

## **SPORT AND RECREATION ALLIANCE RULES FOR BOARD, COMMITTEES AND DIVISIONS**

To be read in conjunction with the Articles of Association (some items from which are reiterated for convenience of reference).

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### **RULES**

1. These Rules shall be periodically reviewed and amended by the Board of Directors. They may be temporarily suspended by the Board, subject to (a) there being no breach of the Articles or of Company Law and (b) the duration of such suspension being specified.

### **BOARD OF DIRECTORS**

#### **Responsibilities**

2. The Board is the policy making body of the Alliance, setting the future strategy for the organisation and authorising and coordinating the activities of all Divisions, Committees and Staff. It is for Company Law purposes the 'Board of Directors', with duties and responsibilities including:
  - (a) admissions to membership (both for Organisations and for Honorary Members);
  - (b) compliance with statutory requirements of company and taxation law;
  - (c) accountancy, budget, capital expenditure and investment matters, to which however the Finance Committee normally gives first consideration and makes recommendation;
  - (d) bank account signatories (not fewer than two signatures required); and,
  - (e) the appointment of the Chief Executive. Other staff matters including, but not limited to, terms of employment, remuneration and benefits, are handled by the Remuneration and Staffing Committee.

#### **Independent Chair**

3. The Articles were amended in 2015 to enable the Chair to be appointed directly to the Board. As with the other Directors, his/her term of office is for a three-year period and he/she can be re-appointed for one more term. The Articles allow for an extension of one year for the Chair if the Board determines that this would be in the best interest for the Alliance (Article 27.1).
4. The Chair is an Appointed Director and an appointment panel is convened to manage the recruitment process (Article 26.2). Membership of the panel is determined by the Board (Article 26.2.1) but it was agreed in 2015 that it shall comprise representative(s) of the Board, Nominations Committee and at least one independent person; it will be chaired by the Senior Director unless he/she intends to stand for the position of Chair, in which case another Director, not standing for the role, will chair the panel. The panel makes a recommendation of their preferred candidate to the Board for consideration. The Chief Executive, although a Director, does not vote in any ballot for the Chair.
5. As part of the Chair's recruitment process, and budget permitting, the Board may wish to consider the use of an external recruitment agency.
6. In some circumstances the Chair may consider that he/she needs professional advice in the furtherance of his/her duties as a chair and it may be appropriate for them to seek advice from independent advisers at the Company's expense. In advance of obtaining such independent advice he/she should seek the approval of the Senior Director. The Company shall reimburse the reasonable cost of expenditure incurred by the Chair.

#### **Senior Director**

7. The Senior Director (Article 9) is elected by the Board and his/her position is coterminous with their term as a Director [but may be for a shorter period if determined by the Board]. Nominations are to be invited by the Chief Executive at least one month before the meeting date for the elections, to reach him/her at

least two weeks before that meeting date, and be notified by him/her to the Board with the Agenda papers. The candidate elected must have an overall majority vote over all other candidates. If this is not obtained in the first ballot the candidate with the fewest votes stands down and further ballot(s) are held until one candidate obtains the required overall majority. In the case of a tied vote at any stage the Chair has a casting vote. The Chief Executive, although a Director, does not vote in the election of the Senior Director. The Board has decided that the Senior Director of the Alliance must be one of the Independent Directors, and this therefore meets the expectation of the UK Governance Code.

### **Other Directors**

8. In every year, the Full Members will elect one Director by electronic ballot to hold office for three years (see also Rule 26) as per Article 27 and the Board will appoint a further two Directors to hold office for three years (see also Rule 33) as per Article 26.1.
9. The Board has the power [at any time] to appoint Directors to fill any vacancies on the Board and must do so if the overall number of Directors is to reduce fewer than six (Article 24); such individuals have full voting and other rights and the full Company Law responsibilities and liabilities of directors and are appointed to serve for the remainder of the term of the Director that they are replacing (see Article 27). The total number of Directors on the Board is 11 [including the Chief Executive] and there is no option to co-opt any other Directors other than the aforementioned casual vacancies.

### **Observers**

10. The Chair may invite observers, especially in connection with specific subjects on an Agenda, to supply information and contribute to discussion. They will be supplied with the agenda, papers and Minutes of previous meetings as appropriate.

