strategy of the organisation; and (C) maintain and demonstrate a clear division between the Board's management and oversight role and the executive's operational role.	Met	Board has clear strategic role and there is a clear division between it and the executive. Board Terms of Reference and Minutes available on the UKS website.
1.2 All directors must act in the best interests of the organisation, and in a manner consistent with their legal duties.	Met	Directors are given guidance on conduct in their appointment letter, which also refers to the induction process. Board sample appointment letter is available on UKS website.
1.3 A Council shall not be able to override the Board, but may have reasonable rights to consultation and constructive challenge.	N/A	UK Sport does not have a Council.
1.4 Where Councils are permitted to appoint directors, such appointments shall reflect not more than one third of the directors.	N/A	UK Sport does not have a Council.
1.5 A nominated director shall not be considered an independent director and must be non-executive.	Met	The four directors nominated by the Home Nations are not executive and there are sufficient other directors who meet the definition of 'independent'.
1.6 Council members may hold office for a maximum of either two, four-year terms or three, three-year terms.	N/A	UK Sport does not have a Council.
1.7 In accordance with Principles 3 and 4, Councils must act with integrity and be transparent in their workings.	N/A	UK Sport does not have a Council.
1.8 The Board shall be of an appropriate size to: (A) meet the requirements of the organisation; (B) have the appropriate balance of skills, experience, independence and knowledge; (C) manage changes to its composition (including that of its committees) without undue disruption; and (D) promote an open dialogue amongst the directors.	Met	Board size is set by the Royal Charter, but has recently been extended to 12 people to enable it to meet the requirements of the organisation in terms of providing an appropriate balance of skills and to cover UK Sport's Panel/Committee needs.
1.9 The size of a Board shall not exceed twelve persons unless agreed with UK Sport / Sport England.	Met	Current board size meets the requirement, but it is noted that DCMS can increase the size, without limit. We interpret this in application to UK Sport as agreement being needed from DCMS to a board size of more than 12.
1.10 Each organisation must maintain an up-to-date matrix detailing the skills, experience, independence and knowledge required of its Board.	Met	Skills matrix recently updated in preparation for the recruitment of two new Board members
1.11 No one individual on the Board may have the unfettered ability to take a decision.	Met	Board terms of reference provide for alternative quorums of 4 (provided <2 Home Nation nominated directors present) or 6 (if no Home Nation nominated directors present)
1.12 If a member of the executive management of the organisation (e.g. the chief executive officer or senior finance officer) is appointed to the Board, then they may only be appointed in an Ex Officio capacity.	N/A	No member of the executive management is a member of the Board.
1.13 Subject to the exceptions set out in Requirement 1.14 below, a director may serve on the Board for a maximum of either: (A) four terms of two years; (B) two terms of four years; or (C) three terms of three years	Met	Term limits are three years (four for the Chair). A maximum number is not specified however in practice DCMS does not appoint for more than two terms (or possibly three if requirement 1.15 applies - this has not to date arisen).

