



# **Sports Grounds Safety Authority**

## **Annual Report and Accounts 2011/2012**

# SGSA

Sports Grounds Safety Authority

## **SPORTS GROUNDS SAFETY AUTHORITY**

**Annual Report and Accounts 2011/2012**

**Presented to Parliament pursuant to paragraph 24 of  
Schedule 1  
of the Sports Grounds Safety Authority Act 2011**

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# Foreword

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It gives me great pleasure to introduce the first report of the Sports Grounds Safety Authority (SGSA).

We began the year as the Football Licensing Authority. That body had made an enormous contribution to the safety of spectators at football grounds. The expansion of its role and the creation of the SGSA, achieved with great skill through a Private Members bill piloted by Jonathan Lord MP and taken to the Lords by Lord Faulkner, preserved our key functions but enabled us to widen what we do.

I am very glad to report that the transition was successfully achieved, with the considerable assistance of Leila Al-Kazwini who was seconded to us from the Department for Culture, Media and Sport. I would like to place on record my gratitude to her for her very considerable contribution to the successful transition.

Since then, we have continued our very good work in football spectator safety. We have however been able to do much more.

We have continued to second members of our Inspectorate to assist in the Olympic effort and we are proud to have played our part there.

Our work has expanded dramatically. We are playing a leading role in many international football fora and making a direct contribution to spectator safety across the whole football world.

We are providing help to sports other than football in the UK. All of this will develop as time goes on. I pay tribute to all those who work at the Sports Grounds Safety Authority. I say farewell and thank you to Malcolm Collier who retired in April from the Inspectorate after a distinguished career and I welcome Sue Storey as a new Inspector.

The organisation as a whole performed brilliantly during this formative year. Of course the fact that no successor organisation or merger partner has yet been identified presents some challenges. However we are working hard with Government to identify the best solution in that field.

May I thank all of the staff of the SGSA for their considerable work this year in challenging times and the Board for its invaluable continued support.

Paul Darling QC  
Chair  
Sports Grounds Safety Authority

# Chief Executive's Introduction

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The organisation has had a very satisfactory year. We began as the Football Licensing Authority (FLA), carrying out a well-established regulatory role through a process of education, influence and persuasion. In recognition of our achievements in transforming spectator safety over the past 20 years, legislation was passed to enable us to share advice and guidance with other sports and other countries.

In July 2011, the Sports Grounds Safety Authority Act received Royal Assent, paving the way for the Football Licensing Authority to be transformed into the Sports Grounds Safety Authority.

During the passage of the Bill through Parliament, supporters from all sides championed the FLA's work, paying tribute to our worldwide reputation as an authority on stadium safety. They noted the support and respect of all the authorities and individuals we dealt with.

The Private Members bill had the full support of Government, who wanted the FLA to build on its important role in football ground safety without compromising the safety function in any way. We worked with Government to prepare for the expansion in functions, and on 1 November 2011 we were formally launched as the Sports Grounds Safety Authority.

Since then the SGSA has maintained the focus on its regulatory role in England and Wales – enhancing the strength of its reputation, regulating in a light touch and effective way, improving its core offerings of advice and guidance, while communicating more often with more people. We launched a monthly newsletter and embraced social media, our strategy being to be much more outward-facing in who we work with and how we work, to influence the safety culture at all levels.

Over the past year I have continued to immerse myself in what we do. I've visited football grounds to meet the people dealing with safety of spectators at the front line, and I've spoken to Chairs and members of Safety Advisory Groups, Safety Officers and fans. I've developed existing relationships with organisations such as Level Playing Field and the UK Football Policing Unit, and made new ones with representatives from industry, other sports, and internationally.

I have witnessed the strength of our existing relationships and the benefits of high-quality strategic partnerships to ensure that spectators are safe and enjoy attending matches in safety, security and in comfort.

As with any major transformation there have been challenges. Responding to these has required exceptional resilience and commitment from colleagues across the organisation. Reflecting on the last 12 months it is difficult to understand whether it has been a revolution or an evolution. I am however confident that we have built on strong foundations and that we will continue to develop and grow in the months and years ahead. I believe this will be true regardless of whether we remain an independent entity for some time further, or have our functions merged or transferred to another organisation in the near future. My role will be to ensure that whatever arrangements are put in place, we preserve the ethos, expertise and functions which have served the organisation and spectators across the country so well for so long, and which are now gaining international traction.

