



# Arwain Cymru: A governance and people development framework

*sportwales  
chwaraeoncymsu*



# Contents

Foreword from Brian Davies and Tanni Grey-Thompson	5
Overview	6
How to use this document	8
Additional guidance	11
Framework breakdown	12
1. Principle - Organisational and legal compliance	14
2. Principle - People & cultures	34
3. Principle - Insight, engagement & strategy	60
4. Principle - An effectively run organisation	76
5. Principle - Finance	94





# Foreword from Brian Davies and Tanni Grey-Thompson

**In Wales, we have a clear Vision to create an active nation where everyone can have a lifetime enjoyment of sport. In working towards that Vision, we know the important role that good governance and positive inclusive cultures can play in creating a thriving and resilient sporting sector.**

In recent years, we have made great strides in improving governance and creating positive inclusive cultures together. The new Arwain Cymru – a Governance and People Development Framework, developed with the sector - represents the next significant step forward in how we can go further to support such good governance and inclusive cultures.

The new Arwain Cymru framework embraces changes in society, reflects learning from significant governance events from across the world, and places an emphasis on the areas which can positively impact on organisational performance. The framework moves us beyond compliance and towards an approach that prioritises reflection, development and continuous improvement.

We all recognise that good governance is not static and not about ticking boxes. It is about building trust, nurturing inclusive cultures, and aligning leadership with values that matter and make an impact. As a developmental tool, the new framework will support organisations to reflect honestly, develop confidently and lead with purpose. Such is the importance of leadership; it has been embedded in the title: 'Arwain Cymru' or 'Leading Wales'.

As we move forward, our collective challenge is to continue the journey towards good governance and inclusive cultures as enablers for positive change. Arwain Cymru provides a framework to support us in this challenge and to embed good governance as a foundation for an organisation's long-term success.



**Brian Davies**

Chief Executive Officer

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**Tanni Grey-Thompson**

Chair

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# Overview

## Purpose of the Arwain Cymru: A Governance and People Development Framework

The Arwain Cymru framework is designed to support all Sport Wales-funded partners in delivering effective, inclusive and sustainable governance. It outlines what good governance looks like and provides practical, developmental guidance to help organisations reflect, improve, and evolve.

**This is not a tokenistic tool or a pass / fail test. Instead, it provides structured, supportive expectations across five principles:**



### 1. Organisational / legal compliance



### 2. People & cultures



### 3. Insight, engagement & strategy



### 4. An effectively run organisation



### 5. Finance

Each principle is supported by a clear outcome, practical explanations and examples of what evidence demonstrates both core and good practice.



## Who this applies to

This framework applies to all organisations in receipt of annual Sport Wales investment, regardless of size, structure or scope. It offers a consistent model, recognising that good governance will look different depending on each organisation's context and capacity.

All funded partners are expected to engage meaningfully with the framework. It is not about one-size-fits-all compliance, but about continuous improvement.

Each principle is supported by a set of clear outcomes, practical guidance, and examples of both core and good practice.

Core practice sets out the essential expectations that all partners must meet, while good practice offers examples that show innovation, maturity, and sector leadership – helping organisations stretch their ambitions and move beyond the basics.

Wherever you're starting from, this framework is designed to help you reflect, plan, and grow - building an organisation that is resilient, inclusive and fit for the future.

## The new process: How it works

This framework underpins a year-round, flexible assurance and development model. It supports long-term growth and allows space for innovation and learning.

**All partners are required to:**

### Submit a self-declaration

An honest assessment of current governance practice for 2026/27 investment which has been reviewed and signed off by the board.

### Update or develop a Governance & People Improvement Plan

A live document that identifies priorities, actions and support needs. This should be informed by self-reflection and regularly reviewed in conversation with your Sport Wales key contact. This must also be reviewed and signed off by your organisation's board.

# How to use this document

This framework has been designed as a practical development tool. It provides clarity on what is expected, why it matters, and how it can be achieved with clear expectations for core elements, and an ambition for all partners to actively pursue good practice.

## Document structure

Each element is structured in a consistent format:



### **Intended outcome**

What success looks like.



### **What**

A clear explanation of the element.



### **Why**

The risk, opportunity, or both, this addresses.



### **How**

Helpful guidance on embedding this element in practice.



### **Positive contributions**

Indicators of maturity, innovation or sector leadership.



### **Unacceptable behaviours**

Clear examples of poor, negligent or harmful practice.



### **Reflective questions**

Prompts designed to stimulate reflection and internal discussions.



### **Example evidence**

Providing examples for each element that may support your self-declaration.



## Step-by-step: Applying the framework

1

### **Read each principle and its elements**

Understand what's expected and why it matters.

2

### **Reflect honestly on your organisation's current practice**

Use the prompts to consider both strengths and areas for development.

3

### **Complete your self-declaration**

This is your honest assessment of where you are against each of the elements. As you do this, begin to gather and organise any supporting evidence. While not required at submission, it may be requested at any point for review.

4

### **Update your governance & people improvement plan**

Use the framework to identify actions, timelines and support needed. Share this with your Sport Wales Relationship Manager.

5

### **Seek support as needed**

Sport Wales is here to help. Please speak to your Relationship Manager or contact [governance@sport.wales](mailto:governance@sport.wales) if you need support.



While the self-declaration is required for 2026/27 investment, the framework underpins a live, year-round process. Sport Wales may request a further discussion or supporting evidence at any time, and ongoing support is available to help you embed and strengthen your governance throughout the year.



# Additional guidance

When engaging with this framework and your partnership with Sport Wales, there are some essential procedural and ethical considerations to bear in mind. These principles support transparency, fairness and accountability.



## Data sharing & confidentiality

Organisations must treat all data shared with Sport Wales in line with GDPR and data protection principles. Sport Wales will manage your information responsibly, using it solely for developmental, assurance and support purposes.



## Escalation & risk management

If Sport Wales identifies significant concerns, a process of escalation may be triggered. This will always be approached collaboratively wherever possible, with the aim of supporting improvement and reducing risk. Ongoing risk discussions should be a routine part of governance conversations.



## Transparency & fairness

Information relating to your governance, policies and decision-making should be made available in an accessible way for members, staff, and stakeholders. This includes clear communication about how decisions are made and who is involved.



## Artificial Intelligence

In line with many organisations' adoption of AI, Sport Wales may use artificial intelligence to assist with the analysis of information. Where this is undertaken, it will be done utilising a 'closed system' that does not allow information shared outside of Sport Wales or used for further training of AI models.



## Freedom of information

Sport Wales is subject to the Freedom of Information Act. This means any documentation shared with Sport Wales may be subject to disclosure unless exempt. Consider this when submitting materials or information.

# Framework breakdown

## Core

1.0 Organisational & legal compliance	2.0 People & cultures	3.0 Insight, engagement & strategy	4.0 An effectively run organisation	5.0 Finance
1.1 Governing document & review	2.1 Clear understanding of roles & responsibilities	3.1 Strategic plan	4.1 Effective meetings	5.1 Financial compliance
1.2 Safeguarding	2.2 Role of chair	3.2 Operational / business plan	4.2 Effective boards	5.2 Financial procedures
1.3 Insurance	2.3 Directors recruitment & appointment	3.3 Equity, diversity & inclusion	4.3 Risk & opportunity management	5.3 Budgeting
1.4 Complaints & whistleblowing	2.4 Organisational culture & behaviours		4.4 Access to HR, legal & financial expertise / support	5.4 Management accounts
1.5 Legal requirements	2.5 Terms of office & board composition			5.5 Reserves policy
1.6 Clean sport / anti-doping				5.6 Financial governance
1.7 Welsh language				5.7 Financial risk
1.8 Environmental sustainability				

# Framework breakdown

## Good practice

1.0 Organisational & legal compliance	2.0 People & cultures	3.0 Insight, engagement & strategy	4.0 An effectively run organisation	5.0 Finance
1.9 Environmental, social & governance framework	2.6 Board review & evaluation	3.4 Engagement & communications strategy	4.5 Crisis management & business continuity	5.8 Value to the organisation
	2.7 Board & employee training & development	3.5 Horizon scanning & future trends	4.6 Transparent & accessible information	5.9 Variance analysis
	2.8 Independent chair	3.6 Participant, athlete & member feedback	4.7 Business development / USP / sector resilience	5.10 Long-term financial planning
	2.9 Board champions	3.7 Stakeholder mapping	4.8 Policies & procedure (non-legal)	5.11 Management accounts (enhanced)
	2.10 Key volunteer management			5.12 Finances aligned to strategic objectives
	2.11 Health & wellbeing – physical & mental			
	2.12 Director succession planning			



# 1. Principle

## **Organisational and legal compliance**







# 1.1 Governing document(s) and review

## Intended outcome

The organisation has a governing document(s) that clearly articulates its purpose, outlines how it operates, is understood by all, and remains fit for use. It is a 'living' document that is genuinely referred to when needed and board members know where to find it.



## What

The organisation is an established legal entity or a registered charity with governing document(s) that are reviewed at least every four years. This document is formally approved by the board following each review.

## Why

The governing document(s) sets the legal foundation and operational structure of the organisation. Regular review ensures it reflects current practice, is legally compliant, and enables good governance. Without it, the organisation risks operating outside its legal powers, creating confusion, inconsistency, or even liability.

## How

To meet the core requirement, organisations must submit its governing document(s) to Companies House and/or the Charity Commission as required. The document is reviewed a minimum of every four years, with updates formally approved by the board. It is essential to cross-check governing document(s) with other organisational materials such as member handbooks or operational guides to ensure consistency. All directors are familiar with the contents and application of these documents.

## Positive contributions

Publishing a governing document(s) online so that it is publicly accessible. Documents are written in clear and inclusive language and are used as part of induction and ongoing governance discussions. Documents are aligned with all internal policies and used as a foundation for board decision-making.

## Unacceptable behaviours

A governing document(s) that is outdated, not formally approved or not reviewed in line with the required schedule. There are inconsistencies between the governing document(s) and other materials. Directors that are unfamiliar with the governing document(s) or unable to access it.



### Reflective questions

1. When did we last review and formally approve our governing document?
2. Do all board members understand and refer to this document in decision-making?
3. Is our governing document aligned with other internal guidance?



### Example evidence

- ✓ Current governing document(s)
- ✓ Board minutes that reference approval of changes
- ✓ Internal review schedules / notes
- ✓ Accessibility links or summaries

# 1.2 Safeguarding (children & adults)

## Intended outcome

Organisations foster safe, inclusive environments where everyone can enjoy sport free from harm.



## What

The organisation demonstrates a strong, embedded commitment to safeguarding, with systems and practices that meet appropriate standards, in line with the NSPCC standards and ACT framework. A positive safeguarding culture supports inclusivity and is informed by data to proactively protect everyone involved in sport and physical activity.

## Why

Sport and physical activity providers have a duty of care to safeguard everyone involved. Strict legislation is in place to which all organisations are required to adhere. Robust safeguarding supports the wellbeing of everyone, empowering individuals to speak up without fear. It builds trust, encourages continued participation, and drives good practice through informed decision-making. Poor safeguarding increases the risk of harm, damages trust, and can lead to reduced participation, possible legal action, or loss of funding. Weak data and insight hinder effective support and development.



## How

Organisations show progress against their own bespoke action plan aligned with:

- NSPCC Safeguarding Standards
- ACT (Ann Craft Trust) Safeguarding Adults in Sport Framework

Regular reviews with Sport Wales, NSPCC, and ACT are required to track progress and identify support and developmental opportunities.

## Positive contributions

Safeguarding is a board-level priority and a shared responsibility. All staff and volunteers receive appropriate training. Culture is proactive and inclusive, with open dialogue and support for those raising concerns. Safeguarding is informed by the people it impacts.

## Unacceptable behaviours

Policies are ignored or outdated. Responsibility is isolated or avoided. Training is inconsistent. Concerns go unsupported and there is no psychological safety. Board and executive do not challenge and scrutinise the implementation of safeguarding policies, procedures and culture.



### Reflective questions

1. How do we approach our action plans ensuring they align to the CPSU and ACT guidelines?
2. When is safeguarding included in board discussions and decision-making?
3. What steps are taken to ensure staff and volunteers have up-to-date, role-appropriate safeguarding training?



### Example evidence

- ✓ Safeguarding action plans
- ✓ Evidence of most recent standard achieved (child safeguarding)
- ✓ Independent audits or reviews
- ✓ Training records and logs

# 1.3 Insurance

## Intended outcome

The organisation and its participants are appropriately protected from risk by insurance cover.