<p>1.14 The exceptions referred to in Requirement 1.13 are as follows.</p> <p>(A) A director may serve on the Board for a maximum of twelve years if appointed as chair of the organisation or to a senior position on an international federation.</p> <p>(B) A director appointed in an Ex Officio capacity may serve on the Board for the duration of their holding the relevant office.</p> <p>(C) In exceptional circumstances (for example to assist succession planning), a chair or director may hold office for a further year.</p>	Met	
1.15 When a director has completed their maximum term, at least four years must elapse before they can be eligible to stand as a director for that organisation again.	N/A	There is no reference to this in the Royal Charter.
1.16 Each Board must appoint a chair who shall be responsible for the leadership of the Board.	N/A	The Chair is appointed by DCMS rather than the Board
1.17 The roles of chair and chief executive shall not be exercised by the same individual and the division shall be established in writing and agreed by the Board.	Met	The Chair and CEO are two different people and have clearly defined roles and responsibilities as specified in their job descriptions.
1.18 UK Sport and Sport England reserve the right to require that an organisation in which they invest appoint an independent chair. This right will only be exercised after appropriate consultation and if UK Sport / Sport England reasonably believes that it is necessary to safeguard public funding or further the purposes for which that funding was granted.	N/A	The Chair is appointed by DCMS
1.19 At least 25% of the Board shall be independent non-executive directors.	Met	Currently the Board has a majority of INEDs
1.20 Each Board shall appoint one of its independent non-executive directors to be the Senior Independent Director.	Met	UK Sport has a Senior Independent Director
<p>1.21 Boards shall adopt policies and practices that:</p> <p>(A) foster openness and debate amongst directors; and</p> <p>(B) set out clear expectations with respect to the running of Board meetings and director behaviour.</p>	Met	New directors are given a Board Induction Pack which includes the Cabinet Office's "Code of Conduct for Board Members of Public Bodies"
<p>1.22 The Board and its committees (if any) shall:</p> <p>(A) meet sufficiently regularly to discharge their duties effectively; and</p> <p>(B) maintain a proper record of their meetings and decisions.</p>	Met	The Board meets six times per year and publishes copies of its minutes.
1.23 The Board shall maintain an audit committee and (either on a permanent or an ad hoc basis) a nomination committee unless the particular circumstances of the organisation are such that it is appropriate for the Board to act as the nomination committee.	Met	The Board maintains an Audit Committee but not a Nominations Committee. There is no Nominations Committee because appointments to the Board are made by DCMS, with the Chair normally invited to be engaged in the process for the appointment of Independent Directors. This process supersedes the need for a Nominations Committee
1.24 The Board shall establish any further committees which it considers necessary to support its work.	Met	Committees or Panels - are constituted and their membership and terms of reference are on the website.
1.25 Each committee established under 1.23 or 1.24 shall report to the board and have clear terms of reference which identify its responsibilities and any powers delegated to it by the Board.	Met	Committees - or Panels - are constituted and their membership and terms of reference are on the UKS website.
1.26 A majority of the members of the nomination committee shall be independent non-executive directors and it shall be chaired by the chair (except when it is dealing with the appointment of a successor to the chair, when it shall be chaired by an independent non-executive director).	N/A	As noted above, there is no Nominations Committee because DCMS appoints to the Board.

## ASSESSMENT AGAINST CODE REQUIREMENTS: Principle 2: People

REQUIREMENT	MET / NOT MET	ASSESSMENT (to be agreed between investor(s) and the sport)
<p>2.1 Each organisation shall:</p> <p>(A) adopt a target of, and take all appropriate actions to encourage, a minimum of 30% of each gender on its Board; and</p> <p>(B) demonstrate a strong and public commitment to progressing towards achieving gender parity and greater diversity generally on its Board, including, but not limited to, Black, Asian, minority ethnic (BAME) diversity and disability.</p>	Met	UK Sport has published a Diversity Action Plan, which includes a commitment to maintaining gender parity on the Board, to achieving gender parity on its Board's Committees and Panels, and to progressing towards greater diversity generally including (but not limited to) BAME, disability and LGBTQ+ on its Board and Board Committees and Panels.
2.2 Each organisation shall identify proportionate and appropriate actions to be taken to support and/or maintain (as appropriate) the diversity targets set out in Requirement 2.1.	Met	UK Sport has published a Diversity Action Plan which sets out the actions that it will undertake in order to recruit and engage people with appropriate diversity to its decision-making bodies.
2.3 The Board shall ensure that the organisation prepares and publishes on its website information (approved by the Board) about its work to foster all aspects of diversity within its leadership and decision making, including an annual update on progress against the actions identified in Requirement 2.2.	Met	UK Sport has published a Diversity Action Plan which sets out the actions that it will undertake in order to recruit and engage people with appropriate diversity to its decision-making bodies. It includes a commitment for the Board to review progress against the Diversity Action Plan at least once a year.
2.4 Each organisation shall have a formal, rigorous and transparent procedure for the appointment of new directors to the Board, and all appointments shall be made on merit in line with the skills required of the Board.	Met	Ministerial appointments of the positions of Chair and Independents on the Boards of DCMS' public bodies follow a standard code of practice and process - including open advertisement, selection on merit and recommendation to Ministers. UK Sport's Board includes nominees from the 4 Home Nations who must be approved by the Secretary of State.
2.5 In exceptional circumstances a director may be Co-opted onto the Board if this is necessary to ensure that the Board has the skills and/ or experience necessary to fulfil its role.	N/A	No directors are currently co-opted onto the Board.
2.6 The appointment of the Chair and independent non-executive directors must be via an open, publicly advertised recruitment process.	Met	See 2.4
2.7 The Board shall have in place succession plans for orderly appointments to the Board and to key positions within senior management.	Met	The Board conducts a skills matrix exercise which helps identify where there are skills gaps on the board and this is fed into the recruitment process for Board vacancies.
2.8 The nomination committee shall lead the process for Board appointments on behalf of the Board (unless, as set out in Requirement 1.23, the organisation does not have a nomination committee, in which case the Board shall be responsible for the appointment process).	N/A	There is no Nominations Committee because DCMS appoints to the Board with the Chair normally invited to be engaged in the process for the appointment of independents
2.9 The Board or nomination committee shall inform UK Sport / Sport England of any appointment process being carried out by the organisation in relation to: (A) any directors; and (B) the chief executive officer; and shall permit UK Sport / Sport England to observe any such process.	N/A	There is no Nomination Committee because DCMS appoints to the Board with the Chair normally invited to be engaged in the process for the appointment of independents

