

Board Terms of Reference

Introduction

- 1 Following an Internal Audit in September 2015 the Scottish Sports Council, trading as **sportscotland**, established Terms of Reference for its Board. These were approved by the Board at its meeting on 20 April 2016.
- 2 The responsibilities of the Board cover all of the **sportscotland** Group, comprising **sportscotland**, the Scottish Sports Council Trust Company and the Group's activities as the UK (DCMS) Licensed Distributor for the Lottery Sports Fund in Scotland.
- 3 **sportscotland**'s Board, including the Chair, consists of non-executives appointed by the Scottish Ministers in line with the Code of Practice for Ministerial Public Appointments in Scotland.
- 4 These terms of reference have been developed from the content of the Non-Departmental Framework Document (formerly the Management Statement & Financial Memorandum), which was published in March 2015. This document sets out the broad framework within which **sportscotland** will operate and defines the key roles and responsibilities that underpin the relationship between **sportscotland** and the Scottish Government. These Terms of Reference also take account of the provisions set out in the Scottish Sports Council's Royal Charter, dated 22 December 1971.

Responsibilities

- 5 As specified in the Framework Document the role of the Board is to provide leadership, direction, support and guidance to ensure **sportscotland** delivers and is committed to delivering its functions effectively and efficiently and in accordance with the aims, policies and priorities of the Scottish Ministers.
- 6 The Board has corporate responsibility, under the leadership of the Chair, for the following functions:
 - 6.1 to ensure **sportscotland** delivers the strategic priorities set by the Scottish Ministers and its Corporate Plan;
 - 6.2 to ensure impact is evidenced as appropriate;
 - 6.3 to determine the steps needed to deal with changes that are likely to impact on the strategic aims and objectives of **sportscotland** or on the attainability of its operational targets;

- 6.4 to promote the efficient, economic and effective use of staff and other resources by **sportscotland** consistent with the principles of Best Value, including, where appropriate, participation in shared services arrangements
 - 6.5 to ensure that effective arrangements are in place to provide assurance on risk management, (including in respect of personnel, physical and cyber risks/threats/hazards), governance and internal control. (The Board must set up an audit committee, chaired by a non-executive member, to provide independent advice and assurance on the effectiveness of the internal control and risk management systems.)
 - 6.6 to take into account, when taking decisions, any other relevant guidance issued by the Scottish Ministers;
 - 6.7 to ensure that Scottish Ministers are provided with the annual report and accounts before they are laid before the Scottish Parliament.
 - 6.8 to regularly review financial and operational information on behalf of Scottish Ministers and ensures sportscotland takes the appropriate action based on any concerns;
 - 6.9 to appoint, with the approval of the Scottish Ministers, **sportscotland's** Chief Executive, following appropriate approval of the Chief Executive's remuneration package in line with SG pay Policy for Senior Appointments and, in consultation with the SG, setting appropriate performance objectives which give due weight to the proper management and use of resources within the stewardship of **sportscotland** and the delivery of strategic outcomes;
 - 6.10 to demonstrate high standards of corporate governance at all times, including openness and transparency in its decision-making.
- 7 The Royal Charter also allows the Board to appoint committees or panels to carry out or assist it in carrying out its duties, advise, and to appoint members as the Chair and Vice Chair for these committees/panels.
 - 8 In the context of the Board's functions the Chair is responsible for leading the Board and must ensure that:
 - 8.1 the work of the Board is subject to regular self-assessment;
 - 8.2 the Board is working effectively;
 - 8.3 the Board in accordance with recognised good practice in corporate governance is diverse both in terms of relevant skills, experience and knowledge appropriate to directing **sportscotland** business, and in terms of protected characteristics under the Equality Act;
 - 8.4 the Board members are fully briefed on terms of appointment, duties, rights and responsibilities;

- 8.5 all Board members receive appropriate induction training, including financial management and reporting requirements and, as appropriate, on any differences that may exist between private and public sector practice;
- 8.6 succession planning takes place to ensure that the Board is diverse and effective, and the Scottish Ministers are advised of **sportscotland**'s needs when Board vacancies arise
- 8.7 recommendations regarding Board reappointments are given to the Minister;
- 8.8 there is a code of conduct in place for board members, approved by the Scottish Ministers;
- 8.9 the performance of individual Board members is assessed on a continuous basis, with an appraisal undertaken annually;
- 8.10 in consultation with the Board as a whole, an annual appraisal is undertaken of the performance of the Chief Executive and Scottish Ministers' approval is sought on any remuneration proposal in respect of the Chief Executive;
- 8.11 individual Board members act in accordance with the responsibilities of the Board as a whole and comply at all times with the code of conduct adopted by **sportscotland** and with the rules relating to the use of public funds and to conflicts of interest.