### **Additional Roles and Responsibilities**

11. In addition to being members of the Board, Directors are asked to take up additional roles and responsibilities to aid the effective running of the Alliance.
12. Once the outcome of the election and appointment process for the Directors is known, the Board reviews the membership of all committees and sub-committees, including those of Sport and Recreation Ventures Ltd and Alliance external representation; decides the need for and membership of any additional committees; and makes any other appropriate appointments. Directors are given the opportunity to express a preference for the roles they take up although the final decision rests with the Chair. As the 'new' Board is known before the AGM, this review is usually held at the June Board meeting. The positions are then confirmed at the July Board meeting which is normally held the same day as the AGM. In any intervening period between the AGM and the first new Board meeting, all committee memberships and other appointments of the previous year hold good for those Directors who remain on the Board.
13. Changes in appointments made under Rule 12 may be made at any Board meeting.

### **Meetings**

14. The year's schedule of Board meetings is agreed in advance by the Board but subject to any changes or additional meetings which may be decided upon from time to time or demanded under Article 15. The schedule must include a date suitable for approval of the Annual Report, Accounts and Agenda (usually the June Board meeting) in sufficient time prior to the Annual General Meeting. Meetings are normally held at the Alliance's offices in London unless otherwise agreed: one or more may be a residential (or "Retreat") meeting or an awayday used for strategic purposes.
15. The quorum is four and the Chair has a casting vote if necessary (Article 17 and 19).
16. Any non-routine matters for discussion should be notified to the Chief Executive at least 14 days prior to a Board meeting so that he/she can include and circulate them with the Agenda. The Chair may, however, accept items at short notice if he/she considers that their urgency or other circumstances warrant it.
17. Proxy voting is not permitted at Board or other Committee meetings. Paper ballots take place only for elections. [For proxy and poll voting procedures at General Meetings see Articles 58-59].

## **Decision without a Board meeting.**

18. The Articles allow for the Directors to make a majority decision without holding a formal meeting (Article 20) which is especially useful when an urgent decision is required in between scheduled Board meetings. A clear process is outlined in the Articles but a minute of the decision must be included in the Minute Book and signed by the Chair in the normal way.
19. Board decisions properly made using this Article 20 become Sport and Recreation Alliance policy.

## **Board Papers**

20. A week before the scheduled Board meeting, the agenda and all supporting papers are circulated to Directors. This is in the preferred format (ie hard copy or email) for each Director. In addition the agenda is circulated to all Vice Presidents for their information.
21. Draft minutes are to be produced within 24 hours of each Board meeting and sent to the Chair and Senior Director for their comments. As soon as they are approved they are then sent to the Directors for their retention, made available to senior staff and a copy is also sent to all Vice Presidents. A summary of the Board discussions relevant to the membership, abridged as necessary, is made available on the members' area of the Alliance website.
22. The Board receives and considers reports (normally in the form of key issues) of the meetings of the Divisions and of all committees, sub-committees etc but in case of doubt or dispute the Board is responsible for all aspects of the Alliance's work (except items which in accordance with the Articles or Company law must go to a General Meeting).

## **Declarations of Interest**

23. Directors are asked to complete an annual declaration form which states their membership or involvement with sports clubs, governing bodies or related sporting organisations. This form is sent to them by the Company Secretary following the AGM and a Board summary of the information is collated and shown on the website page with the Board information. It is the responsibility of Board members to inform the Company Secretary of any in year amendments.

## **Elections and Appointments to the Board**

24. All Directors' terms of office are for a three-year period before they are either re-elected or re-appointed. They are eligible for one more term, in total serving a maximum of six years. Having served six years on the Board, an individual may not return as an Alliance Director. Only the Chair may serve for one extra year if the Directors decide that such an extension would be in the best interests of the Alliance [Article 27.1]. See also Rule 4.
25. All Directors' terms of office start and conclude at the end of the Annual General Meeting.
26. At least three months before each Annual General Meeting, the Board will notify [Full] Members of the process for the Elected Director that year and invite nominations for candidates [Article 25].
27. The Board has agreed that all candidates for an Elected Director must be able to demonstrate that they have an association with an organisation in membership of the Sport and Recreation Alliance at the time of their application and a list of the members are made available on the website for reference.
28. The qualified 'association' must be demonstrable i.e. an individual who is currently ~~in~~ a member of, or in a voluntary or paid position within an organisation which is a Full or Associate Member of the Alliance. This could be at a club/local, county/regional or national level. An email, letter or other acknowledgement from such 'association' is sufficient demonstration.
29. In addition, candidates' applications will need to be supported by a nomination from a Full Member of the Sport and Recreation Alliance and this list, with authorised representatives who may nominate, is also made available on the website. An email/letter is sufficient to support the application.
30. Nominations for candidates as Elected Directors may also be made by the Divisions (Article 34.2.4).