<p><b>2.10 No individual shall be appointed as a director until he or she has provided to the organisation a declaration of good character.</b></p>	<p>Met</p>	<p>UK Sport has no decision-making authority in the appointments process, and so cannot stop an appointment on the grounds that no good character declaration has been given. However, paragraph 9.1 of the 'Governance Code on Public Appointments' published by Cabinet Office states: <i>'It is important that all public appointees uphold the standards of conduct set out in the Committee on Standards in Public Life's Seven principles of Public Life and are expected to adhere to the Code of Conduct for board members of public bodies. <b>The Advisory Assessment Panel must satisfy itself that all candidates for appointment can meet these standards</b> and have no conflicts of interest that would call into question their ability to perform the role. Candidates must be asked to declare potential conflicts of interest in their role.'</i></p>
<p><b>2.11 On appointment, each director shall be given a written statement of their responsibilities.</b></p>	<p>Met</p>	<p>Sample appointment letter (available on the UKS website).</p>
<p><b>2.12 Each organisation shall ensure that new directors receive a full, formal and tailored induction on joining the Board.</b></p>	<p>Met</p>	<p>New directors are provided with a full, formal and tailored induction on joining the Board.</p>
<p><b>2.13 Remuneration of directors and employees, if any, shall be determined in accordance with a formal, approved procedure.</b></p>	<p>Met</p>	

**ASSESSMENT AGAINST CODE REQUIREMENTS: Principle 3: Communication**

REQUIREMENT	MET / NOT MET	ASSESSMENT (to be agreed between investor(s) and the sport)
<p>3.1 Each organisation shall publicly disclose information on its governance, structure, strategy, activities and financial position to enable stakeholders to have a good understanding of them.</p>	Met	<p><b>Governance and structure:</b> Disclosure on UKS website of Royal Charter, DCMS Management Agreement, Board Terms of Reference, Board declarations of interest, sample board appointment agreement, Board minutes, Directors' profiles, etc.</p> <p><b>Strategy:</b> Disclosure on UKS website on UKS strategic activities and how funding is awarded.</p> <p><b>Activities:</b> UK Sport regularly communicates what it is doing, and why it is doing it, for example the publication of Investment Guides for new rounds of funding.</p> <p><b>Finance:</b> Annual reports going back to 2000 are on the UKS website and these include a Performance Report and Governance Statement</p>
<p>3.2 Each organisation shall publish: (A) in the case of organisations which employ more than 50 staff, the total remuneration paid to its senior management team; and (B) the remuneration (if any) paid to each of its directors (except for members of the senior management team who are Ex Officio directors).</p>	Met	Published in the UK Sport Annual Report.
<p>3.3 Any information disclosed shall be fair, accurate and presented in an understandable manner.</p>	Met	Generally, information on the website is clear and understandable.
<p>3.4 Each organisation shall develop a strategy for engaging with, and listening to, its stakeholders (including elite athletes where appropriate) which the Board shall contribute to and review at least annually.</p>	Met	UK Sport has a Stakeholder Engagement Strategy. UK Sport has undertaken considerable stakeholder engagement activity including in Autumn 2017 the roll-out of the Athlete Insights and Staff Insights surveys.
<p>3.5 Each organisation shall be expected to carry out a regular staff survey (including their volunteers) at least once a year and: (A) act on the results internally, communicating clearly to their employees and volunteers how such actions are to be taken; and (B) make topline data available to Sport England to collate the results for the purpose of developing a greater understanding of the sport workforce.</p>	Met	UK Sport's latest staff survey was launched in October 2017. Generally, UK Sport's approach will have three core elements: a short annual baseline survey, listening sessions focussing on themes arising from the baseline survey, and short, sharp 'pulse' surveys occurring at different times through the year.

