Capability Framework Guidance
## Contents

Overview of the Benefits of Good Governance .................................................................3
How the Capability Framework works ...........................................................................4
The Way We Do Things Around Here ...........................................................................7
Important Reading for every organisation ....................................................................8
Structure – Governance ...............................................................................................10
Structure – Board Composition ..................................................................................11
  Detailed requirements linked to the Sport Wales diversity policy objective .................13
Strategy .........................................................................................................................15
People – Leadership ......................................................................................................17
People – Wellbeing .......................................................................................................19
Standards Systems & Controls .....................................................................................23
Risk ...............................................................................................................................26
Ethics & Integrity ..........................................................................................................28
Finance ..........................................................................................................................28
  Compliance ..................................................................................................................32
  Operational ..................................................................................................................32
  Strategic .......................................................................................................................33
APPENDIX 1 Governance Improvement Plan ...............................................................34
APPENDIX 2 Essential Requirements – NGBs receiving up to £46,000 & National Partners (e.g. YST) ...................................................................................................................35
APPENDIX 3 Essential Requirements – NGBs receiving £46,000 upwards and WSA, CGCW, The Urdd & Streetgames ...............................................................................................36
APPENDIX 4 Essential Requirements for Local Authorities ........................................37
APPENDIX 5 Sign-posting to additional websites .........................................................38
Introduction

Overview of the Benefits of Good Governance

The benefits of good governance should be attractive to all organisations regardless of size or structure, **size doesn’t matter when it comes to great and emerging practice.** Good governance has been regularly shown to increase sustainability and effectiveness, grow value and make an organisation better as it builds a positive reputation and a healthy culture. It is not always about making the right decisions but about ensuring there is a **good decision-making process** across the organisation - we’re talking about clarity of process, of purpose and of behaviour and lastly and importantly good governance saves time.

**It’s the people within an organisation who turn the principles of good governance into reality.** The Board must be clear about what the organisation is trying to achieve and to make changes that will be beneficial to the organisation long term, **as good governance is vital if organisations are to be fit for the future.** Ever increasing legislation, a rapidly changing world, social networking and 24/7 news mean that organisations must regularly embrace change, constantly work to improve their governance, maximise their potential and minimise the risk for the benefit of all members and stakeholders.

Good governance is not an optional extra for any organisation; it’s about ensuring the structure, policies, systems and procedures that are needed are in place and followed. It’s also about developing the organisational culture, ethics, behaviours, relationships and values – all key drivers of trust and confidence in an organisation.

**In short, if your organisation is still approaching governance as purely a compliance exercise it could be costing a lot more than you think.**
How the Capability Framework works

The Capability Framework (the Framework) [previously called the Partner Assurance Framework - PAF] is an approach that identifies the essential and minimal requirements expected of an organisation. It aspires to support a strong, sustainable and successful sports sector through continuous governance improvement.

The Capability Framework has two key aims:
- to ensure that Sport Wales is investing public money appropriately and has confidence in the organisations it is working with, and
- to support the continuous improvement of partner organisations so they are best prepared to achieve their potential.

The Capability Framework is built around headline principles that are then tailored to offer a bespoke and proportionate risk-based approach that is relevant to organisations of all sizes. The essential and minimum requirements are proportionate to the level of Sport Wales investment, they also support an organisation’s continuous governance improvement journey. The heart of the Framework focuses on the importance of culture, values, ethics and behaviours within an organisation.

The essential and minimum requirements¹ align to recognised key governance areas and are set under the following headings:
- Structure – Governance
- Structure – Board, Committee Composition
- Strategy
- People – Leadership
- People – Wellbeing
- Standards, Systems and Controls
- Risk
- Ethics and Integrity
- Finance

The essential and minimum requirements complement the newly refreshed Governance and Leadership Framework for Wales (GLFW-2019). Significant progress has been made towards well run, well governed organisations with balanced, skilled and inclusive Boards since the GLFW came into effect. Tailored support to drive further improvement is available through Vibrant Nation: https://www.vibrantnation.co.uk/glfw

Please open the link to view the GLFW (2019) document:

The Capability Framework encourages organisations to build capacity and capability by improving and sustaining leadership; delivering the right amount of training and support where it will be most beneficial; being receptive to change; using insight gathered through

¹ Sport Wales reserves the right in exceptional circumstances to vary the requirements of the Capacity Framework for an organisation at its sole discretion.
data to make better informed decisions; protecting against risk and therefore altogether embedding good governance.

Organisations in receipt of Sport Wales investment must achieve the Essential and minimum requirements by specific dates (see Diagram 1 Partners on the next page) – further detailed information can be found in the relevant tables in the Appendices (Appendix 2, 3 & 4).
Partner Governance Journey

Diagram 1

**ESSENTIAL REQUIREMENTS**

- Higher Funded NGBs; WSA; CGCW; Urdd; Streetgames; & Sport North Wales by March 2020.
- Lower Funded NGBs & other National Partners by March 2020 (Sport Wales Gender Parity Policy and / or agreed Action Plan by March 2022).
- Local Authorities by March 2020 (Sport Wales Gender Parity Policy & Recognition do not apply).

**MINIMUM REQUIREMENTS (Ongoing)**

- Tiered & Proportionate
  - £500 - £20,000
  - £20,001 - £100,000
  - £100,001 - £375,000
  - £375,001 +

- Higher Funded NGBs; WSA; CGCW; Urdd; Streetgames; Sport North Wales; & National Partners / LFNGBs with on-going funding from £20,001 - £100,000 by March 2021.
- National Partners / LFNGBs with on-going funding up to £20,000 by March 2022.
- Governance Improvement Plan.

**GOVERNANCE & LEADERSHIP FRAMEWORK FOR WALES**

- Supports continuous governance improvement for all partners.
- Essential & Minimum Requirements align to the GLFW.
The way we do things around here

The approach that the Framework has taken (including organisational culture, values, ethics and behaviours) as shown in Diagram 2 below.
Important reading for every organisation

General Guidelines & Review Process Information

1. The Capability Framework for many organisations will be new, for others it replaces and builds on the Self-Assurance process that had been used previously. Over the last two years the assurance system has evolved and will continue to evolve.

2. The ‘essential requirements to be eligible for investment’ of the Framework have been identified as Essential within the excel document; Essential evidence has also been indicated.

3. A self-assessment document that enables each question in the Framework to be commented upon will be provided.

4. The Board (plus senior employees if in post) is responsible for ensuring that the organisation meets the requirements of the Framework and that suitable evidence exists as outlined in the various sections; this should be available on request. In particular, the Chair, on behalf of the whole Board, has responsibility to supply written confirmation of the compliance with these requirements. Sport Wales will provide a ‘Sign-off Form’ to enable this to take place more easily.

5. Targeted Capability Reviews, for governance and finance, will take place from November 2019 – March 2020 and going forward from April 2020 will take place throughout the year. Each organisation will have a review at least once in a four-year cycle. These reviews will complement local intelligence and self-assessments and support the two key aims of the Capability Framework.

6. Sport Wales will advise the format for the organisation’s individualised review process. The review may take different forms, be at different times, may consider all or only parts of the Framework – this will be confirmed at the time of notification.

7. Where an onsite review is appropriate, contact will be made with suggested date options; the venue for the meeting will also be discussed.

8. For ‘on-site reviews’ evidence may be requested beforehand – how such evidence is provided would be the decision of the organisation, e.g. web link, smart sheet etc.

9. The evidence can be collated in any way determined by the organisation, or left where it is usually computer stored, either way it must be available if requested. An organisation should also be able to show how the evidence is usually stored if it has been moved to a general file purely for the Framework and how items evidenced are applied in practice.