31. The Nominations Committee [see also Rule 41] will consider and assess all the nominations received and only put forward those candidates for election that have the necessary skills as outlined in the job description used to invite nominations.
32. The Board will notify the Full members of the election process which includes an electronic ballot conducted by an external, independent company.
33. All members are advised of the outcome of the ballot process, the results of which will start the process for the Appointed Director(s), of which there are at least two each year, excluding the appointment of a Chair who is subject to a separate process (see Rule 4).
34. The process for Appointed Directors is similar to Elected in as much as a Job Description is circulated as wide as possible to encourage a diverse pool of candidates for consideration. The Nominations Committee will make their recommendations, again taking into account the skills required at that time, to the Board for consideration and not to the Membership for ballot.
35. A Director who was not successfully re-elected when his/her term of office expired may apply for the Appointed Director role(s) in the same year. However, they must apply in the same manner as other candidates, which might include an interview with the Nominations Committee, before a final decision is taken by the Board.
36. The Board does have the power to re-appoint an Appointed Director for his/her second three-year term without them having to undertake the recruitment process [Article 26.3]. The Board must decide whether it is appropriate to re-appoint in this way before the role(s) are advertised and this decision is normally taken at the April Board meeting.

## **Board Committees**

37. The Board has a number of Committees which are established to support the executive in delivery, give expert advice and opinion on prioritisation and focus and ensure appropriate scrutiny of actions.
38. The *Finance and Audit Committee* is responsible for overseeing the Group financial affairs of the organisation including budgets, accounts, investments and subscription income. However, only the Board, to which the Finance Committee reports, can act in matters which by Company Law are the responsibility of the Directors. The Finance Committee reports regularly to the Board either directly or via receipt of the Committee's minutes, management accounts and commentary prepared by the Director of Business Development & Corporate Services. See the Committee's Terms of Reference for membership and working practices.
39. The *Remuneration and Staffing Committee* reports to the 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. See the Committee's Terms of Reference for membership and working practices.
40. The *Commercial Committee* reports to the Board and is established to help the Alliance become increasingly financially independent through the development of new revenue streams. See the Committee's Terms of Reference for membership and working practices.
41. The *Nominations Committee* [Article 29] was established in 2013 to consider and assess nominations received for positions on the Board of Directors and to recommend candidates [to the members] for the posts of Elected and [to the Board] for the Appointed Directors. The Committee also recommends candidates nominated for Honorary Membership and Vice Presidents for consideration and appointment by the Board. Representative(s) of the Nominations Committee also assist on the appointment panel for the recruitment of a new Alliance Chair as necessary [see also Rule 4]. The Board agreed in July 2016 that the Chair of the Alliance would chair this Committee. See the Committee's Terms of Reference for more detail on the membership and working practices.
42. The Board may establish further committees as required [Article 11] and further sub-committees may be appointed by any committee in accordance with Rule 12 subject to any committee or Board sub-committee Chair being a Member of the Board and any appointments not having voting rights unless or until so approved by the Board.

43. At present, there is an *Awards Panel*, comprising a Board Member [in the chair] a Divisional Chair or Deputy Chair and a Vice President. The Panel meet to consider the candidates nominated for the annual awards of Arthur Bell Trophy, Emeritus and Community Sport and Recreation which are usually presented at the Annual General Meeting. Nominations are sought from the membership at the beginning of the year.

### **Vice-Presidents**

44. Appointment of Vice-Presidents (Article 32) will be limited to those who have given long, distinguished and exceptional service to the Sport and Recreation Alliance, normally in a voluntary capacity, and who continue to contribute to the wider sport and recreation sector. The Board has devolved the responsibility to the Nominations Committee to consider any nominations and, following appropriate consultation (including existing VPs who will have no right of veto) will make a recommendation to the Board for appointment as a Vice President. Such an appointment may, by the Articles, be "for such period as the Board shall think fit" which currently stands as six years [agreed by the Board in 2015].
45. Vice Presidents cannot hold an elected position within the Alliance but can be appointed by the Board to serve in other capacities from time to time.

### **Honorary Members**

46. The Alliance has a number of Honorary Members who have been appointed over time usually to recognise the contribution they have made to the sport and recreation sector or the Alliance.
47. The Board tasked the Nominations Committee in 2016 to review the current list and process for appointing Honorary Members.
48. Board Members, if not an authorised Representative Member of a Full Member, are automatically made an Honorary Member for the duration of their time on the Board.
49. Vice Presidents become an Honorary Member on their appointment, if not already an Honorary Member.