## What

The organisation has appropriate insurance arrangements in place to protect its activities, resources, people, and assets.

## Why

Insurance provides financial protection and legal assurance. Without it, organisations are exposed to risk of fines, liability and reputational damage.

## How

Organisations maintain up-to-date insurance policies that reflect their size, scope, and activities. This typically includes, but is not limited to, employer's liability, public liability, professional indemnity, cyber liability, and insurance for contents or equipment. The type and level of insurance needed will vary depending on an organisation's size, function and structure. Organisations should seek advice from an insurance specialist when deciding on insurance and a provider. The organisation keeps a central insurance log detailing each policy, the provider, type and level of cover, renewal dates, and any excesses or exclusions. This log is accessible to relevant staff and reviewed annually, or whenever the organisation's activities change or when policies are due to expire. The board is briefed on key aspects of insurance cover to ensure appropriate oversight and informed risk management.

## Positive contributions

Professional advice is sought when reviewing policies. Board and relevant staff understand the scope of coverage. Insurance is factored into broader risk management and strategic planning processes.

## Unacceptable behaviours

Insurance policies are missing, expired, or inappropriate for the organisation's risks. There is no central log, and key personnel are unaware of the cover or responsibilities.



### Reflective questions

1. When and how was our most recent full insurance review conducted?
2. How do we maintain and update our insurance log to ensure all relevant cover is recorded?
3. Do our directors understand the key terms and details of our insurance coverage?



### Example evidence

- ✓ Insurance policy log
- ✓ Certificates of insurance
- ✓ Board minutes referencing insurance reviews
- ✓ Advice or assessments from insurance providers

# 1.4 Complaints & whistleblowing

## Intended outcome

The organisation promotes an environment where people feel free and encouraged to share concerns and complaints, and they are dealt with in a positive and effective way that builds trust in the organisation.



## What

The organisation has clear, accessible, and regularly reviewed policies and procedures for raising issues, complaints, and grievances (including whistleblowing). These are actively communicated and understood by all staff, volunteers, participants, and relevant stakeholders, and made publicly available where appropriate. Any complaint or whistleblowing is acted upon efficiently and effectively and monitored to better understand patterns, risks and opportunities.

## Why

Robust complaints and whistleblowing procedures are essential for identifying wrongdoing, protecting individuals, and demonstrating transparency and accountability. They foster a culture where concerns are taken seriously and acted upon. Without them, harmful behaviours may go unchallenged, individuals may feel unsafe to speak up, and the organisation's integrity and credibility can be seriously compromised.

## How

The organisation documents a formal process outlining how complaints and whistleblowing concerns can be raised, recorded, investigated, and resolved. This process defines roles and responsibilities, including escalation routes and contingency measures for concerns involving senior personnel. Independence and confidentiality must be safeguarded throughout. The policy is easy to find, understand, and apply – both internally and externally.

## Positive contributions

Policies are co-designed with staff or service users. Awareness sessions are delivered regularly. Complaint trends are analysed to support learning and improvement. The board routinely reviews anonymised data to strengthen organisational insight and accountability.

## Unacceptable behaviours

Complaints are dismissed, ignored, or inconsistently handled. Staff and volunteers are unaware of procedures. Whistleblowers face retaliation or lack support. Policies are outdated or not followed in practice.



### Reflective questions

1. How clear and accessible is our policy for complaints and whistleblowing?
2. When was this last reviewed and communicated to staff and volunteers?
3. How are complaints tracked and discussed at board level?



### Example evidence

- ✓ Current complaints and whistleblowing policies
- ✓ Records of board-level review or complaints handling
- ✓ Logs / summaries of complaints or whistleblowing cases (anon)



# 1.5 Legal requirements

## Intended outcome

The organisation's operations abide by the law.



### What

The organisation is fully aware of and compliant with all relevant legal and regulatory obligations.

### Why

Legal compliance is fundamental – it ensures structural integrity, accountability, and credibility. Non-compliance can result in financial penalties, operational restrictions, reputational harm, legal action or even criminal proceedings.

## How

The organisation maintains a centralised, up-to-date log of all key legal and regulatory policies, including approval dates, review cycles, and assigned owners - including but not limited to: Bribery & Anti-Corruption, Company Law, Charity Law (if applicable), Health & Safety, Data Protection (including the Data Protection Act 2018 which includes cybersecurity), Equality Legislation (including but not limited to the Equality Act 2010), Illegal Gambling, Betting & Anti-Bribery and Employment Law. Each policy is reviewed at least every two years, and / or in line with any legal changes. All board members complete and update an annual declaration of interest, and the organisation has a clear conflict of interest policy with procedures that are understood and applied in practice. The board regularly reviews compliance across these areas as part of its governance responsibilities.

## Positive contributions

Board and staff receive regular updates or training on legal responsibilities. Relevant policies are adopted and reflect Welsh-specific legislation and requirements. Accessibility ensured for all audiences, including Easy Read versions where applicable.

## Unacceptable behaviours

Directors are unaware of or fail to follow legal duties. Policies are outdated, poorly implemented, or not reviewed. There is no mechanism to manage or declare conflicts of interest.



### Reflective questions

1. How are all legal obligations identified, understood, and monitored?
2. How do we maintain a log of all key legal policies, including review dates and responsible owners?
3. How are declarations of interest managed and recorded on an annual basis?



### Example evidence

- ✓ Legal compliance policy log
- ✓ Board agendas and minutes
- ✓ Training records on legal matters
- ✓ Declarations of interest and conflict management records

# 1.6 Clean sport / anti-doping

## Intended outcome

An environment of confidence in clean sport which protects from harm and ensures fairness in competition.



## What

The organisation has a clear stance, understanding and plan for upholding clean sport and anti-doping standards.

## Why

A commitment to clean sport protects the health of participants, upholds integrity and fairness, and supports confidence in sport at all levels. Without it, the organisation risks enabling unfair advantage, damaging athlete welfare, and undermining trust in the sport.

## How

Organisations comply with the UK National Anti-Doping Policy and, where required, complete the UK Anti-Doping (UKAD) Assurance Framework. This includes submitting up-to-date documentation and evidence of compliance to UKAD. The organisation must assign responsibility for clean sport at board and operational level, and ensure that athletes, and support personnel receive appropriate education.

## Positive contributions

A proactive, organisation-wide approach to clean sport is taken. Targeted education for athletes and support personnel at all levels is delivered. Clean sport messages are integrated into events and communications, while values of fairness and integrity are championed. The organisation works in partnership with UKAD, shares best practice with peers, and regularly evaluates the effectiveness of clean sport efforts.

## Unacceptable behaviours

The organisation is unaware of or does not meet its anti-doping responsibilities. There is no education in place or clarity on roles and procedures related to clean sport.



### Reflective questions

1. What steps have we taken to ensure the organisation is meeting the UKAD Assurance Framework?
2. In what ways do athletes and support personnel understand and uphold their responsibilities regarding clean sport?
3. How do we actively promote a culture of fairness and clean sport?



### Example evidence

- ✓ Adherence to the UKAD Assurance Framework
- ✓ Education Plan & Records
- ✓ Anti-Doping Communications



# 1.7 Welsh language

## Intended outcome

The organisation takes meaningful and proportionate steps to provide and promote opportunities through the medium of Welsh, reflecting its purpose, audiences, and responsibilities within the Welsh context.



## What

The organisation demonstrates a clear commitment to the Welsh language and actively considers how bilingual provision can be built into its services, operations, and communications

## Why

Welsh language provision supports cultural inclusion, aligns with national policy, and helps ensure that services are accessible and relevant to Welsh-speaking communities. It also strengthens public trust and the organisation's connection to the communities it serves. Without it, the organisation risks excluding Welsh-speaking communities, missing key engagement opportunities, and falling short of national expectations. The Welsh language is an official language in Wales. Evidence over many years shows that participation rates among Welsh speakers are above average.



## How

The organisation outlines its approach in a Welsh language policy or statement, tailored to its size, role, and reach. This commitment is reflected in planning, staff roles, service delivery, and communications. Welsh language considerations are routinely factored into operational decisions, with appropriate resources and review mechanisms in place. Organisations are able to work with the Welsh Language Commissioner's Hybu Team to create Welsh Language Development Plans and work towards receiving the Commissioner's official recognition – the Cynnig Cymraeg.

## Positive contributions

Bilingualism is embedded in values, brand and public identity. Staff and stakeholders shape provision, set improvement goals and actively promote the visibility and use of the Welsh language across all areas of work. Senior leaders give due attention to the Welsh language in strategic planning and decision-making.

## Unacceptable behaviours

Welsh language is excluded or deprioritised, with no policy or meaningful effort to include it in planning or communications. Provision is inconsistent, tokenistic, or viewed as irrelevant. There is a failure to consider the Welsh language in planning and decision-making, it is omitted from agendas or discussions.



### Reflective questions

1. Do we have a policy or statement outlining our Welsh language commitment?
2. How do we incorporate bilingualism into communications and services?
3. How are staff and board members involved in supporting Welsh language inclusion?



### Example evidence

- ✓ Welsh language policy, statement, and / or plan.
- ✓ Examples of bilingual communication
- ✓ Board agendas referencing Welsh language provision

# 1.8 Environmental sustainability

## Intended outcome

The organisation understands its environmental responsibilities and is actively working to reduce its impact on the environment – from local communities to the wider planet. It recognises its role in contributing to climate action and environmental sustainability in sport and beyond.



## What

The organisation demonstrates a clear and ongoing commitment to environmental sustainability and decarbonisation. It takes informed, responsible decisions that reduce its environmental footprint and promote more sustainable ways of working.

## Why

Taking environmental sustainability seriously allows organisations to lead by example, strengthen long-term resilience, and align with growing stakeholder expectations. Ignoring it is irresponsible and risks reputational damage, operational disruption, and being left behind as the sector moves towards more responsible and future-focused practice.

## How

The organisation develops an environmental sustainability policy or statement that outlines its priorities, actions, and intended outcomes. It is proportionate to the organisation's size and scope, but specific enough to guide decision-making across areas such as travel, energy use, events and competitions, procurement, biodiversity projects and facilities. Responsibility for implementation is clearly assigned, with board oversight and regular review.

## Positive contributions

Sustainability is considered a strategic issue - not just an operational one. Environmental goals are integrated into overall strategy. Staff and stakeholders help design greener ways of working and share progress transparently. An organisation may adopt recognised sustainability frameworks, invest in innovation, or lead sector-wide initiatives to reduce environmental impact.

## Unacceptable behaviours

Environmental sustainability is ignored or treated as a box-ticking exercise. There is no policy or leadership accountability, and decisions continue to be made without regard for environmental consequences.



### Reflective questions

1. What are the most significant environmental impacts of our organisation's operations and activities?
2. How do we track and report on environmental impact?
3. How are we involving staff, partners, or participants in building a more sustainable way of working?



### Example evidence

- ✓ Environmental policy, statement or action plan
- ✓ Sustainability initiatives
- ✓ Board agendas or minutes discussing environmental impact

# 1.9 Environmental, social & governance framework

## Intended outcome

The organisation can clearly articulate the environmental, social, and governance considerations that are important to its current and future operations. It actively explores and understands its own ESG impact and integrates these considerations into decision-making, planning, and culture.



## What

The board and leadership team consider the organisation's impact on people and the planet when making strategic decisions and delivering operational activities. ESG is viewed as a core responsibility, not a peripheral concern.

## Why

The collective impact of an organisation's operations on the environment, society, and internal governance is often described as ESG (work in this area is also often referred to by other labels, including CSR – Corporate Social Responsibility). A strong ESG approach supports long-term sustainability, stakeholder confidence, public trust and staff recruitment and retention. It also adds internal value by shaping reputation, risk management, and organisational alignment with national and global priorities. Stakeholders are increasingly interested in how organisations demonstrate responsibility in this area.

## How

The organisation builds its ESG approach by identifying key environmental, social, and governance issues relevant to its work, building and examining data around them and setting clear priorities for action. This may involve reviewing existing policies, engaging with staff and stakeholders, learning from sector peers, and using relevant guidance or frameworks. ESG is a standing item in board discussions, with decisions and considerations clearly documented in board minutes to demonstrate ongoing commitment and accountability. An ESG framework then sets out risks, priorities, and actions, with regular review. The organisation communicates its ESG activity and impact clearly, so stakeholders understand its commitments and progress.

