

# GOVERNANCE FRAMEWORK

FOR THE NEW ZEALAND SPORT AND RECREATION SECTOR

## THE WHY

### CONFIDENCE AND SECURITY

Reputational and legal risks are valid concerns for any director in any organisation.

Working within an agreed framework provides comfort for directors operating on a largely voluntary basis in a complex sector.

### BETTER RESULTS

Better outcomes from efficient utilisation of scarce resources.

A disciplined strategic framework promotes good decision making based on relevant information. Resources are aligned with the desired outcomes.

### STAKEHOLDER CONFIDENCE

Prudent application of others' money and respectful use of time gifted.

Confidence for stakeholders that resources are being managed in an ethical, efficient and transparent manner.

### IT'S ACTUALLY EASIER AND MORE ENJOYABLE

A good governance framework makes the job simpler and ultimately more satisfying – increasing the chances of attracting and retaining good people.

Nobody volunteers for stress and grief, so why not do everything to minimise it?

## THE EVIDENCE

*The need for good governance is widely accepted and actively promoted by a range of professional and government organisations.*

### THOUGHTS FROM PEOPLE ACTIVE IN OUR SECTOR

*"If you don't know where you are going, how can you measure success?"*

Nigel Muir  
Sport Tasman

*"A good governance framework ensures those guiding the entity can focus on the real drivers of success"*

Peter Fitzsimmons  
Patron, Triathlon New Zealand

*"Strong governance means being clear about what you are aiming to achieve"*

Michelle Hollands  
Sport Waikato

*"Board culture is hugely important – just like staff culture, we work hard on this"*

Chris Biddles  
Sport Northland

*"Passion alone is not enough to be a board member, you need to be able to see the big picture now and into the future"*

Annie Dignan  
Education Outdoors New Zealand

*"Board evaluations mean that we become focused, we have a clear pathway to sustain our sport and our actions and we can stand up to scrutiny by our stakeholders"*

Margie Holmes  
Wairarapa Cricket Association

*"Having a good, clear governance model is essential to getting the right inputs from the board and ensuring it is supportive and appropriately engaged with management"*

Michael Smith  
Tauranga Golf Club

*"Board recruitment and succession planning are vital – spend time getting the right people around the table – your organisation depends on it"*

Paula Tesoriero  
Sport Wellington

The governance framework was developed in 2014/15 and strongly references the 2014 benchmark study of governance development in the sector. It is based on the frameworks laid out in *Nine Steps to Effective Governance* and was developed in consultation with sector practitioners.

**EXPERT PANEL**  
Jan Dawson, Peter Fitzsimmons, Raewyn Lovett, Sir John Wells  
**SECTOR PANEL**  
Clare Kearny, Raewyn Kirkman, Arthur Klap, Selwyn Maister, Annette Purvis

## CLARITY & COHESION

Clear organisational purpose  
Outcomes-based strategic framework  
Agreed and ongoing process of strategy development, evaluation and refinement  
Board operates with a predominantly future focus  
The constitution/trust deed aids good governance

## PEOPLE

Open recruitment processes attract the best possible people  
Structured tenure and rotation  
Role and expectations understood and agreed  
Directors are inducted, supported and offered development  
Mix of elected and appointed directors

## INSIDE THE BOARDROOM

Meetings are based on dialogue and constructive inquiry  
Board papers are set in a strategic context and relevant to the governance conversation  
Clear and agreed processes for making significant decisions  
Relationship with Chief Executive is explicit, documented and understood  
The Chief Executive is an essential advisor to the board

## INTEGRITY & ACCOUNTABILITY

Duties and obligations of directors understood  
Directors' interests recorded and conflicts addressed in a transparent manner  
All directors adhere to ethical behaviour  
Primary accountability is to the organisation  
Board performance and organisational achievement is provided to stakeholders

### KEY FRAMEWORK ELEMENTS

### DOCUMENTED ELEMENTS

Statement of strategic direction  
Good practice strategic plan  
Clear statement of organisational purpose  
Operational plan developed by management  
Clear linkage between strategy and allocation of resources  
Constitution or trust deed is up to date and in plain English

Appointment panel with terms of reference  
Skills matrix  
Role descriptions and letters of appointment  
Induction programme  
Specified tenure and rotation

Board charter with planned cycle of policy review  
Terms of reference for governance committees  
Annual board work plan  
Delegation framework  
Chief Executive performance agreement and performance process  
Strategically focused agenda set by the chair

Obligations and duties laid out in the board charter  
Governance section in the annual report  
Stakeholder communications plan  
Financial reporting is understood by everyone and tracks all relevant risks  
An updated risk report is provided at every meeting  
Policies covering areas of ethics (doping, match fixing etc)  
Documented commitment to board evaluation

### ADDITIONAL GOOD PRACTICE

Agreements as required across the wider structure – whole-of-sport plans, service level agreements or memoranda of understanding  
Governance level statement of strategic intent  
Planned annual strategic session independently facilitated

Development policy and plan  
Recruitment material professionally reviewed  
Independent representation on appointment panels

Emergency plan for management continuity  
Documented policy for when directors act as volunteers outside the boardroom ("wearing another hat")  
Mechanism for seeking clarification of board papers ahead of meetings  
Meeting review process

Register of applicable Acts and brief summary of relevant legal matters  
Meeting summary provided to key stakeholders  
Governance evaluation extends to individual directors, chair and management's perception of the board  
Audit and Risk Committee  
"Whistleblowing" policy

Find full text of the framework and resources links at [www.sportnz.org.nz/governance](http://www.sportnz.org.nz/governance)