Duties

- 9 The specific duties of the Board are to:
 - 9.1 be aware of the governance and financial regulatory frameworks within which **sportscotland** operates;
 - 9.2 review and approve **sportscotland**'s corporate and business plans including the annual budget and other governance arrangements;
 - 9.3 receive and consider reports from the Chief Executive and the executive staff in relation to the performance and financial management of **sportscotland**;
 - 9.4 receive and review reports on the progress **sportscotland** is making towards achieving its corporate and business plan outcomes;
 - 9.5 review and approve the annual financial statements and external auditor's report after their consideration by the Audit and Risk Committee
 - 9.6 review the organisation's risk register annually in support of the work of its Audit and Risk Committee;

- 9.7 invite sports bodies, partners and representatives from other organisations to present to the Board to help raise awareness of the issues, risks and opportunities within Scottish sport to help inform decision-making;
- 9.8 ensure that the records of its meetings are placed in the public domain once approved;
- 9.9 appoint Committees and agree and periodically review their Terms of Reference;
- 9.10 review and comment on the outcomes from the meetings of its committees and Panels as appropriate;
- 9.11 review annually the performance of the **sportscotland** Trust Company;
- 9.12 appoint the Chief Executive with advice from the Scottish Government.

Membership

- 10 The Chair and members of the Board comprise non-executives appointed by the Scottish Ministers in line with the Code of Practice for Ministerial Appointments in Scotland. The Board shall consist of up to 12 members.
- 11 The Chair of the Board shall be appointed by the Scottish Government.
- 12 The Board shall be responsible for making arrangements for Minutes of its meetings to be made publicly available once approved as an accurate record of each meeting.
- 13 Every member of the Board shall be appointed through the Scottish Government's Public Appointments process. They shall be appointed for an initial period of not more than four years and shall be eligible for re-appointment for a further period of up to four years.
- 14 A Board member may at any time resign his or her position by notice in writing to the Scottish Minister.
- 15 A Board member may be asked to step down by the Scottish Government Minister as a member if any of the conditions set out in Royal Charter Para 7(4) (d) are met
- 16 The Board may from time to time identify independent advisers who can provide expert advice and knowledge to help the Board fulfil its duties. Independent advisers will be appointed for a specified period depending on the requirements of the Board.

Attendance at Meetings

- 17 A quorum will be six members including the Chair and Vice Chair but excluding any independent advisers appointed by the Board. The independent advisers will also attend Board meetings.
- 18 The Chief Executive, as the Board's principal adviser on the discharge of its functions and who is accountable to the Board, will normally attend all Board meetings, as will

the Executive Directors. Depending on the business being discussed at a Board meeting, other **sportscotland** officers may be invited to attend.

- 19 The Board may invite representatives of sports bodies, partners or any other person to attend Board meetings for the purpose of providing expertise and /or information to aid decision-making.
- 20 Any officer appointed by the Scottish Minister whose role is to be an assessor to **sportscotland** or one of its committees or panels will be entitled to attend a Board meeting but not to vote.

Frequency of Meetings

- 21 Meetings will be held up to six times and not less than four times a year. Additional meetings can be called by the Chair in consultation with the Vice Chair.

Authority

- 22 The Board is empowered through the Non-Departmental Framework Document to provide leadership, direction, support and guidance to ensure **sportscotland** delivers and is committed to delivering its functions effectively and efficiently and in accordance with the aims, policies and priorities of Scottish Ministers. Requests for work and reports from the Board will be channelled through the Chief Executive.
- 23 The Board may seek independent professional advice if considered necessary for the performance of its duties and seek to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.
- 24 The Board has authority for making key investment decisions where these are above the Executive's delegated authority limit or where decisions are considered by the Executive to be of sufficiently high risk to be escalated to the Board for awareness, consideration and decision.

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