

Play England Governance Review Report



Play England

Freedom to play

Report by:

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Background and Scope of the Review

Play England commissioned the Sport and Recreation Alliance (the Alliance) to review their governance practices, policies, and current standards. We aimed to review Play England's existing governance standards, explore any gaps and review governance documents, to compare these against the Tier 3 requirements of A Code for Sports Governance (Code).

This review methodically examines Code requirements and recommendations. However, it is important to note that this review is based on the survey responses received, and desktop review of the governance document and therefore, may not directly represent compliance or fact-checking requirements.

The exercise explored the responsibilities of the Play England board in three key areas:

- 1.) Organisational Responsibilities
- 2.) Board Responsibilities
- 3.) Director Responsibilities

Approach

Reviewing governance for an organisation involves a systematic and comprehensive approach to assessing the effectiveness of its governance practices and structures.

The approach, as discussed and agreed upon with Eugene Minogue, (interim) Executive Director, consisted of scoping meetings, a board survey, and an analysis of the current governance documents.

A board survey was designed to gather information from the trustees of Play England regarding their perceptions of the organisation's existing governance standards. Evidence and information was gathered between November 2023 and January 2024.

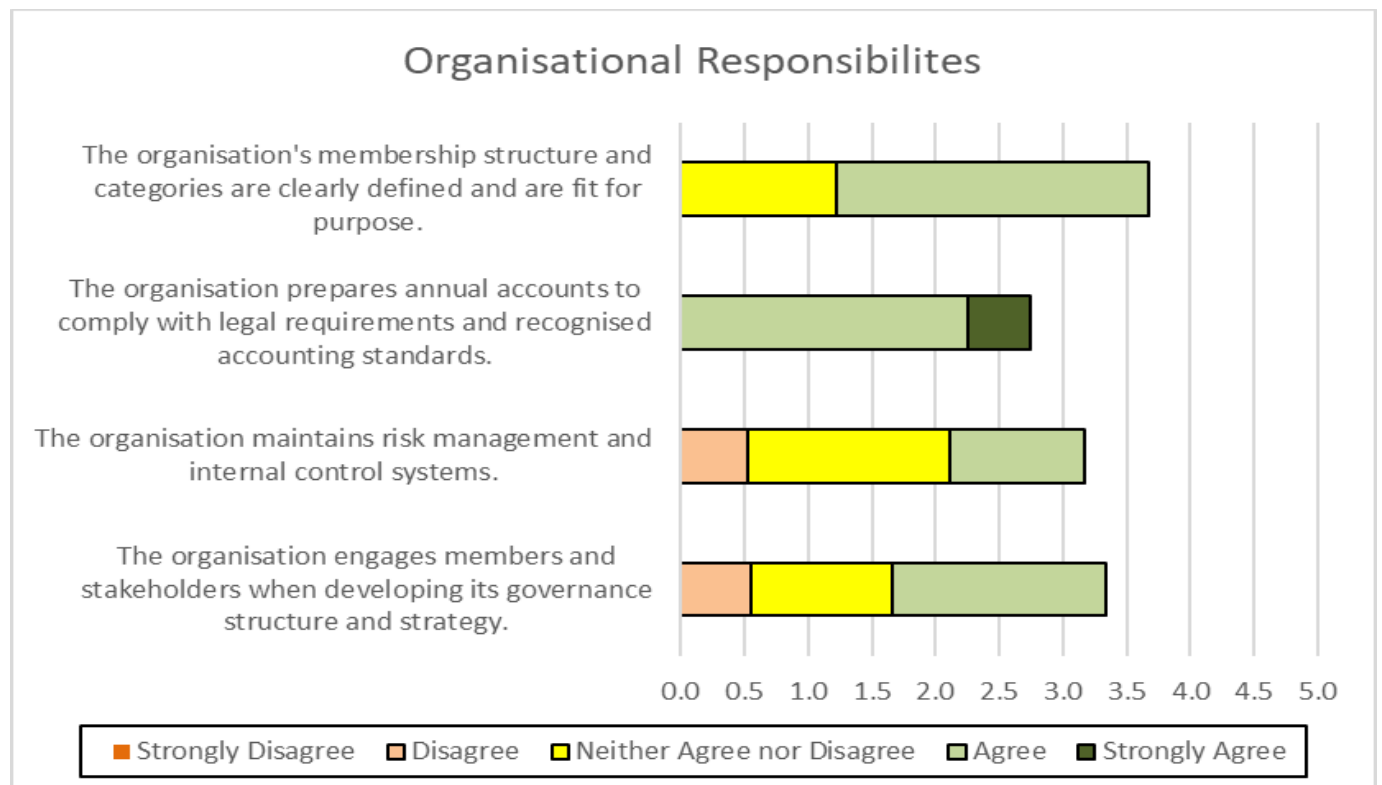
Our strategy involved reviewing Play England's governance across organisational, board, and individual responsibilities to ascertain their roles and obligations, ensuring that trustees comprehend the legal requirements inherent in the organisation's dual structure. The board survey prompted responses from six trustees. Our assessment of each aspect is outlined below.