10. A live Governance Improvement Plan should be in place; the format of it can be determined by the organisation. (A template for a simple improvement plan has been included as Appendix 1 as a starting point for smaller organisations but need not be used.) [It is important to remember that the governance improvement plan is a working document. It will need to be updated as actions are completed or when further review is undertaken or if circumstances change and new areas for improvement are identified.]
11. Throughout this Guidance document website details are included for helpful information or potential further reading, they may or may not be of use; it is not a requirement that they are opened unless stated. Inclusion of details does not guarantee the content of the third-party website. Additional potential useful website information has also been provided at Appendix 5.

12. Coloured text boxes have been used in this document to highlight either a meaning of a particular word or a particular requirement, e.g. Board and Sport Wales Diversity policy.

13. Words that are underlined in this guidance document relate directly to wording in the Framework excel document.

14. Detailed guidelines with links to websites that will offer more information for each section has been provided. These pages may be used as determined by each organisation. They are designed to offer help and assistance especially when creating or updating documents.

15. A ‘key to cells’ has been included in the excel Framework document and here for additional clarity.

The following pages of this the Capability Framework Guidance Document contain detailed information and explanations for each section of the Framework including website links to suggested further reading and explanation/assistance.

As determined by each organisation’s needs, the sections can be read one at a time prior to, or at the same time as completing work on the organisations self-assessment.

Appendices follow on after this detailed information.
Structure - Governance

This section looks at legal form, organisational type and sub-committee structure.

All formal organisations must have a written set of rules laying down their objectives, the rights of members, how their assets may be applied. This is an Essential requirement of the Framework. [Many different types of organisation can be “not-for-profit”, but this is not a legal structure.] Companies have additional legal requirements for their Articles. The generic term for this set of rules is the “Governing Document”.

The Governing Document is usually:

- Articles - for a Limited Company and some charities
- Constitution – for an unincorporated association/organisation, Chartered Incorporated Organisation, Local Authorities or similar
- Articles or Constitution linked to a Community Interest Statement – when an organisation is set up for Community Benefit

Sitting under the Governing Document are the rules and regulations of the organisation; these can include Byelaws, Statutes, Membership Regulations, Codes of Conduct and any other significant documents that set out the organisation’s requirements.

Acceptable review period for Governing Document: at least every 4 years

The review can be shown in various ways e.g. AGM minutes where changes were made; Board minutes where discussions took place and no changes were deemed necessary following the review process.

All regulatory and statutory requirements are being met another Essential requirement – the types of regulatory and statutory requirements will vary depending on the legal format, size and types/levels of trading undertaken. Typical evidence requirements can be drawn from these websites if charitable or incorporated:

- Companies House returns – evidence can be shown using: https://beta.companieshouse.gov.uk/
- Charity Commission returns – evidence can be shown using: https://www.gov.uk/find-charity-information

N.B. Financial returns are covered in Finance
Understanding the Board’s collective and individual legal and fiduciary duties evidence may be contained in a set of notes, a Board Governance Handbook or similar. The detail may vary depending on the size and the way the organisation is constituted but the basic information will be the same. A Board Handbook may also be used to set the decision-making framework and primarily focus areas of Board work. For companies more information can be found here: [https://www.gov.uk/guidance/being-a-company-director](https://www.gov.uk/guidance/being-a-company-director)

Board Agendas – recent Board agendas showing date of each meeting and the items to be discussed. [NB. Any sensitive/personal information should be blocked out or removed.] An agenda gives an insight into the discussions and potential decisions of the Board as well as the format of meetings.

A Committee or similar structure should be shown using Board/Sub-Committee/Staff Organogram showing the whole structure of the organisation. (If the Board has not set up a sub-committee structure this should be advised, option to consider one to share/improve the workload of volunteers could be considered.) Separate diagrams may exist depending on size, staffing level and any subsidiaries. An example of a committee Terms of Reference should show the reporting mechanism to the Board.

Board delegation can be shown using a delegated authority statement and/or a table of delegations.

Does your company have a subsidiary or is your organisation a subsidiary of another? Please advise Yes or No

If YES, please provide the constitutional relationship and show how this is defined. In addition, please note subsidiary accounts form part of the Essential evidence for Question 1 of the Finance section.
Structure - Board Composition

This section looks at Board members within the organisational structure (excluding employees).

The individuals that sit on the Board are key to the success of every organisation. Therefore, understanding the Individual Board member’s role is vital to the success of the Board as a whole. The Board member role descriptor is a minimum requirement of the Framework. Setting the expectations within an appointment letter can also help with understanding.

Board member election and/or appointment procedures for lower funded or smaller organisations may be contained within a set of minutes or as part of a governing document or an advertisement; for higher funded or medium to large organisations a policy and full process that is regularly reviewed (at least every 2 to 3 years or sooner if required) is a minimum requirement.

A clear recruitment process for Board members helps get the right people with the right skills, knowledge, leadership, diversity and integrity for your organisation.

There are numerous different sites that an organisation might find useful to explore when developing or reviewing Board member roles and recruitment processes – these are just a few, many more can be found using internet search engines:

- [https://managementhelp.org/boards/recruiting-members.htm](https://managementhelp.org/boards/recruiting-members.htm)
- [https://www.wildapricot.com/articles/developing-a-board-recruitment-process#why-develop-recruitment-process](https://www.wildapricot.com/articles/developing-a-board-recruitment-process#why-develop-recruitment-process)
- [https://knowhow.ncvo.org.uk/your-team/volunteers/recruiting/writing#](https://knowhow.ncvo.org.uk/your-team/volunteers/recruiting/writing#)

Board Diversity – Sport Wales policy wording confirmation:

In July 2018 the Sport Wales Board agreed a policy objective to achieve gender parity (the EU Commission’s definition of gender parity is at least 40% women or men on a Board) for funded organisations. The decision was made in accordance with the legal and policy frameworks that guide Sport Wales strategic direction and reflected the contents of an independent report developed in consultation with NGBs.

Though all protected characteristics are important for richness and diversity of thinking, this policy position prioritises gender diversity as an integral component in balanced, inclusive and skilled Boards in Wales and an area in which as a sector, needs to be accelerated. While the initial priorities are gender focussed, it is recognised that gender is just one characteristic of how people identify themselves.

An Equality Policy is in place and supported by a public commitment; and Meets the Sport Wales Gender Parity Policy and / or has an agreed action plan leading to a Board achieving gender parity.

The Sport Wales aspiration is for all funded organisations to achieve Board Diversity in line with Principle 4 of the GLFW by March 2020. More information can be found here:
A range of businesses that can provide support in this area, as well as more information, practical recruitment guidance, tools, templates and links to resources can be found in Appendix 5.

This policy objective has been introduced in phases – a minimum expectation by March 2020 for many organisations, please see full date requirement details in the Appendices.

Whilst there has been significant progress in developing balanced, skilled and inclusive Boards since the policy came into effect, it has been important to set out requirements that demonstrate an organisation’s intent to developing a diverse Board. The detailed requirements that support the Sport Wales policy are:

- An agreed action plan leading to a Board achieving gender parity. This must be reported and discussed at Board, signed off by the Board and communicated publicly (see case studies in Appendix 5). The plan should include:
  - an audit and an understanding of the membership and make up of local and regional governance structures (e.g. sub-committees, Councils);
  - a short and long-term strategy including approach to elected and ‘open’ appointments (include independent and direct appointments from other bodies as relevant in the evidence);
  - clear intent with milestones and responsibility for achieving gender parity identified;
  - a clear strategy for revision of the governing document where needed to support positive change;
  - evidence of progress, learning and actions taken as a result of change;
  - progress aligned and continuous improvement evidenced through equality standards progression as appropriate; and
  - evidence of active engagement with supporting resources, making use of learning and development opportunities – appropriate staff and Board members attending events and accessing opportunities for support.

