

# **Tennis Ireland Governance Reform: proposed changes to the Constitution**

*Delivering the reform required by the Sport Ireland Governance Code  
and the IPA Report, 2022*

# What we will cover tonight



Recap on Governance Principles and the Sports Governance Code



Recommendations from the IPA Board Effectiveness Review



The KOSI audits of Tennis Ireland

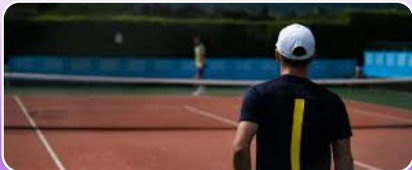


Proposed changes to Tennis Ireland Constitution

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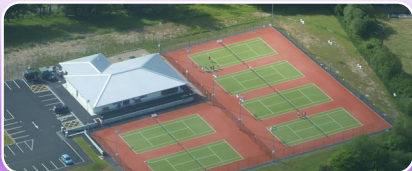
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# What is Governance?



- “Governance is the duties and responsibilities of the trustees/directors to put in place systems and processes to ensure that the organisation achieves and sustains its objectives with integrity, and is managed in an effective, efficient, accountable and transparent manner.”
  - *(adapted from the Consultative Panel on the Governance of Charities, Charities Regulator 2018)*
- “Management” is delegated to the Staff
- “Governance” is the responsibility of the Board

# Good Governance



- “It’s NOT about always making the right decisions, but about having the best possible practices in place for making the best possible decisions”
- Good Governance is about the policies, procedures & structures for arriving at, and implementing, decisions”
- “It doesn’t have to be complicated but it must be comprehensive and consistent”
  - *(Carmichael Seminar on Governance – February 2021)*

# Background to Governance (1 of 2)



2012

1<sup>st</sup> Edition of the Community, Voluntary and Charitable Organisations Code (CVC Code) – for non-profit organisations

2013

Sport Ireland adopts CVC Code as best practice for the sector – First State Body to do so

2018

National Sports Policy requires SI to oversee the adoption of the CVC Code by the Sector

2019

SI announces that it is taking over the CVC Code as the “Sports Governance Code” **(The Code)**



# Background to Governance (2 of 2)



- February 2021 – TI sets up a Governance Working Group (GWG) to deliver compliance with The Sports Governance Code
- End of 2021 – SI target date for all NGBs to be 100% compliant
- April 2022 – Tennis Ireland achieves 100% compliance
- Sport Ireland may audit any NGB at any stage to ensure compliance with The Code. NGBs must be able to provide evidence of compliance – such as policy documents, which have been approved at Board level.
- KOSI is charged with the auditing of NGBs.

# The Sports Governance Code



- The Code is structured around 3 types of organisation:
  - Type A (14 organisations) – run by volunteers, do not employ staff
    - (56 recommend practices)
  - Type B (48 organisations) – employ a small number of staff, may have only one staff member
    - (64 recommended practices)
  - **Type C (38 organisations) – have a Board solely focused on oversight; management delegated to CEO/staff**
    - (76 recommended practices)



# The Sports Governance Code – The Principles



- The Code contains 5 key principles:
  - **1 – Leading the Organisation**
    - 3 sub-principles
  - **2 – Exercising Control over the Organisation**
    - 3 sub-principles
  - **3 – Being Transparent and Accountable**
    - 3 sub-principles
  - **4 – Working Effectively**
    - 3 sub-principles
  - **5 – Behaving with Integrity**
    - 3 sub-principles

# The Sports Governance Code – Sub-Principles



- **1 – Leading the Organisation (3 sub-principles)**
  - **1.1 - Agreeing the vision, purpose, mission, values, and objectives and ensuring that they remain relevant**
    - (4 recommended practices)
  - **1.2 - Developing, resourcing, monitoring, and evaluating a plan so that the Organisation achieves its stated purpose**
    - (4 recommended practices)
  - **1.3 - Managing, supporting, and holding to account staff, volunteers, and all who act on behalf of the organisation**
    - (4 recommended practices)