Organisational Responsibilities

The survey indicates an overall positive response to the organisational responsibilities with the structure of the organisation’s membership, however, there are areas requiring review. All trustees agree that the organisation’s annual accounts comply with legal requirements and recognised accounting standards.

There is a dissension around the organisation’s current membership structure, risk management systems and internal controls. Board trustees are expected to understand the organisation’s role and its stakeholders to deliver their responsibilities. There is also unawareness of existing risk management systems and internal controls. The board of trustees plays a central role in ensuring that the organisation effectively identifies, assesses, manages, and monitors risks to achieve its strategic objectives and safeguard the interests of its stakeholders.

As our survey did not receive unanimous responses in this area, we recommend a review of existing processes and ensure the board understands its roles and responsibilities.



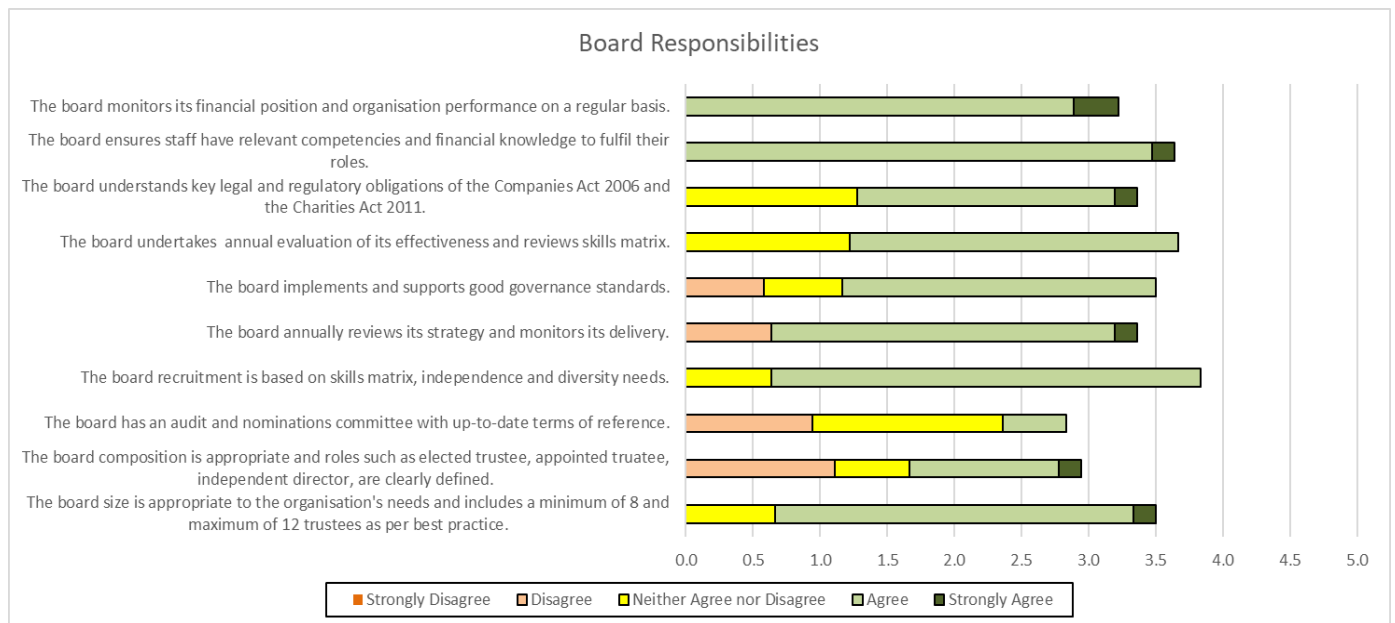
Board Responsibilities

A board’s responsibility as part of good governance is to ensure it has strategic oversight, robust risk management systems, financial oversight, compliance with legal and fiduciary obligations, stakeholder engagement and ensuring the composition of the board remains effective.

We reviewed Play England’s responsibilities against these best practice measures and the Code requirements.

The survey findings reveal that while the board diligently monitors and evaluates its financial standing, however, a significant portion of the trustee’s expressed concerns regarding the organisation's weak financial position. Most trustees identified finances as their primary challenge.

Additionally, there appears to be a difference of opinion regarding the board's current structure and composition, the effectiveness of its committees, and the trustees' understanding of their legal and fiduciary responsibilities. There is a lack of consensus around governance procedures, such as effectiveness reviews and skills matrices. It is imperative to reassess these processes and the Board's structure to ensure their alignment with best practice governance standards and requirements.