### **The Divisions**

50. The Alliance members are organised into Divisions. Each Division consists of such Member Organisations and Honorary Members as are from time to time agreed by the Board (Article 34).
51. The primary functions of the Divisions are to be a discussion forum for all matters of interest to their respective members including any matters referred to them by the Board of Directors; to disseminate information; to collate and submit to the Board any matters which they see as requiring centralised action; and to nominate Board Members in accordance with Articles 25.2 [see also Rule 30].
52. Action arising from Divisional meetings must not be taken without reference to the Board of Directors unless in the opinion of the Divisional Chair in consultation with the Alliance Chair and Chief Executive it is within the framework of existing Sport and Recreation Alliance policy.
53. Correspondence relating to the work of Divisions and public statements must be channelled through the office of the Chief Executive (or his/her nominee) who is responsible to the Board for ensuring accuracy and pertinence.
54. Frequency and dates of meetings are in the hands of the Divisions themselves: they currently hold two routine meetings annually, with working groups, seminars and cross-divisional meetings held in between as required. Major Spectator Sports Division have, at the request of the members, four meetings a year.
55. Board Members may attend all Divisional Meetings and Board 'representation' is normally included as part of the roles and responsibilities at the June Board meetings (see Rule 12).
56. Representative and Honorary Members may attend the meetings of all Divisions in which the Board has agreed their membership with voting rights (Articles 34 and 36).
57. Substitute Representatives and additional representatives from Member Organisations are normally allowed to attend, but prior notice is requested if possible.

- 58.** In each odd-numbered year the Divisional Chairs and Deputies (Article 35) are elected at the last scheduled Divisional Meeting which is at least six weeks prior to the Annual General Meeting date. Not less than four weeks ahead of such Divisional meeting the Company Secretary, on behalf of the Chief Executive, writes to members of each Division inviting nominations ahead of the meeting, so that any election process may be notified on the Agenda. Although any individual may be nominated, nominations may only be made by Representative and Honorary Members entitled to vote in elections in the relevant Division and must have the prior consent of the nominee.
- 59.** An individual of an 'Associate Member' cannot hold a position of Chair/Deputy Chair of a Division. This is because Associate Members attend Divisional meetings by invitation only and do not hold any voting rights in a Division.
- 60.** If there is more than one candidate for the role of Divisional Chair/Deputy Chair, there is a paper ballot on a first-past-the-post basis. There is no proxy vote permitted. In the event of a tie, a re-vote is held. If there is still a tie position, in the case of the Deputy Chair, the current chair in post will hold a casting vote. In the case of a tie for the position of Chair, the previous chair of the Division will hold a casting vote. These terms must be made clear to the Division ahead of any ballot taking place.
- 61.** A Divisional Chair/Deputy Chair who has held that office for six consecutive years shall not be eligible for re-election to that office for a period of two years.

### **Representation on subsidiary and connected organisations**

- 62.** Sport and Recreation Ventures Ltd is a wholly-owned trading subsidiary company of the Alliance, set up in 1981. The Alliance is the sole shareholder and the Alliance Board has the power to appoint directors who at present must not be fewer than two, with no maximum and no restriction on who can be appointed (apart, of course, from the routine legal barring factors such as bankruptcy, insanity, disqualification etc). The appointment to the Ventures Board is discussed during the Alliance Board's normal appointments process at the June meeting and the Alliance's Finance Committee discusses Group management accounts and the statutory accounts are prepared on a Group basis. Currently, Ventures Directors are the Alliance Directors with the responsibility for Finance and Commercial, together with the Chief Executive.
- 63.** Insuresport Mutual Ltd (IML) was a company established by Perkins Slade [insurance broker] and Sport and Recreation Ventures Ltd to provide cheaper insurance for the membership of the Alliance. The company was incorporated in November 2006 but is currently dormant and outstanding claims are being finalised. In addition to being permitted two Directors on the Board, the Alliance provides the Company Secretary and admin support to IML.
- 64.** Sport Without Limits CIC and Sporting Community CIC were established in 2007 to assist with the Sport and Recreation Ventures work with a society lottery and the expectation that monies and funding would be generated for the membership. Two society lottery projects had been undertaken since 2007 but the expected funding had not been received and they are currently in a dormant state. It is the intention to close both companies completely.

### **Representation on other key bodies**

- 65.** The Alliance is invited to attend meetings of the European Non-Governmental Sports Organisations (ENGSO) and represents the UK when doing so.
- 66.** Sport Resolutions UK, formerly called the Sports Dispute Resolution Panel Ltd, was established as a Company Limited by Guarantee in 1997 by the Alliance's Solicitors following long negotiation by (especially) the British Olympic Association and the Alliance. The Alliance is in membership and thereby entitled (as are all Members) to nominate one Director. The Alliance's Director of Policy, Governance & External Affairs is the current nominated Director.