While there is still work to do, including building our understanding of, influence on and relationships with, other sports, I am delighted with the transition, and our

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performance in terms of international football where I expect further interest and activity this year and beyond.

The SGSA has achieved strong results through strong partnerships, including a number of ground-breaking international projects such as the training and inspection programme in Poland and Ukraine that was delivered in partnership with the Council of Europe and UEFA ahead of the Euro 2012 tournament. Another example is our co-operation with Brazilian authorities ahead of the World Cup and Olympics in 2014 and 2016. Through strategic working groups we are opening our engagement with other sports.

A year ago none of this would have seemed possible, and yet we have risen to the challenges, responded to requests and had a clear and immediate impact. I am very proud of the considerable achievements of the past year, and very grateful to everyone including the staff and Board who have made this possible.

Ruth Shaw

Chief Executive  
Sports Grounds Safety Authority

# The Sports Grounds Safety Authority at a glance

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Born out of the Football Licensing Authority, the Sports Grounds Safety Authority was launched on 1 November 2011, to help ensure the safety of spectators at sports grounds.

## Our mission

The Sports Grounds Safety Authority was established to build on the success of the Football Licensing Authority, and the critical role it played in transforming spectator safety at football grounds over the last 20 years. The SGSA carries out a range of statutory functions in relation to football in England and Wales, and advisory functions in relation to other sports and internationally.

The SGSA's aim is to create the conditions for safe and enjoyable experiences for spectators at all sports grounds, not only in England and Wales, but around the world. We provide trusted advice and guidance, and use our experience and commitment to drive continuous improvement. We work in collaboration with our partners to educate and inform, and we champion innovation in the structures and systems for safety management.

We act as the authority on all matters relating to sports grounds safety, and offer our knowledge and advice on the application of Sports Grounds Safety publications (including the Green Guide and Safety Management) which are used by a range of sports nationally and internationally. We also act as a source of authoritative advice in relation to Accessible Stadia, and we remain committed to ensuring all spectators can enjoy watching sport in safety, security and comfort.

## Our legislative framework

The SGSA will continue to undertake the regulatory role set out for the Football Licensing Authority in Part 1 of the Football Spectators Act 1989. Under the provisions of the 1989 Act the SGSA is required to operate a licensing scheme to regulate the spectator viewing accommodation at Premier and Football League Grounds plus Wembley and the Millennium Stadium, Cardiff.

Under the Safety of Sports Grounds Act 1975, and the Fire Safety and Safety of Places of Sport Act 1987 local authorities operate a safety certification scheme to achieve safety at specified sports stadia and other sports grounds. In England and Wales this is regulated by the SGSA.

The Sports Grounds Safety Authority Act 2011 makes provision for the SGSA to offer advice and guidance in respect of spectator safety at any sports ground irrespective of the sport and at venues outside England and Wales. The SGSA is able to charge for this work on a cost recovery basis. The regulatory roles detailed above will not apply to those venues.

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## Our core functions

Our core functions are derived from the Football Spectators Act 1989 and / or undertaken under delegated powers from the Department for Culture, Media and Sport (DCMS). They are:

- a to implement the Government's policies on ensuring the reasonable safety and management of spectators at Premier League, Football League and international football grounds in England and Wales, in particular by:
  - keeping under review the discharge by local authorities of their functions under the Safety of Sports Grounds Act 1975 in relation to such grounds;
  - ensuring that clubs take responsibility for managing safety at their grounds to a reasonable standard;
  - enforcing the Government's policy that all Premier League, Championship and international grounds become and remain all seated;
  - advising and assisting local authorities, clubs and other relevant parties;
- b to deploy our experience and expertise to advance the Government's policies on safety at sporting events, in particular by:
  - advising the Government on sports grounds policy and safety issues;
  - advising local authorities, ground management and other responsible bodies or individuals on request; and
  - promoting British expertise overseas.

## Our role

The SGSA has a unique remit – we are the only Government funded body tasked specifically with providing advice and guidance on spectator safety at sports grounds in the UK and overseas. We help to establish and maintain effective safety cultures at sports grounds, by providing expertise, advice and guidance on physical infrastructure and safety management and we remain committed to ensuring all spectators can enjoy watching sport in safety, security and comfort.