- A visible, public commitment to Board diversity. This should include a visibly diverse and inclusive approach to public facing materials, such as websites and/or social media as well as Board members and employees being public advocates for Board diversity. (See link to UK Athletics example in Appendix 5).

- Evidence of diversity and inclusion in the Board recruitment approach and processes. Effective succession planning in place to build diverse Board and maintain the optimum balance over a longer period.

The longer Board members work together on the same Board, the more likely they are to engage in groupthink. This means they will be less likely to generate questions that could risk breaking the cohesiveness of the group. Groupthink is described as “a psychological
behaviour of minimising conflicts and reaching a consensus decision without critically evaluating alternative ideas in a cohesive in-group environment.”

Board member induction must be provided by every organisation, as an absolute minimum it should outline the Board member’s role and responsibilities. Ideally a signed confirmation by each Board member should be held as confirmation of their understanding of the role. It must be noted that company directors and trustees share collective and individual legal and ethical responsibilities. All Board members are equally liable for actions and decisions taken by the Board whether or not they were present at a meeting.

Important reading for Charity Trustee Induction: [https://www.gov.uk/guidance/charity-trustee-whats-involved](https://www.gov.uk/guidance/charity-trustee-whats-involved)

Important reading for Company Director Induction: [https://www.gov.uk/running-a-limited-company](https://www.gov.uk/running-a-limited-company)

A signed Board Code of Conduct, used in addition to the induction information evidence, is often a good indication that Board members understand their role, responsibilities and what is expected of them during their term in office.

Annual evaluation of the Board and its individual members is an expectation of the Framework for higher funded and larger organisations. Board evaluation should be part of an organisation’s commitment to continuous governance improvement. It is not expected that the detailed evaluation of each individual is used as evidence. However, the process used, the date completed, the next planned evaluation date(s) as well as the overall outcome of the whole Board evaluation should be evidenced. This can be either by sight of a report or Board minutes. Evidence of how the findings of recent evaluations prompted any changes to the way the Board works would provide clear evidence of commitment to continuous governance improvement.

An effective Board member succession plan is expected to be in place for larger and higher funded organisations but is good practice for all organisations regardless of size. Succession planning is an ongoing process of identifying, assessing and developing people to ensure the continuity of the Board. The plan will be influenced by the maximum term of office set within the Governing Document, the current needs of the organisation and information provided by the individual Board members regarding their willingness to serve. There are many good examples online of ‘Board member succession planning’ and the various reasons for it and ways to approach it. Having effective succession planning in place will help to maintain the optimum balance of the Board over a longer period.

For many organisations other key volunteer roles (e.g. coach, team manager) are also important to succession plan for the future. Smaller and lower funded organisations can use evidence of their succession planning for these key roles within the Framework.
Strategy

This section looks at how the organisation sets and manages its strategy.

A **strategic plan** outlining the vision, mission, values and long-term goals of the organisation can look very different depending on the size and structure of an organisation. It establishes the direction of an organisation and considers where the various resources (time, money, people etc.) are best used to achieve the agreed goals or objectives; a broad sequence of steps to achieve these goals can be included in the more detailed versions. Further reading and assistance on developing a strategic plan can be found here: [https://www.sportandrecreation.org.uk/pages/governance-library-strategic-planning](https://www.sportandrecreation.org.uk/pages/governance-library-strategic-planning)

Regular monitoring of the strategic plan to ensure that it is relevant is a fundamental part of a larger organisation’s annual planning cycle. Monitoring can be evidenced using extracts from Board or sub-committee minutes, or reports to members, the latter being particularly relevant if changes to the plan are envisaged.

An **operational / business plan** just like the strategic plan will look different depending on the size and complexity of the organisation. Put simply the business plan needs to show *how the organisation is going to deliver the outcomes from the strategic plan and achieve the goals*.

As the Sport Wales investment level increases business plans should link to finance and demonstrate identification of any potential risks from the strategic plan that require scenario options. [See Finance page 33]

For small or Sport Wales lower funded organisations this might already be included in the strategy - it is always good practice to have a detailed plan.

More general information can be found here: [https://www.gov.uk/write-business-plan](https://www.gov.uk/write-business-plan)  

Creating an Annual Report for members is an excellent way to keep people informed about the progress of the organisation. Again, the format, size and distribution will vary and for small organisations may be included within the Annual General Meeting but for Sport Wales higher funded or larger organisations the Annual Report would be an expected evidence document. The report usually includes financial information. [Links to Finance]. Typical annual reports can be seen on many National Governing Body (NGB) websites including e.g. Welsh Athletics and Welsh Gymnastics.

Responsibility for the achievement of strategic objectives needs to be clear; this can be evidenced in job descriptions of employees and/or role descriptors of positions e.g. *volunteer national coach* – both of these link with other sections of the Framework and to limit duplication reference to these sections are optional. If an executive (minimum CEO/GM) job description shows how responsibility is determined it should be used as evidence here. In addition, tailoring individual appraisals to the person’s responsibility of achievement of strategic outcomes is a valuable tool for monitoring and review of the
relevant objectives. [Links to People-Wellbeing] Sub-committee Terms of Reference (ToR) are an evidence suggestion in Governance – Structure, including responsibility and reporting on the strategy/business plan outcomes within the ToR enables that same evidence to be used again for this question, linked to the actual report outcomes.

*Structured engagement with key stakeholders within and outside the organisation* makes good business sense on many levels.

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**The term stakeholders is used throughout the Framework documents, it includes internal stakeholders and external stakeholders. Internal stakeholders in this instance include members, employees, Board and sub-committee members and anyone directly involved with the operations of the organisation. Whereas external stakeholders include government bodies e.g. Sport Wales, the general public, potential sponsors etc. Every organisation determines its own key stakeholders.**

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When stakeholders are invited to a strategy development day for example, it engages and motivates participants to think more broadly. The more engagement with stakeholders in the thinking and consideration stages, the more they are invested in the actual strategy. It has been shown stakeholder involvement in development and monitoring improves the likelihood of success, so for the highest funded organisations the evidence and mechanism of engagement is a minimum requirement.
People – Leadership

This section looks at leadership of the organisation and its impact.

Leadership is the ability of an individual or a group of individuals to influence and guide others; although the terms leadership and management are sometimes used interchangeably, they are not the same concept.

More information including video clips on leadership can be found here: https://www.acas.org.uk/index.aspx?articleid=6605

Declaration of Interest forms and conflict management is a legal requirement for incorporated and charitable organisations and an Essential requirement of the Framework. It is good practice for all organisations, including unincorporated ones, to consider conflict within every decision-making process (include employees and volunteers in the procedure and athlete selection processes). The management process should be detailed including maintaining of a conflict of interest register. [N.B. GDPR compliance for personal information stored.] Examples of conflict management processes can be found on various websites including in the Members Section of the Welsh Sports Association site.

The Board should act with integrity, lead by example and promote the desired culture of itself and the organisation as a whole. Details about acting with integrity and all the other behavioural characteristics linked with the culture of a Board can be found in the GLFW here: http://sport.wales/community-sport/workforce/governance-and-leadership-framework-for-wales.aspx

These important characteristics improve the success of any organisation. Board evaluation outcomes [linked with Structure – Board Composition] can provide evidence examples of integrity, leadership and Board culture. For smaller and lower funded organisations, the Board reports, minutes and the Annual Report(s) to the AGM can be used to highlight the way the Board works.