## Positive contributions

The board and leadership team actively integrate ESG into strategic and operational decisions, treating it as a core responsibility. They identify key environmental, social, and governance issues, set clear priorities, and regularly review progress through board discussions and documented minutes. Actions could include carbon audits, inclusive community engagement, and transparent reporting aligned with frameworks like the UN Sustainable Development Goals. This approach strengthens sustainability, stakeholder trust, and internal alignment, demonstrating a clear commitment to long-term impact and accountability.

## Unacceptable behaviours

ESG is treated as a peripheral issue rather than a strategic priority. While some efforts are being made, discussions are infrequent, and there is little visibility or ownership at board or senior level.



### Reflective questions

1. What are the key ESG impacts of our organisation, and how are they being addressed?
2. Who is responsible for leading and monitoring ESG efforts?
3. What mechanisms are in place to report on our progress and hold ourselves accountable?



### Example evidence

- ✓ ESG framework, strategy or action plan
- ✓ Reports or updates to the board on ESG progress
- ✓ Public ESG or impact reports



## 2. Principle

# People & cultures





## 2.1 Clear understanding of roles & responsibilities

### Intended outcome

All directors have absolute clarity on their role, and the collective role of the board and any sub-committees (or other decision-making bodies) and carry out their responsibilities in the best interests of the organisation.



### What

Directors have a clear understanding of their individual and collective responsibilities. Roles are clearly defined, time commitments manageable, and expectations transparent. All directors understand the organisation's key documents and be aware of relevant legal duties under Company or Charity Law where these apply.

### Why

When directors are clear on their role and legal responsibilities, they are better equipped to make informed decisions and can lead with integrity – strengthening trust in the organisation. Without this clarity, the board risks poor decision-making, internal conflict, and potential legal or reputational harm.

## How

Each director has a clear, written role description and completes an appropriate induction, which includes training on governance responsibilities and key areas such as safeguarding, misconduct, and complaints. Inductions are concluded with a signed declaration of understanding. Directors must have access to and be familiar with the governing document(s) – such as the articles of association or constitution – and operate within their parameters. All directors must understand their obligations under the relevant law.

## Positive contributions

Directors take proactive steps to deepen their knowledge of the organisation, its staff, and stakeholders. They act consistently in the organisation's best interests, seek out development opportunities, and uphold their legal and ethical duties with confidence and integrity.

## Unacceptable behaviours

Directors who fail to meet expectations, act with self-interest, interfere in operational matters, or arrive unprepared for meetings which weaken the board's effectiveness and credibility.



### Reflective questions

1. What processes are in place to ensure each director understands their role and responsibilities?
2. How do directors build their understanding of the organisation's legal structure and obligations?
3. How do we ensure that directors have the time and capacity to carry out their roles effectively?



### Example evidence

- ✓ Director role descriptions and signed induction records
- ✓ Induction programme content
- ✓ Records of legal / governance training sessions



## 2.2 Role of chair

### Intended outcome

The organisation's chair understands their unique role and effectively leads the organisation to achieve its strategic goals.



### What

The chair has the skills, knowledge, experience and capacity to fulfil their role effectively.

### Why

An effective chair fosters strong leadership, promotes positive culture, and enables the board to function at its best – securing the long-term success of the organisation. Without this, board cohesion and performance suffer, leading to unclear leadership, poor decision-making, reputational risk and a lack of relevance.

## How

The chair leads and develops a high-performing board, ensuring directors feel included, supported, valued and challenged. The chair maintains strong relationships with key people. These may include, the Chief Executive Officer (CEO), directors and staff, and create a board environment rooted in openness, inclusion, and psychological safety. The chair has a personal development plan in place and regularly accesses relevant training or support to carry out the role effectively. The roles of chair and CEO (or equivalent) must be held by separate individuals. A written statement outlining their respective responsibilities is agreed between the chair and CEO (or equivalent) and approved by the board.

## Positive contributions

The chair demonstrates clear, objective judgement and promotes a culture of openness, accountability and constructive discussion and debate. They build strong, respectful relationships with key people (e.g. the CEO and board), and are committed to continuous improvement. The wider board supports the chair in embedding the organisation's values and desired behaviours within and beyond the boardroom.

## Unacceptable behaviours

The chair is unprepared for meetings, does not engage or support key people (e.g. the CEO) between meetings, and fails to foster psychological safety or invite balanced contributions. The chair becomes overly involved in operational matters or demonstrates behaviours inconsistent with the organisation's values.



### Reflective questions

1. How does the chair support and challenge the board to perform effectively?
2. What systems are in place to support the chair's ongoing development?
3. How clearly are the responsibilities between the chair and CEO defined and maintained?
4. How is the chair considering the long-term future of the organisation?



### Example evidence

- ✓ Chair role description and / or development plan
- ✓ Training records or CPD activity
- ✓ Chair / CEO agreement
- ✓ Board evaluation or feedback reflecting chair effectiveness

## 2.3 Directors recruitment / appointment

### Intended outcome

The organisation's board and committees are diverse, inclusive, and skills-based. Gender parity is prioritised – the majority gender must not exceed 60% of the total board composition.



### What

Directors are recruited through open and transparent processes, based on their skills, knowledge, leadership, diversity, and integrity. The resulting board is inclusive, balanced, and appropriately sized (typically, this is between 8-12 individuals) to make effective decisions.

### Why

A diverse, skilled, and inclusive board improves the quality of discussion and leads to better decisions. It ensures a range of perspectives are considered and builds public trust in the organisation. Without it, boards risk groupthink, limited insight, and reduced relevance to the communities they serve.

## How

Director appointment and election procedures are followed and regularly reviewed to meet the evolving needs of the organisation and its stakeholders. A thorough consideration of board skills (which may include a skills matrix) is used to guide recruitment, ensuring balanced and informed decision-making. Recruitment is open, inclusive and well-publicised. On appointment, every director receives written confirmation outlining their role, responsibilities and terms of service.

## Positive contributions

Boards actively consider skills, lived experience and diversity when making appointments. Directors support and mentor less experienced colleagues, and foster a culture of curiosity, inclusion, and psychological safety. They listen actively, reflect on their own biases, and bring cultural awareness to boardroom dynamics and stakeholder relationships.

## Unacceptable behaviours

Board appointments made without open or transparent processes, resulting in a lack of diversity or essential skills. Decisions influenced by personal networks or bias, rather than organisational needs and fairness. Directors who disregard inclusive practices or resist efforts to broaden representation on the board.



### Reflective questions

1. How does our board recruitment process promote fairness, transparency, and diversity?
2. What steps do we take to ensure the board reflects the communities we serve?
3. How do we assess whether our board has the right mix of skills, experience and perspectives?



### Example evidence

- ✓ Board appointment and election procedures
- ✓ Current board skills matrix and recruitment records
- ✓ Board diversity monitoring or demographic data



## 2.4 Organisational culture & behaviours

### Intended outcome

Organisations champion strong values and behaviours, nurturing an inclusive culture.



### What

The chair leads with integrity, models inclusive behaviours, and fosters a culture where every voice matters. Across the organisation, directors and employees live the values – showing respect, curiosity and courage to create a safe, supportive and empowering environment.

### Why

A strong culture is the heartbeat of an organisation – it turns values into action and people into a united force for good. When culture thrives, people feel safe to speak up, challenge ideas, and bring their whole selves to the table. It fuels trust, unlocks potential, and transforms teams into something extraordinary. Culture isn't a backdrop – it's the driving force behind every decision, every relationship, and every success. In a world of constant change, it's your anchor and your launchpad.

## How

Organisations agree and implement Codes of Conduct for directors, members, and the wider workforce (where applicable). These are regularly reviewed and include clear expectations around inclusive behaviour. For others acting on behalf of the organisation (e.g., intermediaries or contractors), expectations around values and conduct could be built into contracts, inductions, or other formal agreements. Directors and employees engage in regular learning and development related to inclusive leadership and culture. They demonstrate curiosity, cultural intelligence, collaboration, self-awareness, and courage – and foster psychological safety in all interactions.

## Positive contributions

Directors and employees consistently demonstrate the organisation's values through both words and actions. They adapt their communication and working styles to respect others' preferences, listen actively to diverse perspectives, and address challenges with openness and respect. They contribute to a culture of empathy, wellbeing and psychological safety.

## Unacceptable behaviours

Directors or employees acting with bias or prejudice, using discriminatory or offensive language, or dismissing others' views. Behaviour aimed at persuading rather than understanding, or failure to uphold inclusive practices.



### Reflective questions

1. How do we ensure that everyone understands and models the organisation's values and behaviours?
2. What learning and development opportunities do we provide to strengthen inclusive leadership?
3. In what ways do our policies and practices promote psychological safety and belonging?



### Example evidence

- ✓ Organisational values statements & Codes of Conduct
- ✓ Records of inclusion or cultural awareness training
- ✓ Induction materials for staff, board and intermediaries

## 2.5 Terms of office & board composition

### Intended outcome

The board is regularly refreshed while maintaining a balance of continuity, with maximum numbers and terms of office in place. This allows for talent to develop and provides opportunities for new people to contribute.



### What

The organisation establishes and maintains a board with the appropriate number and mix of director roles required for effective decision-making.

### Why

Clear and consistent term limits ensure regular refreshment, promote diversity of thought, and bring new perspectives into the boardroom. Without them, boards risk stagnation, limited challenge, and reduced adaptability to change.

## How

The organisation sets maximum terms of office for directors (e.g., 3 x 3 years or 2 x 4 years) and up to a maximum of nine years continuous service. Term limits are clearly documented, tracked, and applied without exception to ensure transparency and fairness. Where possible, staggered terms are used to avoid large-scale turnover and to retain continuity and institutional knowledge. The organisation's governing document(s) allows for the appropriate number and type of directors. Typically, this is between 8–12 individuals, with at least 25% being independent directors, including those from outside the sport or activity, who bring external perspectives and are free from conflicts of interest. Boards consider diversity of background, lived experience and protected characteristics as part of composition planning.

## Positive contributions

Directors contribute actively to succession planning for both the board and senior executives. This includes identifying future needs, developing talent pipelines, and ensuring that planned departures do not disrupt board continuity or effectiveness. Board composition, in terms of skills, diversity and independence, is regularly reviewed when considering appointments or renewals.

## Unacceptable behaviours

Directors resisting change or allowing personal bias to influence judgement and decision-making. Boards failing to manage or enforce term limits, resulting in a lack of renewal or limited diversity. Board members prioritise their individual interests over the needs of the organisation.



### Reflective questions

1. How do we ensure a balance of continuity and fresh thinking on our board?
2. What process do we follow to monitor and enforce term limits?
3. In what ways does our board composition reflect the skills and experience we need?



### Example evidence

- ✓ Governing document(s) outlining term limits
- ✓ Board composition review or skills audit
- ✓ Succession plans for board and senior roles



## 2.6 Board review & evaluation

### Intended outcome

The board understands its collective strengths and development needs, through various forms of evaluation including internal and external reviews, enabling it to successfully deliver organisational objectives.



### What

The board is driven by insight and learning, committed to continuous improvement, and uses structured evaluation to address areas for development and to celebrate successes.

### Why

Regular evaluation increases accountability, strengthens relationships, and improves the board's effectiveness. Without it, weaknesses may go unaddressed, and the board risks becoming stagnant, misaligned, or less capable of responding to organisational needs.

### How

The organisation conducts regular board and individual evaluations. This includes annual self-assessments and reviews led by the chair, as well as a formal board evaluation process. An independent external review takes place at least every four years with a board observation taking place at least every two years. The chair holds an annual review meeting with each director, and in turn, the chair receives a formal annual review, conducted by one, or at most two, designated directors.

The outcomes of these evaluations inform board development activity, training plans, and future succession planning. Evaluation processes and outcomes are documented and reviewed regularly to track progress and improvement over time, driving cultural and behavioural changes. Directors participate actively and constructively in evaluation processes.

## Positive contributions

Board members demonstrate a commitment to continuous improvement by actively engaging in structured evaluation processes. Each director participates in annual self-assessments and constructive review meetings with the chair, reflecting on their contributions and identifying areas for growth. The chair also undergoes a formal annual review led by designated directors, modelling accountability and openness to feedback. Individuals use insights from evaluations to shape their personal development plans, contribute to board training and succession planning, and foster a culture of learning and celebration. These behaviours ensure the board remains effective, responsive, and aligned with organisational needs.

