

Annual Governance Statement 2016-17

1 Scope of Responsibilities

Our ambition is to demonstrate that we have the necessary governance to maintain a sound system of internal control and support our policies, objectives and strategic priorities.

The Alliance was an early signatory to the Voluntary Code of Good Governance, produced in 2011, and the Board, at its meeting in June 2017, reaffirmed the Alliance as a signatory to the new Principles of Good Governance for Sport and Recreation ("The Principles") which has replaced the Voluntary Code this year. The Alliance is also making sure that it will be fully compliant with Tier 3 of A Code for Sports Governance ("Code") by the end of October 2017. This annual governance statement is prepared as part of the Code requirements and outlines our progress to date.

The Alliance Board is responsible for the overall governance of the organisation and has approved the steps being taken on the action plan that was signed off by Sport England in June 2017.

2 The governance framework of the Alliance

The Alliance Board formed four sub-committees:

- **Finance and Audit Committee** to take delegated responsibility on behalf of the Sport and Recreation Alliance Board for overseeing all financial and audit aspects of the Sport and Recreation Alliance and the Sport and Recreation Ventures Ltd [the wholly owned subsidiary of the Alliance] so as to ensure short and long-term viability and integrity and report back to the Alliance Board accordingly;
- The **Commercial Committee** is established to help the Alliance develop diverse revenue streams and manage its relationships with corporate partners and sponsors;
- The **Remuneration and Staffing Committee** is established to make recommendations to the Alliance Board on all aspects of the remuneration and terms and conditions of service of the Chief Executive and senior management, maintaining an overview of policy in relation to other members of staff;
- A **Nominations Committee** which has the responsibility to ensure that there is an open and transparent process for the selection and recruitment of the Sport and Recreation Alliance Directors and Independent Chair.

The Terms of Reference for all these committees can be found on the website. The Finance, Commercial and Remuneration Committees are chaired by one of the Directors and the Nominations Committee is chaired by the Board Chair.

The Board conducts an annual review of its performance in October and discusses the results at the December Board meeting. The last review was conducted in October 2016 and the results were shared with the Board; one of the outcomes was a review of the Directors' induction process. The 2017 review will ensure that it adequately assesses its own effectiveness and for the first time in Autumn 2019/20, an external board evaluation will be conducted as per the Code requirement. The Board hopes that the external evaluation will contribute to the next 5-year strategy 2021-2026.

Summaries of the Board meetings are made available on the members' area on our website following the meetings, these will include an update on membership, strategy, finance and areas of compliance.

3 Risk Assessment

The Alliance has identified both strategic and operational risks following the production of its new Strategy 2017 – 2021. These are reviewed and updated monthly by the Senior Executive Team (SMT).

The Finance and Audit Committee reviews the strategic risks at their meeting every quarter and submit any recommendations or issues to the Board for consideration or back to the SMT to take forward accordingly.

The Risk register is reviewed at least annually and the last review was carried out in December 2016. The Board reviews the risk register in its entirety and debates new risks and reviews current risks.

4 Governance issues

The Alliance was fortunate that having started its programme of internal governance review in 2011 with the assistance of the original Voluntary Code of Good Governance, there were few areas of change required to demonstrate compliance with the UK Sports Governance Code. One of the main areas that needed improvement was the diversity representation on Board. Following the 2017 recruitment process the Alliance Board has achieved gender parity and has members who reflect a range of the protected characteristics as defined in the Equality Act 2010 including disability, sexual orientation, race, religious belief and age.

The Board is made up of over 25% independent Directors and does not consider any of its Elected Directors as 'independent'. The Nominations Committee has been tasked to ensure that both the diversity of the Board and 'independence' of individual members is taken into account during Board recruitment to ensure compliance for 2018.

The key challenge for 2018 and ongoing years will be to improve the diversity in all forms including thought and social economic background, among the Directors. This year we increased the profile of where we advertised the Non-Executive positions which did provide an increase in the number and diversity of candidates that applied for the positions. We shall seek to improve this profile and therefore increase our efforts further for future appointments.

We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness for Board recruitment this year and will monitor their implementation and operation as part of our next annual review.

Signed on behalf of the Alliance



EMMA BOGGIS
Chief Executive



ANDREW MOSS
Chairman