## Our partners

To help foster a safe environment within football grounds in England and Wales and to spread good practice throughout other sports and overseas, we work with a wide range of partners. As well as supporting them directly, we also bring them together, identifying how they can collaborate and share expertise. These are some of the organisations with whom we currently work:

CEN, the European Committee for Standardisation  
Football Foundation and Safety Improvement Panel  
Football Safety Officers Association  
Football Supporters' Federation

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Foreign and Commonwealth Office  
Joint Local Authority Regularity Services (JLARS)  
Level Playing Field  
Local Authorities  
The Council of Europe  
The Emergency Planning College (EPC)  
The Football Association  
The Football League  
The Home Office  
The London Organising Committee of the Olympic Games and Paralympic Games (LOCOG)  
The Premier League  
UEFA  
UK Football Policing Unit  
UK Trade and Investment

# Review of performance

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Our core functions are set out in the Football Spectators Act 1989 and the Sports Grounds Safety Authority Act 2011. In consultation with the Department for Culture, Media and Sport we identified five strategic goals for the organisation, and a number of operational priorities and actions we would take to deliver against objectives. This report sets out how we have performed and what we have achieved over the past year against each of those goals.

## Goals

Our five strategic goals reflect our stated purpose and mission. The goals, and an assessment of progress in relation to each, are set out below:

### Regulation

**To operate as an effective light-touch regulator, and to help create the conditions for effective safety management in football grounds in England and Wales. To provide appropriate oversight, support and guidance to local authorities and football grounds, in keeping with our duties under the Football Spectator's Act 1989.**

- In 2011/12 SGSA Inspectors carried out 135 match visits and attended 238 Safety Advisory Group meetings. We received 167 During Performance Inspection reports from local authorities we monitor.
- As part of our statutory duty of keeping under review how local authorities discharge their safety certification responsibilities, we have continued our programme of local authority audits. In 2011/12 we published findings on capacity calculations and the local authority's procedures for validating relevant factors.
- The SGSA concluded the first round of a Self Assessment process for Local Authorities and identified a priority for further action in relation to policies, procedures and business continuity. As a result we have drafted guidance for Local Authorities on producing Policies and Procedures for Delivering Safety Certification Responsibilities, which will be published for consultation in the summer of 2012.
- The SGSA has continued to deliver the Government policy on spectator accommodation through the licensing scheme. We have considered licence applications from all Premier and Football League clubs plus Wembley and the Millennium Stadium. Licences for the 2011/12 season were issued to all grounds by the deadline of 31st July 2011.
- By 31 March 2012, there were 73 all-seated Premiership, Football League and international football grounds.
- The SGSA continues to collate and publish annual injury statistics, which showed the number of reported spectator injuries for 2010/11 season was 1,326, a 4% decrease from the 1,386 reported in 2009/10. The reported overall injury ratio per spectator was one injury per 26,222 spectators.
- We continued to encourage a move to the new style safety certification which places the responsibility for determining how to provide for spectator safety

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with ground management rather than being imposed by local authorities. During the year the SGSA published a checklist for local authorities to use when considering Clubs' Operations Manuals under this approach.

- By 31 March 2012, 12 clubs had moved to this approach, and a further 33 were developing plans to do so.

## **Education**

**To provide advice and guidance to help ensure effective safety culture in sports grounds across the UK and the world. To share good practice and to work with a wide range of partners with an interest in safety for spectators at sports grounds. To continue to learn and develop as an organisation.**

- The SGSA continues to be the leading source of guidance for spectator safety at sports grounds in the UK and overseas.
- The SGSA partnered with the Emergency Planning College to deliver training courses on spectator safety. 9 training courses were held with EPC including 6 Working in Safety Advisory Groups courses, 2 Safety Management courses and 1 Public Safety at Sports Grounds and Events course. Courses involved participants from a wide range of backgrounds including football clubs, local authorities, fire, police and medical services.
- The SGSA presented at 14 courses relating to policing at public events, involving over 200 delegates in partnership with the Metropolitan Police and the National Police Improvement Agency.
- The SGSA delivered 6 safety certification workshops to explain the new style safety certification and operations manual which were attended by over 60 representatives from football clubs and over 70 representatives from local authorities.
- In 2011/12 we sold 152 copies of Safety Management Guidance, 17 copies of Control Rooms, and 17 copies of Concourses Guidance. We also distributed 95 copies of the Green Guide in electronic format.
- The SGSA secured Football Foundation support to proceed with an SGSA publication on Toilets, which is expected to be written in 2012/13.
- We worked with Level Playing Field in relation to football grounds to ensure the provisions in Accessible Stadia were being complied with.
- We provided advice and guidance in relation to ground developments including at Rotherham, Fulham, Stevenage, Crawley, and AFC Wimbledon.