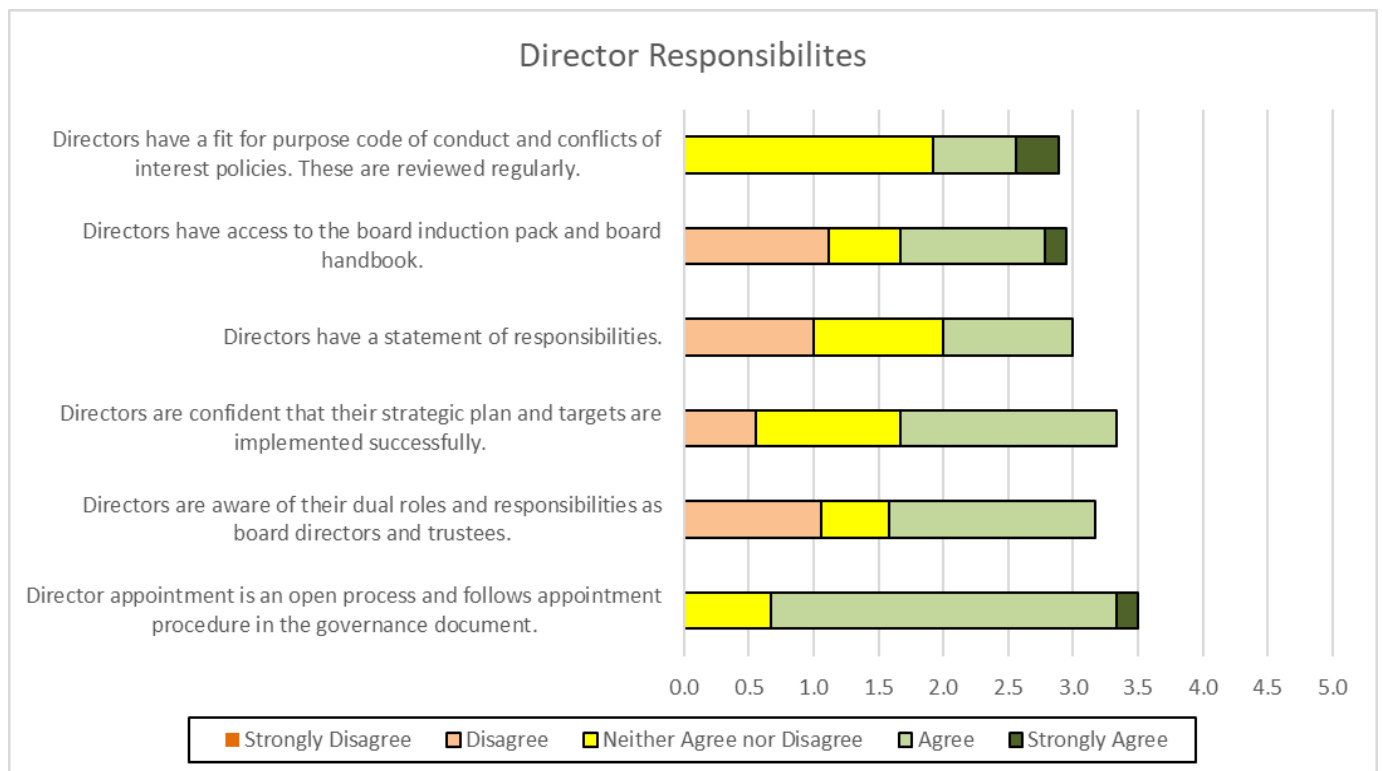


Trustee Responsibilities

Trustees play a crucial role in ensuring effective governance within an organisation. Their responsibilities toward governance include, *but not limited to*, setting strategy, vision, policy development, monitoring performance, board governance and effectiveness.

A strong Board understands why it exists and its role. It is, therefore, a key requirement for trustees to understand their roles, responsibilities, and delegated authorities as this creates a professional and positive working relationship. The survey indicates that whilst most trustees are aware of the range of responsibilities they have, it is evident that some areas need reviewing such as board policies and procedures and a review of roles and responsibilities, particularly in setting strategy.

We also recommend a review of trustee terms and recruitment processes to ensure these are in line with the governance best practices and support Play England’s strategic direction of developing and adopting a new 10-year strategy.



Additional feedback and suggestions for improvement

We asked trustees to provide us with further feedback and suggestions for improvement on the below topics. We have summarised their responses for your review:

- Board Priorities for the next 12 months include: Relaunch of QiP accreditation scheme, board recruitment, including a new independent chair, good governance standards, financial stability, and fundraising.
- Top three achievements over the past 12 months include: the appointment of Eugene Minogue, delivery of webinars and strategic partnerships (although it is unclear if these are new or existing partnerships).
- Top three barriers and challenges over the past 12 months include:
 1. Funding/weak financial position
 2. Lack of capacity/lack of trustee engagement; and
 3. Lack of strategy.

Recommendations

Our review of Play England's governance structures, policies and procedures concludes that the governance framework is generally sound, yet policies and procedures require a thorough review, and there is a need for a new composition of and appointments to the board of trustees. It is advisable to undertake a comprehensive review with the following key objectives:

Policy and Procedure Review:

- Conduct a review of existing policies and procedures with a particular focus on risk management, code of conduct, board handbook, and conflicts of interest policy.