# The Sports Governance Code - Sub-Principle 1



- 1.1 - Agreeing the vision, purpose, mission, values, and objectives and ensuring that they remain relevant (4 recommended practices)
  - (a) Develop and agree a written statement outlining the organisation's mission, values and objectives
  - (b) Make sure that (a) is consistent with the governing document of the organisation – such as Constitution, Memo and Arts
  - (c) Review at least every three years so that the organisation is still relevant
  - (d) Work with staff to develop and agree written policy statements on how things should be done. Review at least every three years.

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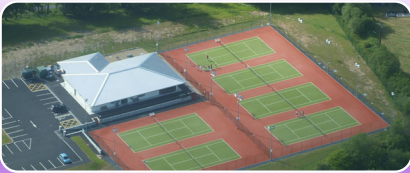
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# Institute of Public Administration - Review



- September 2021 – TI Board invite the Institute of Public Administration (IPA) to conduct a review of the Board, and its effectiveness
- IPA was requested to make recommendations on how the TI Board could improve its work practices, to include processes and behaviour with a particular focus on ongoing, and enhanced, compliance with The Code.
- IPA made 14 recommendations which were unanimously approved by the Board
- TI Board mandated the Governance Working Group to ensure that these recommendations would be delivered at Board level, and throughout the Company

# IPA – Recommendations (1 of 3)



- Board to consider the skill sets necessary for the Board; to agree on the recruitment of Skill Set (Portfolio) Directors
- New/updated Terms of Reference (TOR) for Board and Committees; work programmes/duties/responsibilities to be agreed, including priorities over the year
- Board and Committee members to receive formal training – to include induction, and advice on ethical and behavioural standards
- Strategy review – reporting of progress to be a regular Board Agenda item

# IPA – Recommendations (2 of 3)



- Introduce a culture of “holding to account” for Board, Committees, and Senior Management
- Consider the flow of information from Committees to the Board; also consider the flow of information/communication between Board/Committees/Management
- Communicate overviews of the governance work being carried out by the Board/Committees – which should align with the obligations of The Code
- Mandatory governance training for all who are in leadership/management roles in Branches and Clubs

# IPA – Recommendations (3 of 3)



## IPA Recommendations requiring a General Meeting:

- **Board to consider its optimal size – probable reduction in size, including the appropriate mix between Portfolio and Nominated Directors**
- **CEO not to be a member of the Board**
- **Review and update the Constitution as a matter of urgency**
- GWG should continue its work to form a Governance Framework which should be used to specify the norms, standards, and practices to be applied across all the Branches and Clubs
- Governance roles and responsibilities between Board and Branches should be clarified and agreed
- Comprehensive schedule of matters reserved for the Board to be finalised and approved. This will include the appropriate levels of delegated authority for Board, Branches, Committees, and Management.



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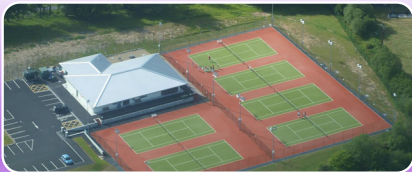
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# KOSI audits



- KOSI is tasked, by Sport Ireland, with the auditing of NGBs
- TI was audited in September 2021 under the Pulse Audit programme, which is a high assessment of governance arrangements and financial control framework
- Recommendations around board and subcommittee operation mirrored IPA findings and covered certain areas that had been addressed as part of Governance Code compliance work
- KOSI found that, whilst the appropriate oversight was in place, more controls were required in respect of discretionary spending at Branch level.
  - The spend in question was for an amount of €35k – 1.5% of TI’s turnover
  - TI Finance Committee has amended processes to satisfy the KOSI Report
- Separately, KOSI audited TI’s distribution of Grants including the Resilience Fund #1, and concluded that “substantial assurance can be placed on the adequacy and effectiveness of the internal financial controls in place” in TI (November 2021).