## **Innovation**

**To innovate and champion continuous improvement in sports grounds safety. To be the 'thought leaders' for integrated safety management (including, for example, local government safety advisory groups, national and international organisations etc).**

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- During 2011/12 we seconded two Inspectors to Olympic and Paralympic activities. One Inspector was seconded to LOCOG to provide advice and guidance on certification and spectator safety issues, and one Inspector was seconded to the Joint Local Authorities Regulatory Service (JLARS) or Olympic Boroughs, to provide advice and guidance to the certifying authorities.
  - The SGSA worked with the Council of Europe and UEFA to provide training on integrated safety management to 64 Polish and Ukrainian representatives ahead of the Euro 2012 tournament. This ground-breaking joint project also included inspection visits and reports on 7 of the 8 host stadia.
  - In 2011/12 we received 12 requests for advice or information from organisations outside our previous statutory remit of football in England and Wales, including motor sports, rugby and cricket.
  - The SGSA was asked to present at a number of conferences and events including the AGMs of safety officers associations for football, cricket, rugby league and rugby union, at the inaugural conference of the Centre for Access to Football in Europe (Café).

## **Delivery**

**To deliver an excellent service for customers and good value for money. We will prioritise according to need and impact, and to make the best use of available resources.**

- The SGSA continued to operate within a prudent financial framework with net expenditure being £1,017,082 against a budget of £1,197,000.
- We ensured all financial regulation compliance dates were met, and introduced improvements to the Audit and Risk Committee to improve corporate governance arrangements around scrutiny and reduced the size of the Committee from 7 to 3, improving effectiveness and value for money.
- The SGSA generated £25,459 income through activity relating to international projects.
- The SGSA responded to all public requests for information including 8 freedom of information enquiries, and answered 20 Parliamentary Questions.
- DCMS is in the process of developing a new Management Agreement which incorporates a Funding Agreement. Until that is finalised, the previous Funding Agreement will apply.
- Audits carried out by our (independent) internal auditors into financial systems and risk management were found to be adequate.
- The Board formally reviews the SGSA health and safety at work policies on an annual basis. It decided that no amendments were required to the policies. The Board also approved the SGSA Green Housekeeping strategy.
- The average number of days sickness for staff in the SGSA in the financial year was 5.3, down from 8.0 in the previous year.

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## Promotion

### **To promote spectator safety and accessible stadia. To enhance the reputation of UK Plc through our international advice and advocacy work.**

- The SGSA launched an electronic newsletter in November 2011 and produced 5 monthly editions with a range of informational and educational articles which were circulated to a distribution list of over 700 recipients, including 140 representatives from sports other than football.
- The SGSA created a twitter account which as of 31 March 2012 had 64 followers. We aim to use this more actively in 2012/13.
- We have strengthened relationships with UK Trade and Investment and participated in inward or outward visits with representatives from football and other authorities in Poland, Ukraine, Brazil, Russia, Chile, Israel and Sweden.
- The SGSA continues to attend CEN meetings (European Standards body) and to provide expert advice and guidance. In 2011/12 we attended 4 meetings in Madrid, Vienna, Oslo and Milan and the SGSA guidance Safety Management is expected to be adopted in 2013 as a European Standard.
- The SGSA continues to represent the UK alongside the Home Office as part of the official UK delegation to the Council of Europe Convention on spectator violence and misbehaviour at sport events and in particular football. In 2011/12 we attended meetings in Rome and Strasbourg.

## Corporate governance

1. The accounts have been prepared in the form directed by the Secretary of State for Culture, Olympics, Media and Sport on 21 June 2012, with the approval of the Treasury, in accordance with paragraph 22 of Schedule 1 to the Sports Grounds Safety Authority Act 2011. The SGSA can supply a copy of the accounts direction on request.

2. The Comptroller and Auditor General is the appointed auditor of the SGSA. The Annual Report and Accounts are laid before Parliament by the Secretary of State in accordance with paragraph 24(b) of Schedule 1 to the Sports Grounds Safety Authority Act 2011.