## Unacceptable behaviours

Directors are defensive during evaluation, resist feedback, or fail to act based on development needs. The board neglects regular reviews, does not act on feedback, or treats evaluation as a tick-box exercise, resulting in limited learning, missed development opportunities, and declining performance over time.



### Reflective questions

1. What methods do we use to assess individual director performance?
2. How do we ensure that feedback is welcomed, reflected on, and followed up?
3. In what ways do our board reviews shape development priorities and succession plans?
4. How are the board leading by example and setting high standards?



### Example evidence

- ✓ Board self-assessment and external review reports
- ✓ Chair-to-director and director-to-chair annual review records
- ✓ Development or training plans linked to evaluation outcomes

## 2.7 Board & employee training & development

### Intended outcome

All directors and employees access and engage in appropriate learning and development to enable them to perform successfully in their roles.



### What

The organisation is committed to the ongoing development of directors and employees, ensuring training is aligned with their roles and responsibilities.

### Why

Training and development aren't just about skills – they're about unlocking potential. When people grow, organisations thrive. Investing in learning sends a powerful message: you matter, and your growth matters. It builds confidence, sharpens capability, and fuels innovation. In a fast-changing world, the organisations that succeed are those where learning is constant, curiosity is encouraged, and everyone is empowered to be better than they were yesterday.

## How

The organisation has a tailored training and development programme for directors and employees, informed by insight i.e. skills audits, performance appraisals, and feedback. Training opportunities are accessible, role-specific, and proportionate to the size and scope of the organisation. Development needs are regularly reviewed and addressed through structured learning opportunities. Training records are maintained to monitor participation and support continuous planning. Directors and employees are encouraged to embrace constructive feedback, reflect on their strengths and weaknesses, and actively engage in development to improve their performance. The board regularly discusses development needs and underperformance and sets the tone for the organisation. It takes collective responsibility for identifying and enabling access to relevant learning. Outcomes of these discussions inform both individual development plans and wider organisational learning.

## Positive contributions

Directors and employees show commitment to growth by seeking feedback, reflecting on their performance, and engaging in role-specific training. They take ownership of their development, participate in learning opportunities, and apply new skills to improve their impact. Board members also help identify learning needs and support a culture where development is valued and expected.

## Unacceptable behaviours

Directors or employees resist change, avoid feedback, or fail to participate in learning and development opportunities. Training is inconsistent, ad hoc, or not tailored to role requirements. There is no systematic approach to identifying or addressing skills gaps, and development is not prioritised during planning cycles.



### Reflective questions

1. How do we identify and prioritise training needs across the board and workforce?
2. What systems are in place to track learning and development over time?
3. In what ways do directors and employees demonstrate a commitment to ongoing learning?



### Example evidence

- ✓ Training and development plans for directors and employees
- ✓ Records of training / CPD
- ✓ Skills audit / appraisal summaries
- ✓ Board minutes discussing learning needs / performance



## 2.8 Independent chair

### Intended outcome

The organisation's chair is independent and provides effective, objective leadership to the board.



### What

The chair is independent and free from any close or personal connection to the organisation. They have not held a paid or senior volunteer role within the organisation in some time (typically, at least four years). Their role is to lead the board with integrity and impartiality, supporting effective governance and decision-making.

### Why

An independent chair brings objectivity, enhances trust, and strengthens the overall effectiveness of the board. Without this independence, decision-making may be influenced by bias, damaging credibility and undermining the board's ability to act in the organisation's best interests.

## How

The organisation has a clear and open recruitment process in place for the appointment of the chair. The criteria used for independence is documented, understood, and applied during the recruitment process. The chair's independence is declared and reviewed annually. They maintain clear boundaries between strategic oversight and operational involvement, and demonstrate fairness, impartiality, and respect in all board dealings. It is useful to note that governing document(s) may also need to be reviewed to ensure they facilitate an independent appointment.

## Positive contributions

The chair demonstrates independence by maintaining clear boundaries from past roles and avoiding personal connections to the organisation. They lead with fairness, impartiality, and integrity, ensuring decisions are made objectively and in the best interests of the organisation. Their behaviour sets the tone for effective governance and builds trust across the board.

## Unacceptable behaviours

The chair has a recent or ongoing connection to the organisation that limits objectivity. There is no formal process for assessing or declaring independence. The chair is seen to favour interests or becomes overly involved in day-to-day operations. Directors resisting the recruitment of an independent chair, on the basis that they don't have knowledge of the sport or treating an independent chair with a lack of respect once they are in post.



### Reflective questions

1. How do we define and assess the independence of our chair?
2. How do we ensure the chair maintains a clear distinction between governance and operations?
3. What steps has the organisation taken to prepare for succession planning in the chair role?



### Example evidence

- ✓ Chair recruitment process and role description
- ✓ Records of board discussions showing impartial leadership
- ✓ Statement of independence criteria used during recruitment

## 2.9 Board champions e.g. equality, diversity & inclusion, sustainability, Welsh language, performance, female health

### Intended outcome

The board has directors who champion specific areas of importance and use their influence to drive progress, challenge decisions, and support accountability.



### What

Directors are assigned to champion specialist areas and are supported to build the knowledge and confidence needed to represent these areas effectively. Champions advocate for their specialist area in all relevant board discussions and decisions.

### Why

Board champions ensure that critical considerations, such as inclusion, sustainability, or language access, are meaningfully reflected in organisational strategy and governance. Without champions, the board risks overlooking the needs of underrepresented groups, missing key risks or opportunities, and making uninformed or exclusionary decisions.

## How

The organisation uses a skills matrix or equivalent to identify current board champions and ensure coverage of priority areas. Champions are supported through relevant learning and development, including attendance at events, briefings, or training sessions to maintain subject matter awareness. Board agendas include regular space for champions to raise insights or concerns, and champions are encouraged to contribute to decision-making through impact assessments, updates, or challenge where appropriate. Directors proactively seek external advice or lived experience where needed and remain aware of their limits as representatives rather than experts. The board fosters an environment where champions feel empowered to speak and are listened to respectfully, regardless of seniority or popularity of the topic.

## Positive contributions

Directors assigned as board champions show leadership by actively advocating for their specialist area in discussions and decisions. They build subject knowledge through training and external engagement, raise relevant insights, and challenge constructively. Champions seek diverse perspectives, understand their limits, and contribute to an inclusive, informed board culture where their input is respected and valued.

## Unacceptable behaviours

Champions are unclear on their role, unsupported in their learning, or unable to contribute meaningfully to board discussions. Champions are defensive when challenged, focus too heavily on operational details, or fail to fulfil their responsibilities. Board decisions proceed without consideration of the impact on specific groups, areas, or outcomes.



### Reflective questions

1. In what ways do our champions contribute to inclusive, sustainable, and informed governance?
2. How do we ensure board champions feel confident and heard during discussions?
3. Where might we be missing perspectives or challenge due to gaps in champion coverage or clarity?



### Example evidence

- ✓ Board champion skills matrix
- ✓ Board minutes showing champion input
- ✓ Learning logs / CPD records for board champions
- ✓ Minutes for champion updates



## 2.10 Key volunteer management

### Intended outcome

The organisation is clear on how it will address succession planning and support for key volunteers.



### What

The organisation demonstrates commitment, understanding, recognition, and support for its volunteers' needs. It ensures positive and inclusive cultures exist across all levels of its volunteer structures. Key volunteers may include roles such as fixture organisers, safeguarding leads, event managers, or regional coordinators – anyone whose departure would significantly disrupt operations.

### Why

Effective volunteer management improves retention, enhances delivery, and supports organisational continuity. A lack of structure and support for volunteers leads to high turnover, inconsistent operations, and reputational risk.

## How

Volunteer management is treated as a core function of the organisation, with appropriate resources, training, and support. Volunteer roles are clearly defined, and onboarding processes accessible and inclusive. Organisations have a simple volunteer management system that tracks key roles, terms, succession plans, training needs, and current support status. Succession plans are in place for all essential volunteer roles (e.g., fixture organisers, event managers). Positive and inclusive cultures are demonstrated throughout the organisation (e.g., subcommittees, regional structures). Communication preferences are respected, and volunteer interactions are tailored to suit individual needs and circumstances. Volunteers are treated with respect and supported appropriately.

## Positive contributions

The organisation shows a commitment to volunteers by treating them with respect, recognising their contributions, and tailoring support to meet their needs. They help create inclusive environments, ensure roles are clearly defined, and engage in succession planning to maintain continuity. These behaviours foster trust, improve retention, and strengthen volunteer-led delivery.

## Unacceptable behaviours

Volunteers are mistreated, not recognised or rewarded, or lack the training required to fulfil their roles. There is no clear plan to support or replace key volunteers, resulting in a high turnover and operational risk. Volunteer contributions are undervalued or taken for granted.



### Reflective questions

1. How are we supporting and recognising our key volunteers across all levels of the organisation?
2. What systems are in place to ensure continuity if a key volunteer leaves their role?
3. In what ways are we building inclusive and respectful environments for our volunteer workforce?



### Example evidence

- ✓ Volunteer succession plans
- ✓ Communications or surveys showing feedback from volunteers
- ✓ Volunteer strategy or management policy / doc

## 2.11 Health & wellbeing (physical & mental)

### Intended outcome

Protect and promote an environment that improves the physical and mental health and wellbeing of all individuals involved in the organisation, leading to better retention, collaboration, and overall organisational performance.



### What

The organisation protects and promotes the physical and mental health and wellbeing of everyone involved. It creates an environment where this is actively prioritised, and people feel confident and informed about how to support themselves and others.

### Why

Supporting wellbeing ensures the benefits of sport are fully realised, improves retention of staff and volunteers, and fosters inclusive, positive cultures. Without this focus, people may feel isolated or unsupported, leading to burnout, poor performance, and reputational risk.

## How

Staff, directors, and volunteers have access to relevant training and development on health and wellbeing, including physical and mental health (e.g., female health, relational trauma-informed approaches). Wellbeing is embedded in policies, practices, and culture – including workload planning, flexible working, and access to support services. Procedures are in place to raise awareness, offer support, and encourage development in these areas. Matters concerning physical and mental health and wellbeing are handled with respect and sensitivity. People feel confident speaking about wellbeing, and there is visible leadership support for these conversations. Wellbeing champions or leads may be identified to promote awareness and coordinate initiatives.

## Positive contributions

Directors and employees demonstrate a commitment to wellbeing by promoting open conversations about mental and physical health, supporting others with empathy, and encouraging the use of available resources. They engage in relevant training, respect personal boundaries, and actively contribute to a culture where the wellbeing of staff, volunteers, and everyone involved in the sport is prioritised, visible, and consistently supported.

## Unacceptable behaviours

Directors or employees are discriminated against due to health or wellbeing matters. There is a lack of open discussion, support, or proactive measures to address wellbeing. People feel unable to raise concerns or request adjustments, and wellbeing is treated as a personal issue rather than an organisational priority.



### Reflective questions

1. How do we ensure wellbeing is embedded in our day-to-day culture, not just addressed in policies?
2. What proactive steps are we taking to support the mental and physical health of our people?
3. How do we know our current wellbeing practices are meeting the needs of our people?



### Example evidence

- ✓ Staff / volunteer surveys or feedback on wellbeing
- ✓ Wellbeing policy or strategy (e.g., menopause)
- ✓ Examples of adjustments made to support individual needs



## 2.12 Director succession planning

### Intended outcome

The organisation maintains an effective board at all times.



### What

Through appropriate succession planning and action, the organisation ensures it always has a fit-for-purpose and effective board. Succession planning anticipates board changes and particularly ensures continuity in key areas such as finance, safeguarding, clean sport / anti-doping and governance.

### Why

Proactive succession planning ensures the board remains resilient, with appropriate skills and representation in place to lead the organisation effectively. Without it, the organisation risks disruption to strategic delivery, weakened governance, or a loss of critical knowledge when directors leave unexpectedly.

## How

The organisation has a clear, up-to-date board succession plan that identifies key roles, expected term completions, and potential gaps. This plan is reviewed regularly and informs recruitment strategies. Directors are open to developing their skills and supporting leadership transitions. They consider board composition; skills, diversity, independence, when appointing new directors or forming committees. The plan is aligned with the organisation's governing document and reflects the skills matrix, director terms, and board size. Succession is discussed openly, with directors encouraged to mentor others and prepare for future transitions. It is linked to the organisation's strategic aims, ensuring future board members are equipped to lead on key priorities.