- It is unclear if the existing board effectiveness processes are fit-for-purpose. We recommend a review and revision of board induction processes, board evaluation process and organisation strategic review process.
- Identify areas where policies and procedures may be outdated, inefficient, or not aligned with best practices.

Board Composition and Appointments:

- Assess the current composition of the board of trustees in terms of skills, expertise, diversity, and representation.
- Identify any gaps or areas where additional expertise or perspectives are needed to enhance the board's effectiveness and to meet the organisation's strategic goals.
- Develop a plan for recruiting and appointing new trustees with the requisite skills, experience, and diversity to strengthen the board's capabilities and oversight functions.

Governance Structure and Processes:

- Review the organisation's governance structure, including board committees, roles, and responsibilities.
- Review of the effectiveness of governance processes such as board meetings, board agenda, trustee term limits, decision-making mechanisms, and communication channels between the board and stakeholders.
- Identify opportunities for enhancing transparency and improving collaboration among stakeholders.
- It is recognised that observers have attended board sessions. This is not regarded as best practice, and the memorandum and articles do not explicitly permit board observers to attend meetings. Consequently, the board must reassess the meeting

procedures to adhere to proper practices, ensuring alignment with legal and fiduciary obligations.

Training and Development:

- The board review revealed that trustees' comments and views are predominantly operational. The role of trustees is to offer strategic direction to the organisation and delegate operational matters to executives. We suggest conducting a review of the roles and responsibilities of trustees to ensure proper delegation of authority is adhered to.
- Provide training and development opportunities for existing trustees to enhance their understanding of governance principles, legal obligations, and best practices.

Finally, we recommend that Play England develops a detailed implementation plan outlining specific actions, timelines, and responsibilities for addressing the recommendations arising from the governance review.

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