3. As Accounting Officer, as far as I am aware, there is no relevant audit information of which our auditors are unaware. I have taken all reasonable steps as Accounting Officer to make myself aware of any relevant audit information and to establish that our auditors are aware of that information.

4. There were no changes to the membership of the Board or governance arrangements following the transition from the FLA to the SGSA. The SGSA Board Members during 2011/12 were:



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**Martin Girvan BSc MILAM**

Birmingham, Coventry, Milton Keynes, Northamptonshire, Sandwell, Walsall, Wolverhampton.

**John Perkins**

Bournemouth, Bristol, Cardiff, Devon, Gloucestershire, Herefordshire, Oxfordshire, Plymouth, Reading, Somerset, Swansea, Swindon, Torbay.

**Rick Riding MRICS MIFireE MBEng MBA**

Blackburn with Darwen, Blackpool, Bolton, Bury, Cumbria, Lancashire, Liverpool, Manchester, Oldham, Rochdale, Trafford, Wigan, Wirral.

**Ian Smith MRICS DMS MCIM**

Barnsley, Bradford, Cheshire East, Derby, Derbyshire, Doncaster, Kirklees, Leeds, Sheffield, Shropshire, Staffordshire, Stoke-on-Trent.

**Sue Storey Dip.EP, MEPS (joined 16 January 2012)**

Hartlepool, Kingston-upon-Hull, Leicester, Middlesbrough, Newcastle upon Tyne, Norfolk, Nottingham, Nottinghamshire, Peterborough, North Lincolnshire, Suffolk, Sunderland.

9. They are supported by three Grade B Inspectors, who inter alia scrutinise the records and procedures of the local authorities. These are:

Paula Kadiri      North  
Mark Smith      Midlands  
Robin Wood      South

10. The Chief Executive and staff are covered under the provisions of the Principal Civil Service Pension Scheme for which greater detail is provided in Note 2 of the Notes to the Accounts.

11. Under the Race Relations (Amendment) Act 2000 we are required to have due regard to the need to eliminate unlawful discrimination and to provide equality of opportunity and good relations between persons of different racial groups. We must also monitor, by reference to the racial groups to which they belong, the numbers of staff in post and applicants for employment, training and promotion from each such group. We have recruited one member of staff over the past year. The figures are as follows:

	Total	White	Mixed <sup>1</sup>	Black	Unknown <sup>2</sup>
Staff in post	16 <sup>3</sup>	14	2	0	0
Applicants for employment	36	28	0	1	7
Applicants for training	5	4	1	0	0
Applicants for promotion	2	1	1	0	0

1 Mixed = White and Black African

2 Candidates did not submit ethnic monitoring form with application

3 At 31 March 2012. Includes one on secondment from DCMS, one on secondment to LOCOG and 0.4 on secondment to JLARS

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12. We are committed to a policy of equality of opportunity for all our staff regardless of ethnic origin, religious belief, gender, sexual orientation, disability or any other irrelevant factor. The Chief Executive takes personal responsibility in this area and maintains a zero tolerance of any action that could be regarded as offensive on any of these grounds.

13. We support the Better Payment Practice Code. In every case during the past year we have paid in full within the previously-agreed period, subject only to satisfactory performance by the supplier and the timely presentation of an accurate invoice. The SGSA dealt with 100% of invoices within 30 days (2010/11 100%).

14. We are committed to improving our environmental performance. During the year waste paper, plastics and cardboard were recycled under the Department for Culture, Media and Sport's recycling processes. Individual environmental performance indicators for the SGSA are therefore not available.

15. The SGSA is a small organisation with no direct contact with the local community or public and as a result has no social or community issues to note.

## Management commentary

### Financial review

16. The accounts have been prepared in accordance with the Accounts Direction given by the Secretary of State for Culture, Olympics, Media and Sport with the consent of the Treasury. The formal change from the Football Licensing Authority to the Sports Grounds Safety Authority which took place on 1 November 2011 did not alter the agreed funding levels of the new body. The transition saw the SGSA take on all the liabilities and operating activities of the FLA, with no changes to levels of funding, numbers of staff in post, their remuneration levels or terms and conditions of service. The accounts are presented as those of the SGSA, covering the whole of the 2011-12 financial year.

17. Net expenditure for the year amounted to £1,017,082 (£1,090,178 in 2010-11). The decrease in operating costs between the years was mainly as a result of savings on office accommodation and a significant increase in income mainly due to international work and the sale of SGSA publications.