The Chair demonstrates objective judgement and promotes a culture of openness and debate is probably best evidenced by attendance at a Board meeting. However, failing that the questions used for Board evaluation can also show the level of openness and individual engagement if worded appropriately. As meeting time is regularly limited, the Chair may suggest debate continues post meeting or refers discussions to a sub-committee for more detailed debate prior to returning to a future meeting. This type of openness of debate by gathering a wider spread of views/ideas can help the Board on many levels.

Board members support the Chair in instilling the appropriate values, behaviours and culture in the boardroom and beyond. The Board can assess and monitor the culture of the organisation as a whole by having a clear understanding of the views of internal stakeholders, particularly employees and members. This would be different from stakeholder engagement in the Strategy section as it would be less strategically defined.
The Board, senior employees and key volunteers ensure that the values are embedded throughout the organisation, is a particularly important function for large and higher funded organisations. This group of people should assess the basis on which the organisation creates, preserves, communicates and embeds its values over the short and long term. (Values are often unseen drivers of behaviour, hence their importance.) Smaller and lower funded organisations should be interested that their organisational values matter particularly those organisations that are charities of any kind. Equality, fair play, commitment to sustainability and acting in an environmentally friendly way are some examples of values. Should the Board and/or others find the organisation’s values are not embedded then corrective action should be taken, for example through training, better induction, enhanced communication, being part of performance review etc.
People – Wellbeing

This section looks at legally compliant employment practices, key volunteer management and consideration of wellbeing.

For organisations (regardless of size or Sport Wales funding level) that have employees a Human Resource (HR) structure based around current legislation is an Essential requirement of the Framework. The decision whether to keep policies separate or together in a staff handbook or similar is discretionary.

{Organisations without employees should skip forward to the ‘Bullying’ note, as it applies outside the workplace as well as inside, then ‘Mental Health awareness’ and ‘annual volunteer appraisal’. Induction for key volunteers is also important to get the best out of them as well as providing a clear volunteer environment.}

The HR framework will start with the all employees being provided with signed written particulars of employment this is an Essential requirement for any organisation that has employees, the particulars must contain all the required information.

An up to date job description for every employee is a minimum requirement but ideally this goes hand in hand with the written particulars. The job description should be regularly reviewed, at least annually, to ensure it accurately covers the work undertaken by the individual. The best time to review a job description is alongside the annual performance appraisal. Clear evidence of the last review date should be shown on all job descriptions. Appraisal information should be evidenced by the written process and forms used (email confirmations or similar could also be used in addition to the process evidence if applicable). Actual appraisals should not be used as evidence as they may include sensitive personal information or may allow the person to be identified from the text even if the name and job title has been removed.

Induction evidence for new employees and individuals who may have recently returned following a long absence, or have changed jobs is also a minimum requirement. The format this induction takes will vary depending on the size and complexity of the organisation. Examples and further explanation about the importance of induction can be found here: https://www.acas.org.uk/index.aspx?articleid=5714

HR policies and/or procedures that are legal requirements on employers have been identified as Essential requirements. These include:

Pension Auto-enrolment, all employers have been required to offer an appropriate pension scheme since 2018, although the staging date was much earlier for large companies. Evidence showing the pension scheme offered to employees can be provided in the form of a letter from the insurance company or as any other suitable document. More information about Automatic enrolment - workplace pension duties can be found here: https://www.thepensionsregulator.gov.uk/en/employers
Most employers are legally required to insure against liability for injury or disease to their employees due to their employment. Accordingly, **Employers Liability Insurance** is an **Essential** requirement to cover H&S in the workplace more information can be found here: [http://www.hse.gov.uk/pubns/hse40.pdf](http://www.hse.gov.uk/pubns/hse40.pdf) [https://www.hse.gov.uk/](https://www.hse.gov.uk/)

As well as the requirement for employer’s liability insurance, organisations with five or more employees, must have a written H&S policy. Therefore, for such organisations the written policy is **Essential** evidence. If fewer than five employees a written policy is not a legal requirement, so not essential but it is still useful to have one. Assistance to develop one can be found here: [http://www.hse.gov.uk/simple-health-safety/policy/index.htm](http://www.hse.gov.uk/simple-health-safety/policy/index.htm)

Also, five or more employees requires an organisation to have documented risk assessments for significant hazards posed by any work activities. Organisations with less than 5 employees still have a duty to undertake risk assessments, however there is no legal requirement to record the findings, but it is strongly recommended that you do. [http://www.hse.gov.uk/pubns/books/lawposter.htm](http://www.hse.gov.uk/pubns/books/lawposter.htm)

The **minimum wage** is payable regardless of how small an employer might be, even if only one employee is involved. Hence it is an **Essential** requirement within the Framework. Important payment information regarding the legal requirements for employers can be found here:  
[https://www.gov.uk/national-minimum-wage-rates](https://www.gov.uk/national-minimum-wage-rates)  

By law, therefore an **Essential** requirement, employers must set out a **grievance** procedure and share it in writing with all employees, e.g. in individual particulars of employment, or as a separate policy or within a staff handbook. More information can be found here: [https://www.gov.uk/handling-employee-grievance/grievance-procedure](https://www.gov.uk/handling-employee-grievance/grievance-procedure)

**Other HR employment policies** being in place is a sign of good practice on behalf of the employer. A suggested list has been included in the Framework, the list is not an exhaustive one and other policies may exist outside of those listed. These ‘other’ policies are minimum requirements although if they impact on statutory or legal areas their inclusion may move to essential if legal requirements are updated.

The **Disciplinary** process for employees is different from the process for members and volunteers. Employee requirements e.g. hours of work, dress code, use of social media etc. may be included in the employment particulars or contract or in a code of conduct or similar but they should be in writing to avoid misunderstanding. The breaching of regulations may lead to disciplinary action. In many cases minor infringements can be dealt with informally; it is a good idea to have this option written into the procedures. The links provided explain the potential pitfalls if disciplinary measures lead to tribunals. More information can be found here:  
[https://www.gov.uk/taking-disciplinary-action](https://www.gov.uk/taking-disciplinary-action)  

**Appeals** processes should exist within any form of disciplinary procedure whether for employees or for members/volunteers. Evidence of a suitable appeal process needs to be
clearly documented with timeframes and have a clarification of the limit of the appeal – the end of the process. [This could link into a vexatious complaint or similar process for people other than employees.]

**Bullying** and harassment is behaviour that makes a person feel intimidated or offended. Harassment is unlawful under the Equality Act 2010. Having an anti-bullying policy and embedding positive behaviours is an important part of an organisation’s employee and volunteer management. This policy is a minimum requirement for the Framework it may have been linked to the Equality Standard work already undertaken. More information can be found here: [https://www.gov.uk/workplace-bullying-and-harassment](https://www.gov.uk/workplace-bullying-and-harassment)

**Redundancy** legislation is complex, and employers need to understand their obligations, including employees' rights and the correct procedures to follow. This is one of the areas that expert HR knowledge is paramount, the requirements for the Framework is about how the organisation has or would obtain access to HR expertise. This might be via a HR professional employee, an outsourced contract or a Board member with HR legal experience. Depending on the circumstances, if access to HR expertise is relied upon from a Board member, their involvement might need to be replaced with outsourced assistance in potential conflict scenarios.

