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**Letter of Appointment**

Draft

**Governance Code for Sport**

Disclaimer

Sport Ireland is making available a range of resources including guidance notes, policy documents and templates for selected areas aligned to the Governance Code for Sport which will support sport organisations, boards, management and staff in the development of relevant governance processes and procedures particular to their own organisation.

For the avoidance of doubt, the final decision on the nature, type, extent and format of approved governance policies, procedures and processes for each organisation is a matter for the board / highest governing structure of the organisation and the resources and material provided may assist the approval process.

This document is not, nor is it intended to be, a definitive statement of the law and it does not constitute legal advice. This document is not a substitute for professional advice from an appropriately qualified source and it is recommended that sport organisations consult their governing document or obtain their own independent legal advice where necessary.

Sport Ireland does not accept any responsibility or liability for any errors, inaccuracies or omissions in this document.

Guidance Time Commitment

The Board/Committee are, in principle, required to meet as often as necessary to fully and properly execute their functions and as such there isn’t necessarily a ‘right or wrong’ number of meetings but the norm can range from monthly to six weekly or bi monthly, ( 12, 8 or 6 per annum respectively). The Letter makes reference to 6 meetings but this may need to be adapted.

Guidance Conflicts of Interest/Loyalty

The Letter makes reference to Conflicts of Interest/Conflicts of Loyalty. Organisations may wish to consider providing this additional guidance to members accompanying their Letter of Appointment.

**Conflict of interest:**

A conflict of interest arises when your private interests compete with your professional duties. A conflict of interest may arise, for example, if a board member influences the awarding of a contract to a company owned by a family member. It is legal to award a contract to the best qualified company, even if that company is owned by a relative of a board member, but the board member must not be part of the decision making process. This would be a conflict of interest, because the family would benefit financially from their position. A conflict of interest can also happen in relation to a business connection of the board member (nonfamily related).

**Conflict of Loyalty:**

A conflict of loyalty arises where a board member may be involved in board decisions and may be (or perceived to be) potentially influenced by considerations other than the best interests of the organisation. This might happen when the board member has come onto the board as a nominee of a particular group for example members in a particular county, a funding body, stakeholders or staff. This situation may possibly cause the board member to think that they should act in the interests of the grouping that nominated them.

However, regardless of how they got onto the board of directors, board members should act in the interests solely of the organisation on whose board that they sit, rather than acting in the interests of the grouping that nominated them. Conflicts of loyalty may be sufficiently serious to amount to conflicts of interest.

*Headed paper / Logo*

(INDICATIVE LETTER OF APPOINTMENT)

Day/month/year

Name and Address

Dear x,

The purpose of the letter of appointment is to provide you with further information on the role of the board/committee and what is expected of members in terms of time commitment, conduct and behaviour as well as outlining the supports that are in place to assist members to carry out their role.

I would like to congratulate you on your election / appointment / nomination to the Board/Committee of *[Name of Sport Organisation]* and to wish you success in your new governance role.

As Chief Executive / President/ Board Secretary/Committee Secretary I would like to formally welcome you to the Board/Committee and to take this opportunity to provide some background information on the role, obligations and commitment involved.

With this letter, you are also being provided with a copy of the rules / constitution / memorandum and articles of association in addition to the governance framework which, combined, set out the key governance principles / standing orders, structures and arrangements that ensure the organisation adheres to good governance practices and complies with the obligations of the Governance Code for Sport.

**Role of the Board**

The purpose / mandate / remit of the organisation is to [insert appropriate functions/priorities of the organisation] and the board plays a key role in helping us to achieve our purpose. The role of the Board is to provide leadership and direction to the organisation and it is responsible for setting the strategy, providing guidance, monitoring activities and performance and assessing the effectiveness of risk and control systems.

**The Board’s terms of reference**

The purpose and role of the Board are as set out in the Terms of Reference enclosed with this letter.

# Role of Board Members

Board members have a range of statutory, regulatory and governance duties and obligations. These are set out and explained in the governance framework and members are also expected to adhere to the code of conduct (as attached) and to formally confirm understanding and acceptance of the code.

# Duration of appointment and renewal provisions

Board members are expected to serve for a period of three years (or five years 5 years in Local Authority LSPs following local elections) and there is currently provision for members to be re-appointed or re-elected for a subsequent term.

# Support and training provided

The organisation is committed to ensuring that members receive the appropriate training required to assist them with carrying out their duties. Initial induction and ongoing training for members will be provided and suitable development options made available. In addition we will provide support for the members via the Secretary and executive assistance as required.

I will shortly be in contact with you to discuss and arrange appropriate induction training. For now please read and refer to the attached documents which will be an important source of guidance for you:-

1. The Standing Orders / Rules / Constitution/ Memorandum and Articles of Association (approved x/x/2021)
2. The Board Terms of Reference
3. The Schedule of Matters Reserved for the Board
4. The Governance Framework (approved x/x/2021)
5. Member Code of Conduct

**Governance Framework**

The purpose of the governance framework is to provide an overview of the principal aspects of governance within the organisation including clear and concise information on the key principles of good corporate governance, expected standards of behaviour, matters reserved for board decision as well as governance arrangements within the organisation.

# Time commitment

You are required to devote so much of your time to your duties as shall be necessary for the proper and efficient discharge of those duties.

The level of preparation for these meetings will depend on the nature and extent of the agenda and the business to be conducted.

The Board has committees, namely, Strategy, Finance, Audit and Risk, Governance and Ethics and you will be required to serve on at least one of these Committees (note that there are less committees for local authority LSPs).

Board meetings will be held six times per year. Committee meetings will be held six times per year.

Board meetings are expected to last approximately x hours and committee meetings are expected to approximately x hours

# Code of Conduct

I would like to draw your attention to the code of conduct included with this letter which you are required to acknowledge and sign. The code sets out ethical principles which underpin the conduct and behavior of all members. Confidentiality is a key obligation for you as a member and all members must respect the confidentiality of sensitive information. Obligations of members regarding the non-disclosure of privileged or confidential information do not cease when membership of the Board has ended. Former members should treat commercial information received while acting in that capacity as confidential.

# Conflict of Interest/Loyalty Rules

Members are required to declare any potential conflict of interest with any of the business items listed on the agenda of meetings of the Board and Committees. In accordance with the conflict of interest policy, where a conflict of interest arises the relevant member must bring this to the attention of the Chairperson and where necessary, leave the room for the duration of the discussion and shall not take part in any decisions relating to the discussion. Conflict of interest is a standing item on the meeting agendas.

# Termination arrangements:

Section X of the rules set out the regulations around cessation and disqualification from membership of the Board and/or Committees. It is important that you are familiar with them and that you are aware of the conditions under which you may cease to be a member or may be disqualified from membership. If, during the term of the Board, you do not comply with the regulations you must make this known to the Secretary and to the President / Chairperson

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When you cease your role as a Board/Committee member, you should return such documentation to the Secretary or otherwise indicate to the Secretary that all such documentation in your possession has been disposed of in an appropriate manner. In the event that former Board members require access to papers from the time of their term on the Board, this can be facilitated by the Secretary.

If you wish to clarify any aspects please don’t hesitate to contact me

Yours sincerely

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