18. The Statement of Financial Position at 31 March 2012 shows net assets of £129,999 (£248,971 in 2010-11). This reduction was planned for in consultation with DCMS, to reduce the level of exchequer funding held in the SGSA's general reserves. It was achieved by drawing down only £0.89m of the £1.19m available grant in aid from DCMS.

### Going concern

19. The SGSA has a funding settlement covering the financial years 2011-12 to 2014-15. The Government indicated during debates on reform of Public Bodies in December 2010 that it will remain as a separate body until after 2012, when its expertise and functions may be transferred to another body. The stated aim of DCMS is to complete this process in 2013. The decisions on when and to whom its expertise and functions will transfer have yet to be taken. Having considered the circumstances and from discussion with DCMS, management's expectation is

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that whilst there is material uncertainty over the timing and nature of the transfer of functions, the SGSA will continue to operate in its current form for at least the next 12 months.

### Data loss disclosure

20. The Sports Grounds Safety Authority has suffered no protected personal data incident during 2011/12 or prior years and has not reported any such incident to the Information Commissioner's Office.

### Developments since 1 April 2012

21. One of the Authority's longest serving Inspectors, Malcolm Collier, retired on 30 April 2012. His departure resulted in a re-distribution among the remaining Grade A Inspectors of the local authorities for which they have primary responsibility. Details of the current distribution of local authorities covered by our Inspectors can be found on our website.

RUTH SHAW  
Chief Executive

26 June 2012

# Remuneration report

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## Statement of policy on the remuneration of senior members

1. For the purposes of the Remuneration report, the senior managers of the Sports Grounds Safety Authority are the Chairman, Board Members and the Chief Executive. All emolument figures below have been audited by the National Audit Office.

### Chairman

2. The Chairman's salary of £18,130 (FTE £90,650, unchanged from 2010-11) for the year is based on a commitment of 1 day a week, any increases are informed by the recommendations of the Senior Salaries Review Body. During 2011/12 the Chairman attended all 6 Board meetings and 1 Audit and Risk Committee meeting.

3. The Chairman can claim normal travel and subsistence expenses as required but does not receive any benefit in kind. The post does not carry any entitlement to pension.

### Board Members

4. Board Members are appointed by the Secretary of State for a 3 year term and may only serve a maximum of two periods of 3 years each. In 2011/12 they were paid a daily fee of £265 for attending SGSA meetings and other events at which they represented the Authority. The fee is authorised by DCMS and any increases are informed by the recommendations of the Senior Salaries Review Body.

5. Board Members receive travel and subsistence payments where appropriate but do not receive any benefit in kind. In 2011/12 Board Members' travel and subsistence totalled £4,605. Board Members do not have any entitlement to a pension.

6. The following sections have been subject to audit. Details of the current year's emoluments paid to Board Members are as follows:

	2011-12	2010-11
Board Member	£	£
Mr B Batson	1,590	1,855
Dr P Lane	1,060	1,590
Mr P Rowley	1,855	2,120
Ms J Summerell	2,517	2,782
Mr R Wilkie	1,325	1,722
Mr D Wilson	2,120	2,252

### Chief Executive

7. The Chief Executive is a senior civil servant seconded to the SGSA from DCMS for 3 years from November 2010. As such she receives a salary authorised by the DCMS Senior Civil Service Pay Committee. Responsibility for determining the basis and amount of any pay award and performance bonus rests with the SGSA Chair. The Chief Executive does not receive any benefit in kind.

8. The Chief Executive, as a senior civil servant, is eligible for a pension provided by the Principal Civil Service Pension Scheme. The scheme is an unfunded multi-employer benefit scheme. Employers' contributions are assessed by the Scheme Actuary and are based on a percentage of pensionable pay, according to pay bands. Full details of the Chief Executives' pay and pension costs are as follows:

	<b>Ruth Shaw SGSA Chief Executive</b>	
	<b>2011-12</b>	<b>2010-11 (from 1 Nov 2010)</b>
<b>Salary Details</b>	£	£
Salary	65,000	27,083
Performance Bonus	n/a	n/a
<b>Total Pay</b>	<b>65,000</b>	<b>27,083</b>
Full year salary equivalent	65,000	65,000
<b>Pension Details</b>	<b>£ (k)</b>	<b>£ (k)</b>
Real increase in pension at 60	0-2.5	0-2.5
Real increase in pension lump sum at 60	0-2.5	0-2.5
Pension at 31 March 2012	10-15	5-10
Lump sum at 31 March 2012	30-35	25-30
Cash equivalent transfer value at 31 March 2011*	101	75
Cash equivalent transfer value at 31 March 2012	118	80
Real increase in cash equivalent transfer value	8	4

\* The actuarial factors used to calculate CETVs were changed in 2011/12. The CETVs at 31/03/11 and 31/03/12 have both been calculated using the new factors, for consistency. The CETV at 31/03/11 therefore differs from the corresponding figure in last year's report which was calculated using the previous factors.