## ASSESSMENT AGAINST CURRENT GOVERNANCE STANDARDS: Principle 4: Standards and Conduct

REQUIREMENT	MET / NOT MET	ASSESSMENT (to be agreed between investor(s) and the sport)
4.1 The Board, led by the chair, shall undertake, and maintain in writing a record of, an annual evaluation of its own skills and performance and of individual directors, and that of its committees (committee evaluation need not be undertaken annually).	Met	A Board review and evaluation process was undertaken in 2017.
4.2 External evaluation of the Board shall be facilitated at least every four years or at the request of UK Sport / Sport England.	Met	Board last undertook an externally facilitated review in 2015
4.3 The Board shall agree and implement a plan to take forward any actions resulting from the evaluations.	Met	This has been undertaken for previous Board evaluations.
4.4 Each organisation shall adopt a mandatory directors' code that, amongst other things, requires all directors to act at all times, with integrity, in a forthright and ethical manner and in accordance with their organisation's conflicts policy.	Met	The Director's appointment agreement refers to and incorporates the Cabinet Office <i>Code of Conduct for Board Members of Public Bodies</i> .
4.5 The directors' code, terms of reference and other policies of the Board and its committees shall be reviewed at least every four years to ensure compliance with current laws.	Met	Policies are reviewed according to a planned schedule. The Audit Committee reviews its terms of reference annually. As noted above, the Cabinet Office <i>Code of Conduct for Board Members of Public Bodies</i> applies instead of any internal directors' code. Review of this is outside the control of UK Sport.
4.6 The chair shall proactively address and manage conflicts of interests amongst the directors. No director may participate in the discussion of, or vote in respect of, a matter in which they have a material conflict of interest.	Met	Conflicts of interest are managed by the Chair and are declared at the start of each Board Meeting, as evidenced through Board minutes.

## ASSESSMENT AGAINST CURRENT GOVERNANCE STANDARDS: Principle 5: Policies and Processes

REQUIREMENT	MET / NOT MET	ASSESSMENT (to be agreed between investor(s) and the sport)
<p><b>5.1 The Board shall ensure that:</b>  <b>(A) both individually and collectively it understands the key legal and regulatory obligations (including those which are specific to sport national governing bodies) which affect the Board and the organisation; and</b>  <b>(B) the organisation has appropriate policies and procedures in respect of these obligations.</b></p>	Met	Induction packs include sections on the Royal Charter and DCMS Management Agreement. The Board reviews all significant policies and procedures. It may also be worth considering whether the Board, either collectively or individually, require further training and support in this area.
<p><b>5.2 Each organisation shall exhibit honesty, integrity and competence in financial matters.</b></p>	Met	No known issues have arisen. 'Clean' audit report given for 2016-17 accounts.
<p><b>5.3 The Board shall adopt appropriate and proportionate finance policies and procedures. The organisation shall take all reasonable steps to ensure that these policies and procedures, where appropriate, are communicated to, and understood and followed by, its directors, staff and volunteers (where relevant). The Board must review and update them at least once every two years.</b></p>	Met	The Board delegates the review of financial policies and procedures to the Audit Committee, who have reviewed policies annually. The Audit Committee report to the Board via the provision of minutes and via an annual report. All funded organisations are advised that further assessment of this requirement will be undertaken in due course, in order that we can understand better on a sector-wide basis what is appropriate and proportionate in this area.
<p><b>5.4 Each organisation must prepare annual accounts which:</b>  <b>(A) comply with legal requirements and recognised accounting standards;</b>  <b>(B) give specific disclosure of income received from public investors</b></p>	Met	Annual report prepared and published each year.
<p><b>5.5 The audited annual accounts must be published on the organisation's website.</b></p>	Met	
<p><b>5.6 The Board must actively plan and monitor the financial position and performance of the organisation against an annually approved budget and at least four year financial forecast.</b></p>	Met	Income and expenditure against in-year budget and 4 year budget is reviewed at every Board meeting
<p><b>5.7 The organisation shall maintain robust risk management and internal control systems.</b></p>	Met	The Audit Committee reviews the risk register at every meeting, including dedicating time to "risk deep dives". The Committee also reviews the risk management strategy and the risk assurance map. Over 60 days per year are also dedicated to an internal audit programme to cover assurance over internal control systems.
<p><b>5.8 The Board shall conduct an annual review of the effectiveness of the organisation's risk management and internal control systems to ensure that they provide reasonable assurance.</b></p>	Met	UK Sport's governance statement details an assessment of the robustness of risk management and control processes. The Audit Committee undertake a detailed review of this statement, and the Board review the final statement. As above, the Audit Committee carry out the detailed work on risk on behalf of the Board. We need to ensure that the Board also reviews the risk register and the risk management strategy on an annual basis.