## Positive contributions

The board fosters behaviours that prioritise forward thinking, openness, and shared responsibility. This includes regularly reviewing board composition, discussing future needs transparently, and encouraging directors to mentor others and develop leadership skills. They actively identify gaps in expertise, support diverse and inclusive recruitment, and ensure succession planning is embedded in strategic conversations. These behaviours help maintain continuity, resilience, and readiness to lead on key priorities.

## Unacceptable behaviours

No succession plan is in place, or it exists only in theory. Succession is only considered reactively, and key roles are left vacant or filled informally. Directors resist change or approach succession planning with reluctance or negativity.



### Reflective questions

1. What succession risks exist across our board over the next 1–3 years?
2. How confident are we that our board composition will continue to meet the organisation's needs?
3. How are we preparing potential future leaders for board roles?



### Example evidence

- ✓ Succession planning timeline or risk register
- ✓ Training or mentoring logs
- ✓ Board minutes referencing succession discussions

### 3. Principle

# **Insight, engagement & strategy**









## 3.1 Strategic Plan

### Intended outcome

The organisation has a strong direction of travel and is clearly aligned to achieving the Vision for Sport.



### What

The organisation has a clear direction, purpose and long-term goals. These are well-defined, understood, resourced and regularly reviewed.

### Why

A robust strategic plan enables the organisation to focus its efforts, achieve meaningful impact, and demonstrate value to stakeholders. Without a clear plan, organisations risk misaligned priorities, wasted resources, and reduced effectiveness.

## How

The organisation has a current strategic plan that outlines what it aims to achieve, often in collaboration with key stakeholders. The strategy places participants and volunteers at the centre of decision-making and includes the following stages:

- Creation – the strategy is created in consultation with key stakeholders and is insight-driven, emphasising learning and continuous improvement.
- Implementation – the organisation communicates the strategy clearly to those responsible for operational delivery. The board regularly reviews progress and holds individuals accountable.
- Reflection – the organisation monitors delivery of the strategy and evolves its approach to remain current and relevant to its audiences.

## Positive contributions

Directors actively hold executive officers accountable for progress against strategic objectives through effective challenge and support. They also consider emerging trends, innovations, and future developments in policy and sport to inform strategy and decision-making.

## Unacceptable behaviours

Directors become involved in operational detail or are defensive when challenged. Staff change direction without board discussion, evidence, or alignment to the strategy.



### Reflective questions

1. How was our strategy developed, and who was involved?
2. In what ways do we ensure our strategy remains relevant and insight-driven?
3. How does the board monitor and challenge progress against strategic priorities?



### Example evidence

- ✓ Strategic plan with clear priorities and timelines
- ✓ Board minutes where strategic progress is reviewed
- ✓ Tracking dashboards or reports linked to strategic objectives

## 3.2 Operational / business plan

### Intended outcome

The organisation is clear on its progress and learning in achieving its strategy and its contribution to the Vision for Sport.



### What

The organisation has a clear direction and detailed plan for the projects and services it delivers to achieve its strategy.

### Why

A clear operational plan enables the organisation to remain aligned, focused, and structured in delivering its strategy. Without it, activity can become reactive, inconsistent, or misaligned with strategic goals, reducing impact and effectiveness.

## How

An operational or business plan is in place to monitor, review, and track progress against the organisation's strategic goals. The plan outlines defined actions, timelines, and responsibilities. It is co-developed with key staff and reviewed regularly by the board to ensure relevance, accountability, and continuous improvement. Progress is reported using agreed KPIs or success measures, which inform both internal decisions and stakeholder communication.

## Positive contributions

Directors listen actively and sensitively to understand the views of colleagues, the CEO, senior executives, and stakeholders. They act in the organisation's best interests and encourage ambition, challenge, and learning. Directors and staff align operational activity to the strategy and use insight to adjust delivery where necessary. The board tracks progress, supports sustainable success, and champions ambition for the organisation's growth and future relevance. Directors ensure the plan is resourced appropriately and aligned to risk, finance, and workforce planning.

## Unacceptable behaviours

Directors becoming overly involved in operational detail, failing to support delivery staff, or not reviewing or responding to progress updates. Plans are outdated, underused, or disconnected from strategic intent.



### Reflective questions

1. How do we ensure our operational plan is aligned to our strategy and priorities?
2. How regularly do we review delivery progress and what happens if we go off track?
3. How do we use learning from past delivery to improve future planning?



### Example evidence

- ✓ Operational or business plan with clear actions, timelines and responsibilities
- ✓ Progress reports or RAG ratings shared with the board
- ✓ Staff or partner feedback



## 3.3 Equity, diversity & inclusion (EDI)

### Intended outcome

Sport is a place where everyone can participate and feel welcomed and included without fear of discrimination.



### What

The organisation demonstrates and champions its commitment to equity, diversity and inclusion.

### Why

Embedding EDI enables organisations to better understand and serve diverse communities, gaining trust and increasing engagement. Failure to do so risks excluding underrepresented groups, perpetuating inequity, and weakening the organisation's reach and impact.

## How

EDI is embedded throughout the strategic and operational plan, as well as in policies and procedures. These are informed by appropriate data and insight. This includes setting EDI objectives, using data to inform actions, and ensuring all operational plans consider inclusion at the point of design. This may include a formal commitment to the Moving to Inclusion framework or an equivalent, via a Governance Improvement Plan that demonstrates continuous improvement.

## Positive contributions

Directors are champions for equity, diversity and inclusion. They, along with all staff, show interest in the backgrounds and skills of other directors and colleagues and consider how everyone can contribute effectively. They behave in a professional way that promotes trust and openness between the board and executive team. They value, listen actively and sensitively to encourage and understand the contributions and views of all stakeholders, seeking to understand other people's perspectives.

## Unacceptable behaviours

Directors and staff fail to consider how decisions affect everyone, including underrepresented groups, ignore insight from affected communities, or fail to challenge discriminatory practices. Directors allow bias or preconceived ideas to affect their judgement, act inappropriately with bias or prejudice towards others, or use offensive or discriminatory language or behaviour.



### Reflective questions

1. How is EDI embedded in our strategy, operations and culture?
2. What data do we use to understand how inclusive we are?
3. How do we hold ourselves accountable for progressing EDI, and how often is this discussed at board level?



### Example evidence

- ✓ EDI strategy or action plan
- ✓ Moving to Inclusion diagnostic results
- ✓ Equality impact assessments
- ✓ Board diversity monitoring and targets

## 3.4 Engagement & communications strategy

### Intended outcome

Organisations effectively communicate messages, goals and values to engage with key audiences to achieve their strategy.



### What


A person-centred approach ensures that all communication is appropriate for the organisation's different audiences.

### Why

Feedback and intelligence from stakeholders ensures the organisation can maximise its impact. Effective engagement builds trust, relevance and alignment with key audiences. Poor communication leads to misunderstanding, loss of confidence, and missed opportunities to influence or collaborate.

### How

The organisation develops an engagement and communications strategy and implements a clear structure or plan for communicating with key audiences. Communications are tailored to different audiences, ensuring accessibility, relevance and clarity. Channels and tone are chosen intentionally. The board supports key messages by speaking with one voice and reinforcing the organisation's values and strategy.



Directors work to ensure their written and verbal communications are clear, concise and aligned. They speak on behalf of the organisation using agreed corporate views and messaging. The organisation also prioritises two-way engagement, creating opportunities to listen, consult and co-design with stakeholders. More mature organisations embed storytelling, evidence of impact, and proactive reputation management into their communication efforts.

## Positive contributions

Board members and staff consistently tailor their communication to suit different audiences, using clear, inclusive language and appropriate channels. They actively listen, seek feedback, and create space for dialogue, ensuring stakeholders feel heard and valued. Communication is aligned with organisational values, and individuals reinforce key messages with consistency and clarity. Stakeholders experience respectful, relevant, and accessible engagement across all touchpoints.

## Unacceptable behaviours

Internal and external communication is unplanned and sporadic, creating a sense of confusion, lack of clarity and disconnect across the organisation. Communication is difficult to understand. Directors contradict organisational messages, speak independently without agreement, or fail to communicate important developments. Stakeholder needs and feedback are not considered in messaging.



### Reflective questions

1. How do we ensure our communications are accessible and relevant for different audiences?
2. How aligned are our board and executive communications?
3. How do we evaluate the effectiveness of our engagement and messaging?



### Example evidence

- ✓ Communication and / or engagement strategy
- ✓ Feedback mechanisms (e.g., surveys, consultation summaries)
- ✓ Board comms protocols or spokesperson guidance
- ✓ Working towards or developing areas within the communications pillar from the Moving to Inclusion Framework.



## 3.5 Horizon scanning & future trends

### Intended outcome

The organisation can identify emerging issues, societal changes and early warning signals to ensure that it remains fit for purpose.



### What

The organisation anticipates future trends through proactive and sophisticated horizon scanning, developing a culture that aims to identify and mitigate potential risks and maximise opportunities. Responsibility for horizon scanning is clearly assigned, whether to a board lead, subcommittee, or senior executive, and embedded in forward-planning cycles.

### Why

To ensure the organisation is aware of factors that may impact its success and can respond proactively to safeguard long-term sustainability and stability. Failure to do so increases vulnerability to emerging risks, weakens strategic relevance, and limits the organisation's ability to adapt or grow.

## How

The organisation has designated time for horizon scanning, forward-thinking and identifying opportunities and risks. The organisation is aware of and learns from international good practices and shares best practices with the sector. Good practice in approaching this is by using SWOT and PESTLE(S) models. Insights gained through horizon scanning are reviewed at board level and used to inform strategic priorities, resource allocation, and risk planning. Boards consider shifts in sporting participation, digital technologies, funding landscapes, environmental pressures, and public policy when exploring future risks and opportunities. Proactive horizon scanning supports risk management by identifying potential disruptors early and enabling contingency planning.

## Positive contributions

Board members and senior leaders regularly set aside time to explore future trends, risks, and opportunities, using tools like SWOT or PESTLE(S). They stay informed about sector developments, share insights, and bring external learning into strategic discussions. Individuals ask forward-thinking questions, challenge assumptions, and use horizon scanning insights to shape planning, resource allocation, and risk management. These behaviours create a culture of curiosity, adaptability, and proactive decision-making.

## Unacceptable behaviours

Directors ignoring data and future trends, having a closed mindset, and resisting change. The board does not allocate time or responsibility for horizon scanning, nor future-focused discussions, so only reacts when issues have already escalated.



### Reflective questions

1. How do we stay up to date with external trends, policy shifts, and innovations?
2. What recent emerging issue or opportunity has influenced our strategy?
3. How do we ensure our board discussions include a forward-looking perspective?



### Example evidence

- ✓ Board minutes showing horizon scanning or future trends
- ✓ SWOT or PESTLE(S) analysis
- ✓ Summary reports on sector or policy insights
- ✓ Updates to strategy in response to new trends

## 3.6 Participant, athlete & member feedback mechanisms

### Intended outcome

The organisation promotes an environment where the voices of its participants, members, and athletes are heard.



### What

The organisation ensures it has mechanisms in place to receive and act on regular feedback from athletes, participants and members. These mechanisms are established in a way that allows and encourages openness and transparency so that opinions and ideas are put forward to help shape the organisation.

### Why

Effective feedback mechanisms enable the organisation to understand its impact, respond to issues, and remove barriers facing athletes and participants. This helps create a safe, inclusive environment where people feel valued and connected. Without clear and trusted feedback systems, concerns may go unaddressed, resulting in harm, disengagement, or reputational damage.

## How

The organisation has a structure (e.g., subcommittees) with sufficient expertise to ensure that wellbeing, welfare and experiences are adequately considered, monitored and reported to the board. This may include regular athlete wellbeing and culture surveys (independently administered) and/or ensuring athlete representation on appropriate committees. Education around key areas (EDI, female health, performance, mental health and wellbeing) supports open conversations and safe environments. Directors and the workforce listen actively and sensitively to encourage and understand the contributions and views of athletes, members and participants. Feedback is either acted on, or a clear explanation is given where action is not taken. Feedback loops are timely, transparent and consistently applied across the organisation. Mechanisms allow for both anonymous and named feedback, and participation must be voluntary and safe from negative consequences.

## Positive contributions

Board members and staff create safe, open spaces for athletes, participants, and members to share feedback. They listen actively, respond clearly, and use insights to shape decisions. Feedback is welcomed, acted on, and consistently applied across the organisation.

