# **Governance statement**

## **Scope of responsibility**

Active Gloucestershire is a charity and a company limited by guarantee, incorporated on 12th August 2010 and registered as a charity on 25th October 2010. Its objects and powers are set out in its Memorandum and Articles of Association. It is the responsibility of the Board and CEO to ensure that Active Gloucestershire has effective governance arrangements, including a regular review of effectiveness, a sound system of internal control, and meets any changes in legal requirements.

1. **Strategic context**

Over the last twelve months the strategy for **we can move** and Active Gloucestershire has been reviewed. At the Active Gloucestershire Board meeting in March the strategies were agreed, taking a longer term view to conclude in 2030. The **we can move** and Active Gloucestershire strategies build on the work from the last strategic period and focus on:

* Continuing to grow the effectiveness of Gloucestershire’s movement for physical activity – **we can move.**
* Testing approaches to increase the impact of physical activity e.g. use of behaviour change theory or Asset Based Community Development.
* Sharing learning and skills across the movement as part of the Changemaker programme.
* Continuing the **we can move** evaluation to support learning and improvement.
* Testing governance approaches and learning how to provide greater opportunities for more people to be involved in decision making.

1. **Board membership**

Active Gloucestershire has an active and effective Board of nine Trustees, comprising a Chair, and eight others, all of whom were recruited transparently on a skills-led basis. All Trustees are appointed for an initial term of three years. No Trustee may serve more than nine years, unless in exceptional circumstances and with prior agreement from the Board. A Trustee who retires from the Board after a period of nine years is ineligible for re-appointment for a period of four years, after this time, should they successfully be re-appointed as a Trustee, their years of service will commence again at zero. Membership changes for the year April 2020 - March 2021, are as follows: in November 2020 three new Board members joined the Board. Alice Cline, Caitlin Dalton and Lauren Cairns were appointed for an initial three year period.

**5.0 Board diversity**

Throughout the year work took place to deliver the actions identified in Active Gloucestershire’s Diversity Action Plan. Trustee recruitment specifically targeted younger people who were under represented on the Active Gloucestershire Board. Following a successful recruitment campaign, and with the support of the Young Trustee Movement, three new trustees were appointed to the Board in November 2020.

In early 2021, Active Gloucestershire reviewed its Boards diversity, with eight of the nine Board members responding to a survey. The results showed that the diversity of the Board broadly reflects that of the county or higher when considering gender, sexual orientation and those from Black, Asian and minority ethnic groups. The survey identified four female Trustees, representing at least 50% of its total Board membership, a figure that exceeds the Code for Sports Governance’s requirement of a minimum 30% of each gender. In addition, the survey identified that 25% of the Board are from Black, Asian and minority backgrounds.

### **6.0 Board evaluation**

During the year the Board undertook an internal effectiveness review building on the external evaluation undertaken by Practical Governance in 2019/20. The internal review identified numerous strengths and some areas for improvement, which are being actioned by the Board.

### **7.0 Board committees**

***7.1*** Finance and Resource Committee

The Board has a Finance and Resource Committee (FRC) which meets at least five times a year. Its responsibilities include:

* Finance
* Audit
* Human Resources
* Information and Communications Technology (ICT).

During the 2020-2021 year, the FRC met five times. The FRC’s principal areas of focus have been:

* Review of overhead recovery process.
* Review of financial reporting process.
* Review of financial report, management accounts and the budget for 2021-22.
* Review and feedback on the reserves policy.
* Updating the financial procedures manual.
* Review and feedback on HR matters.
* Review and feedback on the staff satisfaction survey results.
* IT and Cyber Security.

**7.2**Nominations and Remunerations Committee

The Nominations and Remunerations Committee meets four times a year and as required. Its main responsibilities include:

* Trustee recruitment
* CEO recruitment
* Board Performance
* Succession Planning.

During 2020-2021, the NRC met four times, with records of attendance taken at each meeting. The NRC’s principal areas of focus have been:

* Recruitment of three new trustees
* CEO induction
* SMT salary review.

### **8.0 Board responsibilities and activity** The Active Gloucestershire’s Board is responsible for:

## Ensuring the organisation operates in accordance with charitable and company law and in line with its governing documents.

* Upholding the reputation of the organisation.

## Determining the organisation’s strategic direction and alignment.

* Supporting the organisation’s CEO and senior management team to deliver Active Gloucestershire’s business plan.

## Providing oversight and accountability.

## Ensuring governance is shared rather than centralised within one single agency or individual.

* Scrutinising the performance of the organisation, holding executive staff to account via the examination of key performance indicators and targets outlined in the CEO’s report.

## Maintaining the financial health of the organisation, which it does by scrutinising the financial information contained within the FRC report and the external auditors report.