**Absence and sick leave** policy should be clear, with the mechanism of reporting absence updated as necessary. More information can be found here: [https://www.gov.uk/taking-sick-leave](https://www.gov.uk/taking-sick-leave)

**Working time regulations** implement the European Working Time Directive into law in GB. The regulations cover how many hours a person may work, they are very detailed and state that on average in a seventeen-week period a person may work no more than 48 hours/week. Opting out of the regulations is the decision of the employee. For the Framework, employers may be asked to confirm if any employees have opted out or what flexible working procedures are in place. More information can be found here: [https://www.acas.org.uk/index.aspx?articleid=1373](https://www.acas.org.uk/index.aspx?articleid=1373) [http://www.hse.gov.uk/contact/faqs/workingtimedirective.htm](http://www.hse.gov.uk/contact/faqs/workingtimedirective.htm)

**Maternity, Paternity and Parental leave** is an area that every employer should be up to date about as regulations change quite often. ACAS has detailed information sheets and template forms that can be used. More information can be found here: [https://www.acas.org.uk/index.aspx?articleid=4911](https://www.acas.org.uk/index.aspx?articleid=4911)

**Mental Health awareness** has been included as a minimum requirement of the Framework for those organisations that receive the higher levels of funding. However, any organisation looking at this assurance approach can benefit from reviewing how it considers mental health. There has been a growing awareness within the sporting sector and many websites exist that can be viewed to find out ways to improve the systems that currently exist within an organisation. More information can be found here: [https://www.mind.org.uk/](https://www.mind.org.uk/) [https://www.mind.org.uk/workplace/training-consultancy/](https://www.mind.org.uk/workplace/training-consultancy/)
Those that rely heavily on a few key volunteers ideally should have a volunteer annual performance appraisal system in place. Volunteer appraisal is especially useful when volunteers hold crucial positions within an organisation. Their ability to fulfil the requirements of their role can be a vital part of achieving the overall goals of the organisation. Key volunteers (other than Board members considered in Structure – Board Composition) such as volunteer national coaches/team managers, chairs of sub-committees, etc. regularly play a significant role in both small and large organisations. This has been set as a minimum requirement for the top two levels only but is something that ideally everyone could consider.

With regard to volunteers care must be taken around their status, required reading linked to the Framework here:
https://www.gov.uk/guidance/check-employment-status-for-tax
https://www.gov.uk/volunteering/pay-and-expenses
Standards Systems & Controls

This section looks at systems and controls and specific data protection requirements.

As with many other parts of the Framework but with particular relevance to standards, systems and controls an organisation should be able to demonstrate that it is compliant with legal, regulatory and statutory obligations through its policies and processes. All policies should be documented, Board approved and disseminated through the organisation, in that way everyone should understand their requirements and not overstep or make mistakes.

Essential Fraud prevention and Detection (financial & non-financial) is an ongoing cycle involving policy development, Board approval and decisions, monitoring, detection of any instances, case management and learning from issues, amend the policy etc. Identity theft and associated fraud is a growing area of concern, it can have huge reputational and/or financial issues. Information control is paramount in the battle against fraud. More information can be found here:
https://www.fraudadvisorypanel.org/resource/

Essential Health & Safety outside the workplace is just as important as within the workplace for many sports organisations, running events, training camps, taster days are just a few examples of activities that will need careful health and safety assessments. The two-website links below give straightforward information and assistance with regard to developing a safe environment:
http://www.hse.gov.uk/entertainment/leisure/amateur-sports-club.htm
http://www.hse.gov.uk/entertainment/leisure/

ICT is an acronym that stands for Information Communications Technology, it has drastically changed how people work, communicate, learn and live. It is an Essential area for funded organisations to show how development of policies and practices have maximised best use of ICT, while at the same time ensuring suitable checks and balances are in place to protect the organisation.

Complaints of any kind can be draining on an organisations resources, having a well-defined general complaints process in place gives organisations a structure to follow. Within the Framework this is a minimum requirement for all funded organisations. Having a complaint dealt with by the right person is paramount as is the time taken to resolve any complaint. More information can be found here:

General complaints are usually related to dissatisfaction about something, do not include bullying, harassment etc. or disciplinary complaints within this group but more administrative complaints or those of a less specific nature. The process should be tiered so that there is the ability to lift the issue higher up in the organisation. There needs to be an end point to a complaint process, it should not go on and on (vexatious complaints).
Use of Social Media is now the norm. Organisations will want to maximise the opportunities afforded by social media and websites but there are also downsides to the current ‘instant social media age’. Use of all media platforms should be driven by common sense, the law and defined policies that have been widely distributed and clearly visible to everyone.

Simple points to remember when creating a social media policy
1. Clarify who can speak for your organisation on social media
2. Provide a plan for dealing with conflict arising from social media posts
3. Include personal account guidelines in your social media policy
4. Consider potential legal risks
5. Keep your employees (and organisation/brand) secure online

Numerous NGBs place their social media on their website – check them out for ideas.

Some organisations may wish to mention complaints within a Customer Charter, many NGBs publish their customer charter on their website. Sport Wales National Centre customer charter can be found here: http://sport.wales/about-us/sport-wales-national-centre/about-us.aspx it includes ways to complain and give feedback about the centre.

A different example from Sport Ireland can be found here: https://www.sportireland.ie/About_Us/Customer-Service-Charter/

Business Continuity is a planning process that sets out the capability of an organisation to continue delivering activities or services following a disruptive incident outside of their control (e.g. flood, loss of premises, cyber-attack, loss of life) where the incident prevents the usual processes continuing. The resulting document/plan is important and deserves serious consideration to limit the impact of any disruption to normal services, developing the plan should not be rushed. This website provides more useful information: https://www.thebci.org/knowledge/introduction-to-business-continuity.html

Adhering to International Federation rules and regulations if the organisation is a National Governing Body is paramount for many reasons, not least for the ability to take part/or host events. The easiest way to evidence this is by confirming Membership of GB and/or European and/or International Federation as the sport requires.

It is an Essential requirement regardless of an organisation’s size that an appropriate data protection policy is in place that has been approved by the Board. This policy should reference the General Data Protection Regulations (GDPR). Significant financial penalties can be applied for breaches of the regulations; the Board should be fully aware of the requirements and how they impact on all types of day to day activities, therefore following the links below for full understanding is a requirement.

The Board-agreed and annually reviewed data protection policy should include these minimum points:
- The purpose of the policy, setting out the organisation’s commitment to General Data Protection Regulation (GDPR) and the Data Protection Act 2018
- The practical steps to be taken to ensure that personal data is kept safe and how compliance with the six principles for data processing is maintained. More about these principles can be found here: www.ico.org.uk/for-organisations/guide-to-data-protection/guide-to-the-general-data-protection-regulation-gdpr/principles/
• The rights people have over their personal data and how they will be allowed to exercise them
• A named post holder who is accountable for data protection within the organisation


It’s vital that staff and key volunteers receive training on the requirements of GDPR and the practical steps required to adhere to it along with ensuring the organisation has access to technical support to keep IT systems compliant.

GDPR requires agreements to be in place with any organisations that shares sensitive personal information. **Data Sharing Agreements** should set out the following:

• What personal data will be shared between organisations, how people whose data is being shared are advised and what lawful reason exists to share the information
• Why and how it will be shared
• For how long the data sharing will continue and what happens to the data once it is no longer needed

Data sharing agreements are required under the new GDPR law - the process of creating them helps an organisation understand where collected personal information originates from, is used and stored and chiefly who gets to see it.

Risk

This section looks at risk identification, understanding and management processes.

Risk management is key to the overall health of an organisation. Generally, an organisation puts in the most protection, or mitigation against an outcome occurring, where there’s the most risk. That means the risk of hurting people, risk of falling foul of regulation, severe reputational damage, or losing money.

The organisation has appropriate insurance arrangements to protect its resources and people is an Essential requirement, insurance will vary depending on size and structure as well as the activities undertaken. One to consider with your insurer if not already in place is ‘Error and Omissions’ insurance for employees, Board members and key volunteers; get the right wording, check all the services/activities delivered are covered by the policy as well as legal costs.