## Unacceptable behaviours

Directors and the workforce dismiss or ignore the views of athletes and participants. No mechanisms are in place to gather feedback, or those that exist are inaccessible, unclear or rarely used. Athletes and participants are unaware of the purpose or outcome of providing feedback. Feedback is gathered but not analysed or used to inform decision-making.



### Reflective questions

1. How do we currently gather feedback from participants, and how is it acted on?
2. What makes our feedback mechanisms feel safe, inclusive and worthwhile to those using them?
3. How do we ensure feedback reaches decision-makers and influences change?



### Example evidence

- ✓ Summary reports / action plans from surveys
- ✓ Communications showing how feedback has led to changes
- ✓ Evidence of regular athlete/ participant input into board or committee decisions



## 3.7 Stakeholder mapping

### Intended outcome

The organisation identifies and works proactively with key stakeholders to help achieve the strategy.



### What

The organisation defines the relationship and responsibilities between it and its stakeholders, including clubs, members, and participants. This stakeholder mapping includes stakeholders from all areas; internal and external to the organisation. Stakeholder mapping helps the organisation identify who it relies on, who relies on it, and where influence, expectations, and opportunities lie. The organisation then works to establish and maintain suitable relationships with these stakeholders.

### Why

Effective stakeholder mapping and management ensures engagement and maximises impact. It allows the organisation to receive feedback and intelligence from experts that can support the growth of the organisation and the experiences of its members. Without clear mapping and engagement, the organisation risks missing critical insight, losing trust, or working in isolation from those who could strengthen its impact.

## How

This is typically completed using stakeholder mapping techniques. A visual stakeholder organisation map can help. Where appropriate, a communication style and engagement plan are established for each stakeholder. Stakeholder engagement can begin with a simple list and evolve into a strategic, insight-led relationship plan. The organisation recognises that effective stakeholder relationships are built on mutual understanding, shared goals, and regular two-way communication. Relationships with stakeholders are built on respect, trust, openness and transparency, and these behaviours are demonstrated.

## Positive contributions

Board members and staff actively identify and understand the organisation's key stakeholders, both internal and external. They build respectful, transparent relationships based on shared goals and regular two-way communication. Individuals tailor their engagement approaches, listen to stakeholder needs, and use insights to inform decisions. These behaviours ensure the organisation remains connected, trusted, and responsive to those it serves and relies on.

## Unacceptable behaviours

Stakeholders are not identified, are neglected or undermined; information is withheld or misrepresented. Stakeholder engagement is treated as a tick-box exercise rather than a meaningful and ongoing process. The organisation fails to recognise or adapt to stakeholders' evolving needs or expectations.



### Reflective questions

1. Who are the most important stakeholders to achieving our strategy?
2. How do we currently engage with each of them, and how effective is that approach?
3. What insights or value could we gain by improving stakeholder collaboration?



### Example evidence

- ✓ Stakeholder mapping document or visual map
- ✓ Stakeholder engagement plans including contact methods / timelines
- ✓ Minutes or notes from stakeholder liaison meetings

## 4. Principle

# **An effectively run organisation**







## 4.1 Effective meetings

### Intended outcome

The board uses a balance of oversight, foresight, and insight to remain strategic and run efficient and effective meetings.



### What

The board organises, coordinates and records effective meetings, using an appropriate balance of insight (understanding data and intelligence of what is going on), oversight (keeping an eye on things to make sure they are done properly) and foresight (thinking ahead and planning for the future).

### Why

Strategically run meetings enable the board to focus on high-impact decisions, protect the organisation's integrity, and maintain accountability. Without effective meeting practices, the board risks becoming reactive, operationally distracted, and unclear in its decision-making, leading to reduced credibility and oversight.

## How

Agendas – board agendas focus on strategic priorities (not operational matters), organisational performance, culture, risk, legal and financial matters, stakeholder relationships and accountability. Issues relevant to these areas are reserved for board decision. Agenda items are clearly marked as either for decision or for information and are time-allocated accordingly.

Minutes – appropriate and accurate minutes are taken for all board and committee meetings. These are securely stored and shared transparently, as appropriate.

Meeting schedule – meetings (including board meetings and AGMs) are scheduled and prepared in advance. Directors are given sufficient notice in accordance with the organisation's governing document(s).

## Positive contributions

Directors come to meetings prepared, having read and understood board packs in advance. Directors encourage healthy challenge and debate within a controlled meeting environment. Discussions are well-facilitated - once a decision is made, it is final. Directors support the collective decision of the board and ensure differences in view are moderated and resolved constructively.

## Unacceptable behaviours

Directors arrive unprepared or engage in unnecessary operational detail. They resist change or innovation without constructive reasoning. Directors raise concerns outside the meeting rather than addressing them at the appropriate time. Directors publicly criticise agreed board decisions that they personally disagree with.



### Reflective questions

1. How well do our current board meetings enable strategic decision-making?
2. How do we ensure that our decisions are clearly recorded and actioned?
3. What can we do to improve how we prepare for and follow up from meetings?



### Example evidence

- ✓ Agendas and minutes showing strategic vs operational items
- ✓ Meeting evaluation summaries or feedback forms
- ✓ Documented decision-making process / board pack templates

## 4.2 Effective boards

### Intended outcome

Robust decisions are made by the correct and responsible people, allowing for progress to achieve the strategy to be made in a timely and effective manner, and with purpose.



### What

The board ensures decisions are made through effective and robust processes which are open, transparent and informed.

### Why

Ensuring decisions are made openly and transparently protects the integrity of the organisation. It allows the board to remain strategic rather than operational, using skillsets in specific areas. Failing to follow correct processes increases the risk of poor or unlawful decisions and can damage trust in the board's governance.

## How

A Scheme of Delegation outlines the delegated authority for each appropriate part of the organisation (e.g., committee, executives), such as reviewing budgets and operational plans. The organisation's board remains the ultimate decision-making body. The board has a decision-making framework that ensures processes and decisions are robust, transparent, ethical and undertaken promptly. An organisational chart shows the subcommittees of a board, their remit, and the people involved. The organisational structure and subcommittees are regularly reviewed to ensure the most appropriate structure is in place and the right people are involved in decision-making. Terms of Reference and defined membership for each sub-committee outline the role and responsibilities. These are reviewed regularly and made accessible. The board refers to its governing document(s) and ensure that the appropriate processes are followed (e.g., voting/decision-making, casting votes, quorum). Where disagreement arises, the board records dissenting views and the rationale for final decisions.

## Positive contributions

Boards build an environment that encourages check and challenge within decision-making conversations. Decisions are made on evidence and include a diversity of thought.

## Unacceptable behaviours

Individuals making decisions without consulting the board where needed. Individual bias influencing conversations and decisions. The chair overpowering or over-influencing. Voting processes not following the organisation's governing document(s) (e.g., when not quorum).



### Reflective questions

1. How do we know our current decision-making structure is effective?
2. What checks and balances are in place to challenge bias or assumptions in decision-making?
3. How do we ensure decisions reflect our organisation's values as well as its goals?



### Example evidence

- ✓ Scheme of Delegation outlining roles and responsibilities
- ✓ Organisational chart showing committees and reporting lines
- ✓ Up-to-date Terms of Reference with clear decision owners



## 4.3 Risk & opportunity management

### Intended outcome

The organisation is proactive and effective at identifying and mitigating risks, while also maximising opportunities.



### What

The organisation has a strategy and mechanism for identifying, assessing, categorising, managing and mitigating risks to an appropriate level, which is overseen and signed off by the board. The organisation identifies its risk appetite and uses these mechanisms to enable sustainable growth.

### Why

A clearly defined approach to risk allows the organisation to proactively plan for potential impacts, positive and negative, on its operations. It improves consistency through objective scoring and enables the board and executive team to make informed decisions. Without clear risk management, opportunities may be missed, poor decisions made, or serious threats overlooked, leading to reputational or operational harm.

## How

The organisation outlines its approach to risk within a risk management strategy. This is supported by a risk register; best practice includes monitoring areas such as governance, resourcing, and finance. The board and key executives regularly identify, assess, document and manage risks, aligned with the organisation's risk appetite. This informs project planning, helps mitigate barriers to strategic goals, and supports responsible innovation. The organisation reviews its risk appetite regularly and uses it to guide decision-making across teams. The organisation clearly allocates responsibility for maintaining the risk register and escalating significant risks to the board in a timely manner. Mechanisms are in place to ensure that risks identified by staff, volunteers or stakeholders can be escalated quickly and safely.

## Positive contributions

Directors stay informed about the organisation's risk profile and proactively anticipate potential threats. They encourage and support opportunities that align with the risk appetite, ensuring that creativity and caution are balanced.

## Unacceptable behaviours

Directors keep quiet when they have concerns about the organisation. Risks are not discussed openly or are removed from agendas without explanation. The organisation avoids all risk, remaining in a "safe zone" that limits innovation and restricts participation growth. Directors are unaware of the organisation's current risk profile or fail to act when risks are identified.



### Reflective questions

1. How often do we review and update our risk register, and is it aligned with our strategy?
2. What is our collective understanding of the organisation's risk appetite?
3. How confident are we that emerging risks are raised and acted on in a timely way?



### Example evidence

- ✓ An up-to-date, board-approved risk register
- ✓ Board meeting minutes evidencing risk discussions
- ✓ A documented and reviewed risk appetite statement

## 4.4 Access to HR, legal & financial expertise

### Intended outcome

Professional expertise is available to ensure that the organisation is protected, supported and able to make decisions, agree policies and processes which are based on sound, robust and accurate information.



### What

The organisation can access legal, financial, HR or compliance expertise appropriately, using this advice to make informed decisions.

### Why

Accessing expert advice ensures the organisation can comply with legal and regulatory requirements, make sound decisions, and operate effectively. Without expert input, the organisation risks making uninformed or non-compliant decisions, leading to reputational damage, financial penalties or legal disputes.

## How

Independent directors commonly have expert knowledge in specific areas and the organisation can use a skills matrix to outline expertise within its board. Expert advice can also be sought through contractual relationships, such as long-standing contracts, ad hoc external HR or legal support, or establishing a retainer. The organisation ensures there is clarity over who is responsible for seeking external advice and under what circumstances, with this role embedded into governance documents or Terms of Reference. The use of external advice is planned, budgeted for, and reviewed regularly to ensure it remains fit for purpose and provides value.

## Positive contributions

Directors seek external advice, as appropriate. Directors ensure expert advice is factored into key decisions, showing due diligence and care. Directors promote a learning culture where expert advice is viewed as a strength, not a weakness.

## Unacceptable behaviours

Directors resist change or avoid seeking external advice when required. Directors rely solely on internal assumptions without verifying facts or seeking expert input. Directors dismiss professional advice when it contradicts their opinion.



### Reflective questions

1. What processes do we have in place to identify when external advice is needed?
2. How confident are we that our current sources of legal, financial or HR advice are fit for purpose?
3. How do we ensure that external advice is fully considered in our decision-making?



### Example evidence

- ✓ Board skills matrix indicating internal expertise and gaps
- ✓ Contracts / records of engagement with external HR, legal or finance professionals
- ✓ Meeting minutes showing where advice has informed decisions



## 4.5 Crisis management & business continuity

### Intended outcome

The organisation is proactive and effective at preparing for a crisis and business continuity.



### What

The organisation is ready to act in the event of a crisis or series of adverse or unexpected events that could affect the organisation and its stakeholders.

### Why

Crises are often unavoidable and happen with little to no notice. Having a robust crisis management and business continuity plan in place allows the organisation to act quickly and effectively. Effective planning also gives guidance and clarity at a time that can be highly pressured, sensitive and emotional. This reduces the harm and risk to the organisation, its people and the wider community. Good planning can also preserve trust and credibility with participants, funders, and partners. Failure to plan or test for crisis scenarios can result in reputational damage, legal risk, or operational collapse.

## How

Organisations have crisis management and business continuity plans that have been tested with various scenarios and are reviewed regularly. Learnings from crises are shared and impact future plans. The plan clearly outlines responsibilities at all levels of the organisation, including executives, volunteers, and communications leads, ensuring a coordinated response. Clear internal and external communication protocols, including key messages and designated spokespeople, are included in the plan. Crisis responses are aligned with the organisation's values, ensuring decisions uphold integrity and trust. Directors actively challenge and scenario-test crisis management and business continuity plans. Directors also support staff through crises and learn from previous experiences.