## Reviewing risk continually, which it does via the risk register.

## Approving organisational policies and procedures.

During 2020-2021, the Board met eight times. The Board’s principal areas of focus during 2020-2021 have been:

* Trustee recruitment
* Response to the Covid-19 pandemic
* Developing the Board’s own understanding of social movements, whole system change and backbone organisations
* Review and discussion of **we can move** - values and behaviours, movement building strategy, evaluation,

leadership and branding

* Evaluation and revision of the governance framework for **we can move** including establish a new **we can move** council, programme group, learning partners and wider champions forum
* Review of business development and business plan
* Financial scrutiny - annual accounts, financial plan and budgets, external audit
* Policy review as per the policy cycle.

### **9.0 Risk management principles** Active Gloucestershire’s Board has considered major risks to which the organisation is exposed and has satisfied itself that systems and procedures are in place in order to manage and mitigate those risks. The following key principles outline Active Gloucestershire’s approach to risk management:

* The Board is responsible for risk management and there is an active risk register in operation.
* It is responsible for maintaining a sound system of internal control that supports the implementation of policies, whilst safeguarding the public and other funds and assets for which it is responsible.
* There is an open and receptive approach to solving risk problems.
* Active Gloucestershire makes prudent recognition and disclosure of the financial and non-financial implications of risks.
* Active Gloucestershire senior staff are encouraging and implementing good risk management.

**10.0 Internal controls**In addition to the Memorandum and Articles of Association, which outlines the way in which Active Gloucestershire is run and governed, the Board has in place several systems that set the internal control environment. These include:

## A policies manual which includes policies on anti-bribery, fraud, disciplinary, grievance and whistleblowing

## A health and safety handbook containing all policies related to health and safety at work

## A safeguarding handbook, containing Active Gloucestershire’s child protection and adults at risk policies

## A culture handbook, showcasing the way in which we work and our values and beliefs

## A Trustee handbook which covers Board recruitment, risk management and a code of conduct

* + A financial procedures manual

## **11.0 Changes to risk appetite - handling new delivery risks**

## The table below highlights some of the potential reputational and operational risks that Active Gloucestershire may face during the delivery of its business plan in 2021-2022.

|  |  |
| --- | --- |
| **Risk** | **Control** |
| **Emergency procedures** - An emergency situation which results in a service disruption or closure of service. Including pandemics such as Covid-19 | A business continuity policy has been developed to outline procedures in the event of an emergency situation. SMT are aware of policy so can assist in implementation |
| **Sport England funding** – Workforce funding currently ends in 2022 | Find out from SE when they are going to decide renewal or not. Keep close contact with SE around developments in this area. Develop contingency plan for if not renewed |
| **Branding** – confusion between **we can move** and Active Gloucestershire branding | Development of strategy for both brands, regular review |
| **we can move programme delivery** – programmes not delivered on time and to a high quality | Use Smartsheets project management system, develop plans and systems, provide training and support for staff. Monthly reviews by SMT with project manager. Open communication with stakeholders. Inclusion in Board report |
| **Transition to a backbone organisation** – Trustees and staff don't adopt the leadership behaviours of a backbone | Regular check ins with **we can move** council, staff and Board, leadership training to help enhance understanding of backbone organisations. |
| **Business development targets** – failure to meet targets | Realistic targets to be set based on previous performance, detailed business development plan reviewed monthly, agenda item at all SMT and FRC meetings |
| **Insurance** – risk of under insurance/invalidating insurance | Training incorporated into staff induction, annual review of policy, incorporation of relevant elements into SLAs |
| **GDPR** – Non-compliance with General Data Protection Regulations | Continue to improve our data protection processes and training. Advice continues to be sourced from experts when required. |
| **Loss of key staff** – through leaving AG or long-term sick | Project plans in place for all of their work. Relationships captured on Customer Relationship Database. Officer involvement in workshops. Regular check-in with staff. Regular recognition and rewards |
| **Cyber Security** | Improved internal controls resulting in an application to reach the Cyber Essentials standard. |

**12.0 Governance improvement**

Active Gloucestershire takes seriously its commitment to establishing a strong governance framework and as such its Board conducts annual reviews of its governance practices to ensure that it is not only fully compliant with the UK Code for Sports Governance but that the principles of openness, transparency and accountability are embedded within its culture and govern everything it does.

Over the past year, Active Gloucestershire has retained compliance with Sport England’s ‘Code for Sports Governance’. Adherence to the Code is an ongoing requirement of Active Gloucestershire’s funding award agreements and as such it will continue to be monitored through a combination of Sport England assessment, independent assurance and self-declaration.

## **13.0 Review of statement** The Board undertakes a statement review annually. This statement was last approved in May 2021.