Risk is the likelihood of harm from a particular hazard occurring and the likely severity of the harm (e.g. loss of funding, fraud, doping issue, reputational damage). A hazard is something with the potential to cause harm and this can include substances or machines as well as methods of working or activities undertaken.

Smaller organisations should be aware of their risks and should set things in place to reduce them, it may not need to be as detailed as a strategy and a register – but the risks to an organisation should never be ‘unknown or ignored’.

A risk management strategy which has been approved by the Board is a minimum requirement for some organisations. A clear strategy ensures the principal risks are identified, assessed, categorised and managed at the appropriate level. The strategy should be reviewed at least every two years or sooner if there are significant changes that impact on the organisation, e.g. Change of Chair or lead employee, loss of key personnel, reduced finances, increased internal or external threats etc.

A risk register that has been produced which is regularly reviewed by the Board is a key management tool and should be seen as a ‘living document’ not one that is annually updated. The development of a risk register begins with risk assessments, these are not difficult but take time to do properly. Individual risk assessments should be undertaken relating to the activities of the organisation such as premises and equipment maintenance, catering, manual handling, event management, finance etc. [see details in Finance] Risk assessments are best carried out by people with detailed knowledge of the areas concerned. People are also more likely to buy into the risk management process if they have been involved in writing the assessment rather than having it imposed upon them from above. There are many websites that offer information about developing a risk register (including the Welsh Sports Association) one example can be seen here: https://www.smartsheet.com/risk-register-templates

Organisations should have the ability to access advice on legal, financial or compliance matters, it is better to know how to get such advice in advance of the need to have it.
Should a situation arise where an organisation is taken to court or similar it is expected that a funded organisation would have commissioned suitable Professional/Legal advice. It is not necessary to provide the advice as evidence, however, any cases commenced against the organisation should be notified to Sport Wales. The Board should be kept fully informed of the progress of legal cases and any associated risks; the risk register should be suitably amended as the case progresses. Once resolved – confirmation should be shown to Sport Wales in a suitable way without providing any information that could be considered ‘sensitive’.
Ethics & Integrity

This section looks at the ethics policies and procedures that ensure compliance with regulatory requirements, promote ethical conduct and guide relationships with stakeholders.

The term ‘ethics’ is derived from the Greek word *ethos* which can mean custom, habit, character or disposition. So, in simple terms, an organisation’s ethics are the moral standards relied on when making decisions and managing daily business. Having a code of ethics should become the norm, it defines what is right and outlines the kind of behaviour that is expected. The ethical values of an organisation should permeate through all its policies and processes.

**A pre-requisite for Sport Wales funding is that both a Safeguarding Policy and an Equality Policy are in place supported by public commitments.**

**Essential** Safeguarding Children and Adults at Risk policies and procedures that are documented, approved and disseminated through the organisation is a Framework requirement. Sport Wales normally directs organisations to the NSPCC Safeguarding Children in Sport Standards or Ann Craft Trust for advice about Adults at Risk in sport – links below. However, this may not be appropriate for all organisations, further discussion about suitable evidence may be more appropriate.

NSPCC Safeguarding Children Standards  

Ann Craft Trust: Adults at Risk [https://www.anncrafttrust.org/safeguarding-adults-sport-activity/](https://www.anncrafttrust.org/safeguarding-adults-sport-activity/) (currently there are no standards)

Based on the specifics of an organisation and the level of Sport Wales investment, an organisation will be asked to produce appropriate evidence. For example, the NSPCC Standards have 3 levels and an organisation may be required, to be working towards or have achieved a particular level.

**Essential** Equality policy and procedures, including (reference to the Equality Act 2010 and other legal requirements).

Sport Wales would normally direct partners to the Equality in Sport Safeguarding Standards [http://equalityinsport.org/equality-standard-for-sport/](http://equalityinsport.org/equality-standard-for-sport/) as outlined below. However, Sport Wales recognise that these may not be appropriate for all partners, so further discussion on what evidence is appropriate may be needed. The Equality Standard is based around two broad themes, developing the organisation and developing the services and has four levels of achievement:

**Foundation**

The organisation is committed to equality and that commitment is communicated to all staff and volunteers.
**Preliminary**
The organisation is clear about what it needs to do to achieve equality, it understands the issues and barriers faced by under-represented groups in sport and has a robust equality action plan which all staff, volunteers and key stakeholders understand.

**Intermediate**
The organisation is increasing opportunities for participation and involvement by a diverse range of people including representation on its own leadership, staff, Board and senior volunteers. All internal policies pay due regard to diversity.

**Advanced**
Leadership and staff, including coaches and officials as well as participants, are offered a fair and equal opportunity and are reflective of the community the organisation serves. Equality is central to the way an organisation carries out all of its work. All affiliated organisations and clubs are able to engage and develop participants, coaches, officials and administrators from under-represented groups.

The funding level received from Sport Wales will dictate the expected standard level that the organisation should have achieved or be working towards. Detailed information on this is included in the Framework excel document.

Suggested further reading for this part of the Framework can be found here:
http://sportwales.org.uk/about-us/how-we-work/sport-for-all.aspx

Where relevant (for NGBs) the organisation should be able to show acceptance of, and suitable compliance with, the UK National Anti-Doping Policy. Adequate training for athletes, coaches and support personnel should be evidenced alongside the policy and procedures.

The best place to find out further details is from the UK Anti-doping website that can be found here: https://www.ukad.org.uk/

NGBs can adopt the UKAD regulations as your own if appropriate and agreed by their Board, that way the regulations will always be up to date.

Agreeing a Members Code of Conduct as well as codes for other individuals can be one way of establishing and maintaining standards of behaviour and setting out expectations. Often a code of conduct will cover these points Rights, Relationships, Personal Standards and Professional Standards (particularly relating to coaches and officials).
An example of a Coaches and a Parents Codes of Conduct can be found here: https://thecpsu.org.uk/resource-library/policies/dsw-coaches-code-of-conduct/

[Some organisations group policies together on their website together for example http://www.hockeywales.org.uk/safeguarding/]

An Anti-Bribery Policy Statement should be in place for organisations, the detail in the policy should be appropriate to the level of risk to the organisation. With sports bodies the potential risk might be highest with coaches and athletes, so inclusion in their codes of conduct (or similar) as well as the Board Code of Conduct is important.

The UK Bribery Act is comprehensive and stringent anti-bribery legislation and has been in effect since 2010. Two general offences covering the offering, promising or giving of an advantage, and the requesting, agreeing to receive or accepting of an advantage;
1. A discrete offence of bribery of a foreign public official to obtain or retain business or an advantage in the conduct of business;
2. An offence of failure by a commercial organisation to prevent a bribe being paid for or on its behalf. It will be a defence if the organisation has “adequate procedures” in place to prevent bribery.

The Bribery Act also includes a form of corporate criminal liability where there is a failure to prevent bribery perpetrated on behalf of a ‘relevant commercial organisation’.
https://www.gov.uk/anti-bribery-policy

Whistleblowing options for volunteers
[Employees within People – Wellbeing]
The Public Interest Disclosure Act 1998 governs ‘Whistleblowing’ but does not protect volunteers, only employees but there is no reason why any organisation should not develop its own policy/procedure to include, or ideally be specifically for, volunteers. Promoting whistleblowing can improve accountability and individual responsibility within an organisation as well as public confidence in the organisation’s work. Key to any good policy/process is making it easy for people to understand and follow. [The whistleblowing policy should not be used for a general complaint or a concern about safeguarding, other policies should be in place for those particular areas.]

An example of a whistleblowing policy for volunteers and members can be found here: https://www.girlguiding.org.uk/making-guiding-happen/policies/girlguiding-policies/whistleblowing-policy/
Follow the links in the Girl Guiding website – it covers everything about the agreed policy and the process in detail.