## Positive contributions

Board members and staff take ownership of crisis readiness by regularly reviewing and testing plans, clearly understanding their roles, and responding calmly and decisively when issues arise. They communicate transparently, support colleagues, and ensure decisions reflect the organisation's values. After a crisis, they reflect, share learning, and use insights to strengthen future planning and resilience.

## Unacceptable behaviours

Directors not actively engaging with conversations around crisis or business continuity. Directors unaware of their role in a crisis and reluctant to action responsibilities. Directors brush over crisis management training or conversations, leaving this to the CEO or Executives. Plans are not tested.



### Reflective questions

1. How confident are we that our board and staff know what to do if a crisis occurs tomorrow?
2. What lessons have we learned from past crises or near misses?
3. How do we ensure our response aligns with our values and supports our people?



### Example evidence

- ✓ A current and regularly tested crisis management plan
- ✓ Records of scenario planning and simulation exercises
- ✓ Post-crisis review documents capturing lessons learned

## 4.6 Transparent & accessible information

### Intended outcome

All members and key stakeholders are given the opportunity to be aware of organisational activities and are able to easily access information that is relevant.



### What

The organisation is open and transparent about its decisions and processes/ procedures. Information is readily available where appropriate and in a format that is easy to digest and understand. Key stakeholders may include athletes, volunteers, employees, partners, funders, and community members.

### Why

Transparency helps people feel confident in an organisation. Policies and information about decisions are easy to read and accessible, increasing engagement and trust. For example, a whistleblowing policy is made available to all so that people feel confident coming forward. Transparency also allows the organisation to be held accountable for its actions. Where there is no transparency, stakeholders may feel excluded, increasing the risk of mistrust, misinformation, or reputational damage.

## How

Where possible, key information, updates, policies, procedures, and decisions are made available to the members and the wider public. This is commonly done by sharing information on an organisation's website. Information that is often shared includes governing document(s), terms of reference, board/AGM minutes, and key policies. It is important to ensure these are presented in clear, accessible formats with consideration of language and terminology.

Directors actively encourage information to be shared widely and are proactive in ensuring audiences are reached. They regularly review published content to ensure accuracy and clarity. They also champion alternative formats or translations to meet the needs of diverse audiences.

## Positive contributions

Board members and staff proactively share key decisions, policies, and updates in clear, accessible formats. They regularly review published information for accuracy, encourage open communication, and ensure stakeholders can easily find and understand what affects them. These behaviours build trust, promote accountability, and help stakeholders feel informed and included.

## Unacceptable behaviours

Boards are withholding information or decisions, creating a sense of disconnect between the organisation and its members. Information is difficult to find or overly complex. Stakeholders are unaware of policies that affect them. Decisions are communicated too late or without explanation.



### Reflective questions

1. How do we ensure our information is accessible to all key audiences?
2. Are our policies and updates written in a way that builds trust and understanding?
3. What feedback have we received about the accessibility of our communications?



### Example evidence

- ✓ Organisation website contains up-to-date policies, board/AGM minutes, and terms of reference
- ✓ Policies available in accessible formats and alternative languages where appropriate



## 4.7 Business development / USP / sector resilience

### Intended outcome

The organisation is financially stable and sustainable, with income streams that support long-term delivery.



### What

The organisation has a business plan that builds on its brand and available commercial assets (these may include products, programmes, data, facilities, etc.), in line with its mission and values. It has a clear understanding of its brand and unique selling points (USPs), which are used to drive growth and diversify income streams.

### Why

A clear commercial strategy supports a sustainable and successful organisation, enabling it to grow sport and physical activity and contribute to the Vision for Sport. Without a proactive approach to business development, the organisation risks financial instability, missed opportunities, and reduced impact.

## How

The organisation develops and implements a functioning, forward-looking commercial strategy that generates revenue from diversified and multiple sources. It identifies other organisations it can work with to potentially share resources. The board regularly reviews opportunities for innovation, partnerships, and efficiencies that align with its USP and values. Directors think about emerging trends, future legislation and policy, and sector developments to contribute to strategic discussions. They demonstrate ambition for the organisation to grow and thrive, now and in the future. They are accountable to investors and take action to build and maintain investor confidence.

## Positive contributions

Board members and staff demonstrate ambition and strategic thinking by identifying opportunities to grow income and strengthen the organisation's brand. They regularly review commercial assets, explore partnerships, and align business decisions with the organisation's mission and values. Individuals contribute insights on emerging trends, challenge ideas constructively, and take responsibility for building investor confidence. These behaviours support long-term sustainability and impact.

## Unacceptable behaviours

Directors resist change or avoid exploring new approaches to income generation or business development. They lack awareness of the organisation's USP or undervalue its potential to drive impact. They fail to engage with commercial strategy or view financial sustainability as solely the responsibility of staff. Directors ignore sector opportunities for collaboration or cost-sharing.



### Reflective questions

1. What makes our organisation commercially distinctive in the sector?
2. What steps are we taking to futureproof our income generation?
3. How do we ensure the board maintains strategic oversight of business development activity?



### Example evidence

- ✓ A documented commercial strategy aligned to strategic plan
- ✓ A clear articulation of USP in board papers, funding bids, and marketing materials
- ✓ Board minutes reflecting commercial decisions

## 4.8 Policies & procedures (non-legal)

### Intended outcome

The organisation has robust policies and procedures that are regularly reviewed, and staff involvement is embedded.



### What

The organisation creates and follows appropriate policies and procedures that are relevant to its operations and people.

### Why

Policies and procedures clarify the standards expected of directors, employees, and the wider workforce. They provide a roadmap for day-to-day operations, guide decision-making, and support consistent and efficient internal processes. Without clear and accessible policies, organisations risk confusion, inconsistency, and non-compliance, which can damage trust and performance.

## How

The organisation has appropriate non-legal policies and procedures in place to ensure effective and efficient ways of working. These may include HR, transgender inclusion, data protection and Data Subject Access Requests (DSARs). A policy log is maintained, detailing the date of approval, review date, and policy owner, to ensure documents are kept up to date. Evidence of policies being approved by the board are kept on file. Where appropriate, policies are publicly available, accessible, and communicated across the organisation. This includes producing age-appropriate versions, e.g. policies in easy-read or child-friendly formats. Directors actively engage in the approval and oversight of policies and procedures, ensuring they align with the organisation's culture and values. They encourage feedback from staff to strengthen policy relevance and usability.

## Positive contributions

Board members and staff actively engage in developing, reviewing, and approving policies that reflect the organisation's values and ways of working. They ensure policies are clear, up to date, and accessible to everyone, including in age-appropriate or alternative formats. Individuals encourage feedback to improve relevance and usability, and consistently apply policies to guide decisions and maintain trust, consistency, and compliance across the organisation.

## Unacceptable behaviours

Policies are out of date or missing entirely. The organisation relies on templates without adapting them to reflect its specific needs. There is limited awareness or access to policies across the organisation. Directors do not take an active role in reviewing or endorsing key policies.



### Reflective questions

1. How do we ensure our policies are relevant, up to date and understood by the people who need them?
2. In what ways do we involve staff or volunteers in shaping our internal procedures?
3. How accessible are our policies for different audiences within the organisation?



### Example evidence

- ✓ Completed and current policy log
- ✓ Board meeting minutes demonstrating policy review and approval
- ✓ Accessible formats of policies



# 5. Principle **Finance**







# 5.1 Financial compliance

## Intended outcome

Compliance with all statutory and regulatory requirements is essential for the organisation to run effectively.



### What

The organisation complies with all statutory and regulatory filing requirements and with any instructions from statutory authorities.

### Why

To ensure the organisation can continue to operate. Falling foul of statutory and regulatory requirements may result in significant consequences for the organisation.

### How

Organisations must ensure that they have complied with all statutory and regulatory requirements. This will be different for each organisation. For example, consider HMRC, the Pensions Regulator, Charities Commission etc. This is not an exhaustive list. Ensure that the organisation is aware of each requirement and that documents are filed in a timely manner.

Organisations also consider other requirements, such as those set by funders. This includes Sport Wales but may also include other funders. Ensure that grant funding, both income and expenditure, is clearly identifiable within the accounting structure. Different funding streams must be kept separate. Ensure that funders receive accurate reports.

Deferred income: It is a Sport Wales requirement that deferred income is clearly identifiable within statutory accounts, and that deferred income has been discussed and authorised by the relevant Relationship Manager.

Capital/revenue grants: Accurately reconcile deferred income split between capital grants, capital provisions and revenue grants

## Positive contributions

Board members and staff take responsibility for understanding and meeting all relevant statutory, regulatory, and funder requirements. They ensure filings and reports are accurate, timely, and clearly documented, and maintain transparent records of approvals and financial reporting. Individuals regularly review obligations, communicate with relevant authorities, and ensure compliance is built into everyday operations, helping protect the organisation's credibility and continuity.

## Unacceptable behaviours

Statutory and regulatory requirements are not met, leading to potential penalties and reputational damage.



### Reflective questions

1. Are we aware of our statutory requirements and key dates?
2. Are we aware of the penalties if found to be non-compliant?
3. Are we able to satisfy funder requirements and are different funding streams kept separate for accurate reporting?



### Example evidence

- ✓ Pensions regulator documentation
- ✓ HMRC documentation
- ✓ Charities Commission documentation
- ✓ Companies House filing



## 5.2 Financial procedures

### Intended outcome

Financial policies are understood and implemented.



### What

Ensure appropriate, up to date board-approved financial policies, procedures and controls are in place, including an anti-fraud policy, together with evidence that they are understood by staff / key individuals in the organisation.

### Why

Financial procedures/policies are essential for robust financial governance. They ensure that processes are documented so they can be followed without confusion. Delegated levels of authority are outlined within this document to ensure clarity.

## How

Ensure that the Financial Procedures document is reviewed at least every two years. Even if no changes are made, review the document to ensure it remains fit for purpose. Ensure that any new legislation is reflected within the document.

Implement procedures to deal with off-payroll workers (IR35) and the use and control of cash. Document these procedures to reflect compliance and include reference to anti-fraud mitigations. Ensure the document is reflective of current processes and covers key financial areas.

## Positive contributions

The organisation promotes a culture of integrity by integrating the financial procedures document into the organisation's core practices. It highlights its importance during staff induction programmes to ensure early awareness and understanding. It empowers staff by providing clear access to the document and encouraging accountability through a sign-off sheet that confirms receipt and comprehension.

## Unacceptable behaviours

The financial procedures document is outdated, not formally approved, or not reviewed in line with the required schedule. There are inconsistencies between the financial procedures document and other materials. Staff and/or the board are unfamiliar with the detail of the document.



### Reflective questions

1. When did we last review and formally approve our financial procedures document?
2. Does it contain all relevant areas? Consider employment status, cash handling, budget setting, anti-fraud mitigations and delegations of authority?
3. Is the document reflective of our current processes? If not, why not? Is it the process or the document that needs to change?



### Example evidence

- ✓ Board-approved financial procedures document, which includes key areas such as employment status, cash handling, budgeting, anti-fraud mitigations and delegations of authority.

## 5.3 Budgeting

### Intended outcome

A realistic board-approved budget is aligned to the organisation's strategic objectives.



### What

Prepare a profiled annual organisational budget, reflective of when income/expenditure will occur. The budget is created in line with the budget setting process as outlined in the financial procedures document.

### Why

This ensures that the budget is compiled in line with organisational policy. This makes sure that the organisation, both staff and board, understands the budget for each financial year.

## How

Review the budget-setting policy to ensure it is reflective of current practices, roles and responsibilities.

Ensure the budget has been presented to and approved by board. Ensure that final board approval is captured in the relevant minutes.

Ensure the budget is communicated to key personnel so they are aware of their delegated budgetary responsibility.

Ensure that budget reports are monitored on a quarterly basis. The board is informed of any significant variances.

Consider the reserves position. Does income need to be generated in order to increase reserves? Or does the budget include the release of excess reserves?

## Positive contributions

The budget is reflective of when income/expenditure will occur, this is monitored by the board and budget holders and is clearly understood by all.

## Unacceptable behaviours

The budget is not created in line with the documented budget setting process. Budget holders are unaware of their budgetary responsibility. A budget is not approved at the start of the financial year.



### Reflective questions

1. Are the appropriate people involved in the budget setting process?
2. Is the budget approved by the board prior to the start of the new financial year?
3. Are relevant individuals aware of their delegated budget responsibilities?
4. Are actuals vs budget regularly monitored?