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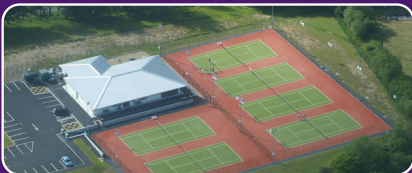
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Proposed changes to Tennis Ireland Constitution

# Proposed Changes to TI Constitution (1 of 4)



## 26 - Board of Directors

- The TI President's role will become more honorary in nature. The President will not be a voting member of the Board, but may attend Board Meetings (26.1.1)
- The role of TI President will be rotated around the Branches in a specified order – Ulster, Connacht, Munster, Leinster. (26.3). Term will remain at 2 years.
- The CEO will no longer be a member of the Board (removal of clause 26.1.2)\*
- Clarification of terms for Board Members:
  - (i) Maximum of six consecutive years, in two terms of three years
  - (ii) Resignation mid-term will be construed as having served a full term.
  - (ii) No more than six years in any 10 year period (26.2)

*\* Also required to satisfy Revenue Commissioners regarding our tax free Sporting exemption*

## Purpose

- To elevate the role of the President
- To formalise what is generally happening and to avoid conflict among branches
- To reflect modern governance arrangements in NGBs
- To provide better clarification on how the existing arrangements of two terms x three years should work

# Proposed Changes to TI Constitution (2 of 4)



## 26 - Board of Directors

- Nominated Directors are reduced in number from 8 to 5 to match the no. of Independent Directors (26.5):
  - Connacht 1 Director
  - Leinster 2 Directors
  - Munster 1 Director
  - Ulster 1 Director
- Nominated Directors no longer need to have served two years on the Branch Council, leading to an expanded pool from which Branches may select (26.5)
- Nominated Directors will now need to be approved by the Nominations Committee (26.9)

## Purpose

- To provide a smaller board (recommendation was 8-10 pers) with an equal balance of nominated and independent directors.
- Increasing pool from which individuals may be proposed by branches
- To have consistent procedures for all directors

# Proposed Changes to TI Constitution (4 of 4)



## 32 - Nominations Committee

- The Nominations Committee and 26j Committee are being merged into one Nominations Committee (32.1.3)
- The Nominations Committee will be responsible for ensuring that Equality, Diversity (including requirements re gender balance), and Inclusion will be considered when approving appointments

## 27 – Chairperson of the Board

- The Chairperson will be selected from one of the Independent Directors (27.1)

## *Purpose*

- To remove confusion by eliminating second “Nominations” Committee.
- To enable TI Board to select a specific individual to lead the board.

# Proposed Changes to TI Constitution (3 of 4)



## 31 - Change in Notification of Fees date

- TI is required to notify members of a change in membership fee calculation by December of the previous year. (31.3.9)

### *Purpose*

- To provide more flexibility while still providing for appropriate advance communication to clubs.

## 45 – Inter Branch Forum

- It is necessary to reference the IBF in the Constitution to enshrine its role in the Constitution so that all stakeholders, including the Board and Management, are aware of the important role this Forum will play in the improvement in communications between Board, Management, and Branches.

- Established in May 2022 to agree on a coordinated response to the governance changes, the IBF is seen as a vital ongoing role in improving communication with/between branches and coordination of activities at branch level, hence felt necessary that it is enshrined in Constitution

# Timeline

March

Briefings for Branch Councils

*Reflection on outcome of discussions*

Late March/Early April

Briefings for clubs within individual branches

*Reflection on outcome of discussions*

Mid April

Formal communication of changes to member clubs and notice of EGM

Mid May

EGM to approve new constitution

Nominations  
Committee  
separately  
progressing with  
identifying/selecting  
new board  
members



# Questions / Comments