Illegal Gambling and Betting impact can be huge. Many National and International Sports Bodies have very strict rules and regulations that restrict both, particularly around betting and participation in the same sport. NGBs should check their International Federation rules and either accept them or amend them to suit Welsh circumstances. Note: events run by International Bodies e.g. Commonwealth Games may have slightly different rules. More information has been provided in Appendix 5.

Engaging with your staff, members, athletes, general public and capturing their feedback on the culture of the organisation/programmes is an important part of performance monitoring
at every level. The key to every type of engagement is communication. Active engagement makes sure everyone connected with the organisation feels as though they have a voice. Suggested evidence can be specific surveys or similar but to get the most from engagement it should be seen by everyone as part of the day to day activities of the organisation. Further information on methods of engagement can be found here:
https://www.publicengagement.ac.uk/do-engagement
https://www.wikihow.com/Engage-Staff
This section looks at the importance and impact of sound financial governance and how robust financial systems can help your organisation achieve its strategic aims.

Sound financial governance is crucial to the overall health of an organisation. It ensures accountability and compliance and enables strategic plans to be put into action. Strong financial health is dependent on having appropriate controls and regulations in place. Financial governance can be separated into 3 separate areas - compliance, operational finance and strategic finance.

**Compliance**

**Essential** All organisations need to comply with their statutory filing requirements. This includes, but is not limited to, filing accounts with Companies House as required and meeting HMRC and pension obligations. It is also now a requirement for organisations to put procedures in place to minimise the risk of tax evasion.


Not all organisations require an audit. However, for those that do, it is an **Essential** requirement that an action plan is put in place to address any audit recommendations.

Sport Wales is a publicly funded body. As such, it is an **Essential** requirement that its investment is clearly shown as both income and expenditure within the organisation’s accounts. This is to enable Sport Wales to effectively reconcile all money provided.

Internal compliance within an organisation is also important to ensure appropriate and effective policies, controls and procedures are in place.

**Operational**

It is imperative that the Board members are fully aware of the financial health of the organisation in order to understand risks and approve financial plans.

The Board also need to receive appropriate information during the year. The main way of achieving this is to have **high quality management accounts**, which are circulated in advance of the meeting. Board meetings should then enable Board members to robustly scrutinise and challenge the management accounts.
The Board have an important role to play in approving key financial documents such as the annual budget to:

- ensure it follows the agreed strategic direction of the organisation;
- understand the level of risk involved;
- ensure there are contingency plans in place if things don’t go according to plan

It is vitally important that the budget is appropriately delegated to appropriate personnel / budget holder(s) and that regular monitoring reports are produced.

**Strategic**

Strategic finance is vital to ensure that the organisation’s strategy is effectively implemented. In order to ensure the organisation’s strategic objectives are given the best possible opportunity of success, the Board needs to ensure that financial resources are appropriately allocated. This would involve some level of challenge and discussion at Board level on the annual budget and longer-term financial plans.

Being able to monitor the outcomes and impact of the financial investment against strategic objectives will ensure a better return on investment is achieved. This could be monitored by including financial information alongside non-financial measures and Key Performance Indicators (KPIs).

To ensure financial stability, the Board needs to understand the financial risks that it faces by ensuring an up to date risk register is maintained [see Risk]. An appropriate Reserves Policy should be developed based on those financial risks. Further risk management would involve scenario planning so that the organisation can understand the potential financial impact of various scenarios that might occur e.g. funding cuts.

Whilst the annual operational budget will be influenced by the organisations reserves policy, strategic finance will also involve looking further ahead than the annual budget. For example, where an organisation has insufficient reserves, a surplus should be budgeted over time to reach the desired reserves level. This may not be possible within one year and so financial plans should detail how this might be achieved. Long-term planning can also ensure finances are sufficient to support the strategic objectives of the organisation.

An organisation’s ability to effectively manage its finances will be largely dependent on its personnel and structure. Ensuring the right people in the right roles with the right skills within the right structure will ensure this happens. The Board should periodically review the financial governance structure to ensure it meets the current and future needs of the organisation.

*Additional Finance sign-posting links can be found in Appendix 5.*
APPENDIX 1 Governance Improvement Plan

A simple Governance Improvement Plan might look like this:

<table>
<thead>
<tr>
<th>Area to be Improved</th>
<th>Improvement Objective</th>
<th>Steps needed to undertake Improvement</th>
<th>Additional Support/Reference Required</th>
<th>Review Schedule/Success Criteria</th>
<th>Completed/Success</th>
</tr>
</thead>
<tbody>
<tr>
<td>e.g. Review governing document</td>
<td>Governing document fit for purpose Agree WHO and HOW</td>
<td>1. Set up sub-group (SG) with Terms of Reference and appoint 3 people 2. SG to mark-up required changes with reasons 3. Board to review suggested changes 4. Final document prepared and circulated to members for consultation 5. AGM notice – special resolution</td>
<td>2 initial hours support from consultant/legal Check GLFW Board agenda Website consultation</td>
<td>• Board after 2 months  • Board when final document  • Consultation outcome review &amp; changes made (if any)</td>
<td>Changes agreed by members and new governing document circulated</td>
</tr>
<tr>
<td>e.g. Review HR Manual New HR Manual compliant &amp; current</td>
<td>1. Confirm person(s) undertaking review 2. X-ref to new legislation 3. Consult staff re new holiday process etc.</td>
<td>Access to HR expertise/company for some sections and final check of whole</td>
<td></td>
<td>• 6 weeks  • 8 weeks  • 4 months final document</td>
<td>New HR Manual staff training complete</td>
</tr>
<tr>
<td>e.g. Develop risk strategy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Partners required to meet the Essential Requirements below by March 2020 include: NGBs receiving up to £46,000 and National Partners (e.g. YST)

- The organisation is appropriately constituted with a Governing Document, rules & regulations. All regulatory & statutory requirements are being met.

- A self-declaration that the organisation complies with all relevant legal & statutory obligations, including HR if there are employees.

- The organisation has appropriate insurance arrangements to protect its resources & people.

- An Equality Policy is in place & supported by a public commitment; &

  By March 2022, meets the Sport Wales Gender Parity Policy & / or has an agreed action plan leading to a board achieving gender parity.

- A Safeguarding Policy is in place & supported by a public commitment.

- Annual Accounts & financial compliance with statutory and regulatory recommendations and obligations.

- If a recognised NGB, confirmation that the NGB undertakes the necessary steps to maintain its recognised status.
APPENDIX 3 Essential Requirements – NGBs receiving £46,001 upwards, and WSA, CGCW, The Urdd and StreetGames)

(SW may agree variance of requirements under exceptional circumstances)

<table>
<thead>
<tr>
<th>Partners required to meet the Essential Requirements below &amp; have a live governance improvement plan by March 2020 include: NGBs receiving £46,001 upwards and WSA; CGCW; The Urdd and StreetGames.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organisation is appropriately constituted with a <strong>Governing Document</strong>, rules &amp; regulations. All regulatory &amp; statutory requirements are being met.</td>
</tr>
<tr>
<td>A self-declaration that the organisation complies with all <strong>relevant legal and statutory</strong> obligations, including HR if there are employees.</td>
</tr>
<tr>
<td>The organisation has appropriate <strong>insurance arrangements</strong> to protect its resources and people.</td>
</tr>
</tbody>
</table>
| **An Equality Policy is in place & supported by a public commitment; &**  
  *Meets the Sport Wales Gender Parity Policy & / or has an agreed action plan leading to a board achieving gender parity.* |
| **A Safeguarding Policy** is in place & supported by a public commitment. |
| Annual Accounts & **financial compliance** with statutory and regulatory recommendations and obligations. |
| **If a recognised NGB, confirmation that the NGB undertakes the necessary steps to maintain its recognised status.** |
APPENDIX 4 Essential Requirements for Local Authorities