### Example evidence

- ✓ Budget setting process documented in financial procedures document
- ✓ Board-approved current year budget in place



## 5.4 Management accounts

### Intended outcome

All directors understand the organisation's financial position and are able to plan, challenge and allocate funding accordingly.



### What

Ensure suitable management accounts/finance report are presented and fully understood by all directors at least on a quarterly basis.

### Why

Accurate and clear financial records are essential to not only update the board, but to enable them to make informed decisions. The board is accountable for the financial health of the organisation and need access to robust and accurate financial data.

### How

All directors have the confidence and capability to challenge the organisation's financial position. Finance is a standing agenda item and provides evidence of compliance with Sport Wales financial expectations, as set out in the offer letter and associated terms and conditions.

Ensure management accounts include actual vs budget and information around the liquidity of the organisation such as balance sheet/reserves information. Ensure the format is clear and easy to understand.

Review favourable and adverse variances. Are these genuine variances or timing issues? Consider how they can be mitigated and the impact they may have on the year end outturn.

The board fully understands the financial data being presented to it. High quality management accounts allow for effective scrutiny.

## Positive contributions

Review the actuals to date against the profiled budget (e.g. 3-month budget against 3-month actuals). Variances are RAG rated with a key to help focus which variances are significant. Narrative is included to give context to any variances.

## Unacceptable behaviours

Poor quality management accounts do not convey financial data accurately/clearly. Action is not taken to mitigate against emerging financial risks.



### Reflective questions

1. Do our management accounts include all key information? (Actuals vs profiled budget, balance sheet, reserve information etc)
2. Does our board fully understand the financial data and scrutinise effectively?
3. Can we identify key variances?
4. Is finance a standing agenda item at board, with papers circulated in advance?



### Example evidence

- ✓ Quarterly management accounts, including actual vs profiled budget, balance sheet and reserves information

## 5.5 Reserves policy

### Intended outcome

The organisation operates within its clear reserves policy that secures its longer-term financial sustainability.



### What

Ensure an up to date, robust, board-approved reserves policy is in place, based on financial risk. The organisation uses financial expertise to determine this policy.

### Why

A reserves policy ensures that the organisation has considered the relevant reserve level required in order to ensure financial stability and to manage risk. Sport Wales funding cannot be placed into reserves, so partners need to generate income in order to build reserves.

## How

Implement a reserves policy. Consider fixed costs and variable costs. Consider how much the organisation needs to hold in reserves to enable operations to continue for three to six months.

Review the reserves policy on an annual basis to ensure that the figures quoted are still fit for purpose.

## Positive contributions

Consider the reserves requirement when compiling the annual budget. Consider whether income needs to be generated to build the reserves to the required level. If excess reserves are held, consider how these reserves can be reinvested back into the organisation.

## Unacceptable behaviours

The reserves policy is outdated, not formally approved, or not reviewed in line with the required schedule. There are inconsistencies between the reserves policy and the level of reserves held. Reserves planning does not form part of the budgeting process.



### Reflective questions

1. When was the reserves policy last approved?
2. Is the organisation holding reserves in line with its policy? Excess reserves should be re-invested back into the sport. Any shortfall in reserves should be documented and considered when financial planning.



### Example evidence

- ✓ Reserves policy



## 5.6 Financial governance

### Intended outcome

Directors have relevant financial knowledge so they can carry out their roles and responsibilities. The whole board is responsible for the organisational finances.



### What

Evaluate the effectiveness of your financial governance, specifically in relation to the following:

- Skills of board
- Reporting and scrutiny
- Sub-committees

### Why

Ensure the organisation has the relevant range of skills, both within its staff (if applicable) and the board.

## How

Consider the skills available within the organisation by using a skills matrix. Identify any gaps and consider these requirements when undergoing recruitment.

Consider whether a sub-committee structure could benefit the organisation. A finance sub-committee gives the opportunity for robust check and challenge outside of board meetings with headline data being shared at board meetings.

## Positive contributions

Board evaluations help determine what works well and what can be improved. Topics such as reporting, engagement and processes are evaluated.

## Unacceptable behaviours

Over-reliance on certain individuals at board in regards to finance. Financial papers not being circulated in advance, therefore limiting scrutiny. Limited/no questions on the finances at board.



### Reflective questions

1. Do staff/board have the relevant range of skills for effective financial governance?
2. Is the board able to fully understand and scrutinise the financial data?
3. Would the organisation benefit from implementing sub-committees?



### Example evidence

- ✓ Skills matrix
- ✓ Board evaluation
- ✓ Sub-committee Terms of Reference

## 5.7 Financial risk

### Intended outcome

The organisation is proactive and effective in identifying and mitigating financial risks as well as maximising opportunities.



### What

Ensure that the organisation is able to identify emerging risks and implement appropriate mitigations based on risk appetite.

### Why

To ensure the organisation is prepared for any forthcoming opportunities or risks and mitigate accordingly.

## How

Ensure risk is a standing agenda at board meetings with a risk register circulated to directors. A risk register captures current risks, along with a pre and post mitigation score.

Implement a risk management strategy which has been approved by the board. The strategy ensures risks are identified, assessed, categorised and managed at the appropriate level.

Ensure key risks are considered as part of financial planning to ensure continued achievement of strategic objectives e.g. scenario planning.

## Positive contributions

A risk register is used as a living document. It is regularly updated, and risk is a standing agenda item at board. Risks may be discussed by exception.

## Unacceptable behaviours

Risk register is outdated, not formally approved, or not reviewed in line with the required schedule. There may be potentially too many or too few risks, limiting the effectiveness of the risk register. There is no pre and post mitigation scoring, so it is hard to determine the effectiveness of the mitigations in place.



### Reflective questions

1. Is the risk register fit for purpose?  
Does it have pre and post mitigation scores?
2. Do individuals know who is the lead contact for each risk?
3. How are emerging risks captured?
4. Is risk a standing agenda item at board?



### Example evidence

- ✓ Risk register
- ✓ Risk management policy



## 5.8 Value to the organisation

### Intended outcome

The organisation effectively considers the allocation of resources to maximise the value to the organisation.



### What

Ensure value for money drives all operational and strategic decision-making.

### Why

Using resources in a way that creates and maximises value benefits to the organisation and helps achieve strategic objectives.

## How

The organisation has an effective procurement process which is clearly understood and implemented e.g. obtain quotes to ensure value for money from suppliers.

Where appropriate, try to secure the best possible rates by booking in advance (such as travel/hotel bookings).

Value to the organisation is not simply about financial resource, but also about human resource. Think about how your organisation is utilising its staff time – is it cost effective?

## Positive contributions

Board members and staff make decisions with a clear focus on cost-effectiveness and impact. They seek competitive quotes, plan ahead to secure best rates, and use resources – financial and human – efficiently. Individuals regularly question whether time and money are being used wisely, and ensure procurement and operational choices align with the organisation's strategic goals.

## Unacceptable behaviours

Expenditure is incurred at the last minute. The organisation has not researched best prices. Staff time may be spent disproportionately on activities that do not provide a good return on investment.



### Reflective questions

1. Is there an effective procurement policy in place?
2. Are bookings made in advance to secure best prices?
3. Has the organisation considered human resources as well as financial resources?



### Example evidence

- ✓ Procurement policy

## 5.9 Variance analysis

### Intended outcome

The organisation evaluates its long-term financial trends to ensure that learning informs future budgets and financial management.



### What

The organisation reflects on the previous financial year to inform future decision-making.

### Why

Learning lessons from adverse or favourable variances can help you achieve your strategic objectives, going forward.

## How

As a board, review your end of year financial position. Consider any significant favourable/adverse variances and how this may impact the organisation. Consider the resources used during the year and the return on investment - not purely financial investment but also in terms of time. Reflect on what went well and what lessons have been learnt. Document this process for future reference.

The organisation reviews the prior year variances, both adverse and favourable. The organisation learns from the variances and approaches things differently going forward.

## Positive contributions

The board reviews the end-of-year financial position, identifies key favourable and adverse variances, and reflects on the underlying causes. Lessons learned are documented and actively inform future planning and resource allocation decisions. The organisation adapts its approach based on these insights, demonstrating a commitment to continuous improvement and strategic alignment.

## Unacceptable behaviours

Variances are not considered or fully understood.



### Reflective questions

1. Does the organisation review the financial outturn of the prior financial year to analyse variances and learn lessons?



### Example evidence

- ✓ 12-month financial outturn, with variance analysis



## 5.10 Long-term financial planning

### Intended outcome

Long-term financial planning is in place to help focus the organisation on its future financial requirements.



### What

Consider organisational finances over a longer time period, such as three to five years.

### Why

To better prepare the organisation for forthcoming financial opportunities or threats.

## How

Evidence rolling long-term financial planning/cash flow forecasts which reflect agreed reserve policy requirements.

Consider implementing a 3-5-year financial plan, which has considered the reserves of the organisation. If excess reserves are currently held, a plan has been put in place to release them over the coming years. If there is currently a shortfall in reserves, the 3-5-year financial plan considers how to generate income in order to achieve the desired reserves level.

## Positive contributions

Board and leadership team regularly engages with a live, forward-looking financial plan that spans three to five years. Long-term cash flow forecasts are referenced in meetings and are used to make strategic decisions and assess financial sustainability. Reserve levels are actively monitored, with clear actions in place to either invest surplus reserves or build them where needed. Financial conversations are proactive, not reactive – focused on anticipating future risks and opportunities. The plan is reviewed and updated regularly, visibly influencing operational and strategic choices across the organisation.

## Unacceptable behaviours

Organisations plan finances on a short-term basis. This affects their ability to plan for the long-term and they are not prepared for upcoming financial threats or opportunities.



### Reflective questions

1. Have we aligned our financial resource against our most recent strategy?
2. Do we know if we need to generate income over the coming years in order to increase reserves? If so, how are we planning to do this?
3. Are lessons learned used to improve our financial planning?



### Example evidence

- ✓ 3-5 Year Financial Plan

## 5.11 Management accounts (enhanced)

### Intended outcome

The organisation uses enhanced management accounts to support effective decision making. This may include developing existing management accounts to include additional information or graphic indicators.



### What

Suitable management accounts/finance report are presented to board (or Project Board) on at least a quarterly basis.

### Why

Accurate and clear financial records are essential to inform the board and enable it to make informed decisions. The board is accountable for the financial health of the organisation and needs access to robust and accurate financial information.

## How

Good quality management accounts address all key requirements (see core requirement 5.4). If an organisation is looking to enhance its management accounts, it considers the information it is trying to convey.

This may be based on grant dependency, membership information or cashflow data. Enhancements may include trend analysis, graphic indicators to explain data or cash flow information - but are only useful if the board can interpret and understand.

## Positive contributions

The organisation carefully considers what information needs to be conveyed, and how best to present it. Board members can then demonstrate confidence in using the reports to monitor financial health and guide strategic planning.

## Unacceptable behaviours

Financial reports are delayed, presented inconsistently, or lack clarity and relevance. The format is overly technical or generic, making it difficult for board members to interpret or engage with the data. As a result, financial discussions are superficial, and decisions are made without a full understanding of the organisation's financial position, increasing the risk of poor governance and missed opportunities.



### Reflective questions

1. Would enhancing our management accounts help our board better understand the financial health of the organisation?
2. Are we doing the basics really well?
3. What additional information do we want to convey?



### Example evidence

- ✓ Enhanced management accounts may include cashflow information and/or graphic indicators



## 5.12 Finances aligned to strategic objectives

### Intended outcome

Budgets, where possible, are aligned to strategic objectives to ensure that resources are maximised.



### What

The organisation measures the impact of financial investment into each strategic objective.

### Why

To ensure the organisation is prioritising its spend on organisational priorities.

## How

Consider implementing accounting codes for each of the strategic objectives. By aligning the budget to these strategic priorities, financial reporting can be enhanced to report on the financial investment into each of the strategic objectives.

## Positive contributions

Financial reporting is strategically focused, supporting transparency and accountability in delivering organisational priorities.

## Unacceptable behaviours

Financial reporting is disconnected from strategic objectives, with no clear link between spend and organisational priorities. Budgets are allocated without reference to strategic goals, making it difficult to assess whether resources are being used effectively. As a result, decision-making is reactive, and opportunities to align investment with impact are missed, weakening strategic delivery and accountability.



### Reflective questions

1. Do we know what our strategic objectives are?
2. Do we have a mechanism in place to measure financial investment into each strategic objective?



### Example evidence

- ✓ Defined strategic objectives

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