*(SW may agree variance of requirements under exceptional circumstances)*

<p>| Partners required to meet the Essential Requirements below by March 2020 include: |</p>
<table>
<thead>
<tr>
<th>Local Authorities</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organisation is appropriately constituted with a <strong>Governing Document</strong>, rules &amp; regulations. All regulatory &amp; statutory requirements are being met.</td>
</tr>
<tr>
<td>A self-declaration that the organisation complies with all relevant <strong>legal &amp; statutory</strong> obligations, including HR if there are employees.</td>
</tr>
<tr>
<td>The organisation has appropriate <strong>insurance</strong> arrangements to protect its resources &amp; people.</td>
</tr>
<tr>
<td><strong>An Equality Policy</strong> is in place &amp; supported by a public commitment.</td>
</tr>
<tr>
<td><strong>A Safeguarding Policy</strong> is in place &amp; supported by a public commitment.</td>
</tr>
<tr>
<td>Annual Accounts &amp; <strong>financial compliance</strong> with statutory and regulatory recommendations and obligations.</td>
</tr>
</tbody>
</table>
APPENDIX 5 Signposting to additional websites

Some of the following charity commission documents may be useful for organisations that are not charities, particularly point 1, which gives an overview of a clear, appropriate and coherent set of policies and procedures that help ensure an organisation is well run – an organisation may want to use this as a checklist.

Information and guidance text has been taken from ‘IMPLEMENTING THE CHARITY GOVERNANCE CODE A TOOLKIT FOR MICRO CHARITIES’

1. A large number of policies and procedures can be found here, including health and safety, safeguarding, data protection and GDPR, equality and diversity, expenses, complaints, volunteer recruitment and selection: https://knowhow.ncvo.org.uk/organisation/operations/policies-and-procedures


3. For more information on the role of the Board, see here: https://knowhow.ncvo.org.uk/governance/board-responsibilities

4. For information on delegation to volunteers see here: https://knowhow.ncvo.org.uk/governance/governance-structure-and-roles/delegation-to-committees-and-staff for delegation to Honorary Officers including the Chair and Treasurer, see here: https://knowhow.ncvo.org.uk/governance/governance-structure-and-roles/roles-on-the-board

5. Charity Commission guidance on managing charity assets and in particular charity finances (CC25) can be found here: https://www.gov.uk/government/publications/managing-charity-assets-and-resources-cc25/managing-charity-assets-and-resources

6. Information on the legislation and regulation that applies to charities can be found here: https://knowhownonprofit.org/organisation/operations/legal/legal

7. Charity Commission guidance on how to insure your charity can be found here: https://www.gov.uk/guidance/how-to-insure-your-charity

More detailed guidance (CC49) can be found here: https://www.gov.uk/government/publications/charities-and-insurance-cc49

8. Charity Commission guidance on how to manage risks in your charity can be found here: https://www.gov.uk/guidance/how-to-manage-risks-in-yourcharity


9. Charity Commission guidance on how to keep your charity’s money safe, including an internal financial controls checklist, can be found here: https://www.gov.uk/guidance/charity-money-how-to-keep-it-safe

More detailed guidance (CC8) can be found here: https://www.gov.uk/government/publications/internal-financial-controls-for-charities-cc8

Tools and sample documents


FURTHER READING OPTIONS FROM OTHER SOURCES

Codes of Conduct examples for Clubs and Members can be found here: https://www.sportenglandclubmatters.com/club-planning/governance/policies-procedures/code-of-conduct/

Governance and Leadership Framework for Wales (2019) GLFW
Following a review in 2019, the Governance & Leadership Framework for Wales (GLFW) has been refreshed. The refreshed GLFW 2019 can be found in English and Welsh here: http://sport.wales/community-sport/workforce/governance-and-leadership-framework-for-wales.aspx

Diversity Support
Support ranging from Independent Consultants to organisations such as Acorn Recruitment, BME Sport Cymru, Chwarae Teg, Inclusive Boards, Women’s Equality Network Wales, and Vibrant Nation among others.

In order to provide further support for the sport sector to continue to make progress in this area, Sport Wales have developed a range of resources following consultation and feedback. The resources are designed to be used by all sporting organisations striving for a balanced, skilled and inclusive Board. They consist of detailed, practical recruitment guidance with tools and templates that enable this to be implemented; a detailed evidence base on why a diverse Board is good for business; and a range of case studies which highlight how organisations have achieved diverse Boards, and what impact this has had on the organisation.

For further guidance, tools and resources please see the below:
http://sport.wales/media/2022193/11070_-sw_-business_case_for_board_diversity.pdf
http://sport.wales/media/2022211/11070_-sw_-diversity_guidance.pdf
http://sport.wales/media/2022196/11070_-sw_-diversity_guidance_-templates_and_toolkits.pdf

Diversity Case studies can be found here:
Birmingham FA
http://sport.wales/media/2022199/11070_-sw_-case_study_-birmingham_fa_2.pdf

The Great British Diversity Experiment
http://sport.wales/media/2022202/11070_-sw_-case_study_-the_great_british_diversity_experiment_2.pdf

Welsh Triathlon
http://sport.wales/media/2022205/11070_-sw_-case_study_-welsh_triathlon_2.pdf

Welsh Rowing
http://sport.wales/media/2022208/11070_-sw_-case_study_-welsh_rowing_2.pdf
UK Athletics’ Commitment to Board Diversity
http://sport.wales/media/2027724/uk_athletics_board_diversity.pdf

HR additional support reading/information can be found here:
Redundancy from employee’s perspective: https://www.gov.uk/redundant-your-rights

Capability and Capacity of Employees
This example guide from the Royal College of Nursing covers informal and formal capability meetings, appraisals and performance reviews and employee dismissal on the grounds of capability.

Mental Health Template example can be found here:
https://www.sportandrecreation.org.uk/policy/the-mental-health-charter/template-action-plans

Mental Health case studies can be found here:
https://www.sportandrecreation.org.uk/policy/the-mental-health-charter/template-action-plans#casestudies

Complaints
Further detailed reading about handling complaints can be found here:
https://www.lawinsport.com/content/articles/item/best-practice-for-sports-governing-bodies-when-dealing-with-individual-complainants-part-2-guidelines-for-legal-teams

ICT Policies – more information to keep IT under control:
https://www.techdonut.co.uk/staff-and-it-training/your-it-policies/free-it-policy-templates

Equality Policy assistance can be found here:

Link to the Equality Act detailed information:
https://www.gov.uk/society-and-culture/equality

Disability Sport Wales training link:
https://www.disabilitysportwales.com/learn/

Gambling Commission link:

McKinsey on Risk paper can be found here:

Information and links relating to Finance can be found at the various points below.
Pension compliance:

**General finance:**
http://www.clubsolutions.wales/club-finances/

**Filing requirements for Limited Companies:**
https://www.informdirect.co.uk/company-records/filing-requirements-limited-company/

The following financial policies and templates can be found on the Welsh Sports Association website here:

- Financial Management Guidance
- Financial Policies and Procedures Guidance
- Financial Procedures Manual for Smaller Organisations
- Accounts Payable Procedure
- Accounts Receivable Procedure
- Anti-fraud Bribery and Corruption Policy
- Cash and Banking Procedure
- Credit Card Policy and Procedure
- Standard Terms and Conditions for the Purchase of Goods
- Standard Terms and Conditions for the Purchase of Services
- Tender Template
- Segregation of Financial Duties