## Salary

Total remuneration includes salary, allowances and non-consolidated performance-related pay. It does not include employer pension contributions and the cash equivalent transfer value of pensions. The SGSA did not offer any benefits-in-kind or pay any severance payments in the year.

## Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension

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scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

### Highest paid – Median pay ratio

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid director in the SGSA in the financial year 2011/12 was £60-65,000 (2010/11, £75-80,000 – full year equivalent). This was 1.4 times (2010/11, 1.7) the median remuneration of the workforce, which was £44,650 (2010/11, £44,630). The ratio has decreased from last year due to the retirement of the previously highest paid director.

In 2011/12, no other SGSA employees received remuneration in excess of the highest-paid director (2010/11, also none). Remuneration in the organisation, not including the highest paid director, ranged from £20-25,000 to £50-55,000 (2010/11, £20-25,000 to £50-55,000).

RUTH SHAW  
Chief Executive

26 June 2012

# Statement of responsibilities

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## Statement of responsibilities of the Sports Grounds Safety Authority and its Chief Executive with respect to the accounts

Under section 22 of schedule 1 to the Sports Grounds Safety Authority Act 2011, the Secretary of State for Culture, Olympics, Media and Sport, with the consent of HM Treasury has directed the Sports Grounds Safety Authority (SGSA) to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the SGSA and of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to: observe the Accounts Direction issued by the Secretary of State for Culture, Olympics, Media and Sport, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis; make judgements and estimates on a reasonable basis; state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the annual accounts; and prepare the annual accounts on a going concern basis.

The Accounting Officer of the Department for Culture, Olympics, Media and Sport has designated the Chief Executive as Accounting Officer of the SGSA. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding SGSA assets, are set out in Managing Public Money published by HM Treasury.

RUTH SHAW  
Chief Executive

26 June 2012

# Governance Statement

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## Compliance with the Corporate Governance Code

A review of compliance with the Government's Corporate Governance Code of good practice 2011 (the Code) concluded that the Authority has complied in the majority of areas applicable to the SGSA as a Non-Departmental Public Body (NDPB). Two departures from the Code's "Board effectiveness" and "Risk management" Sections, are highlighted within this Governance Statement. There have been no changes to the governance framework following the transition from the FLA to the SGSA.

## Governance Framework

The Accounting Officer of the SGSA is accountable to the Secretary of State for the Department for Culture, Media and Sport and the Permanent Secretary of DCMS, as its Accounting Officer, in her responsibility for maintaining sound systems of governance, risk management and internal control. These systems support the achievement of SGSA policies and strategic objectives, while safeguarding the public funds and assets for which she is personally responsible, in accordance with the responsibilities assigned to her in the Treasury guidance "Managing Public Money". She is also responsible for using the public funds and assets assigned to the SGSA economically, efficiently and effectively.

The SGSA Board comprises the Chair and 6 Members appointed by the Secretary of State for Culture, Olympics, Media and Sport in accordance with the requirements of the Sports Grounds Safety Authority Act 2011. The Board receives key reports from management including the SGSA management accounts and from the Audit and Risk Committee on risk management, IT security and the Annual Report and Accounts. The SGSA Board has a corporate responsibility for:

- ensuring that the SGSA complies with any statutory and administrative requirements for the use of public funds and does not exceed its statutory powers or delegated authority;
- ensuring that high standards of propriety and corporate governance are observed at all times;
- establishing the overall direction of the SGSA within the policy and resources framework agreed with the Secretary of State; and
- overseeing the delivery of planned results through the monitoring of performance against objectives.

The Board meets regularly, providing leadership and advice on strategic and operational issues and scrutiny and challenge to the Authority's policies and performance. The Board is supported in fulfilling its responsibilities by the SGSA Audit and Risk Committee. The Committee has responsibility for issues of risk, control and governance, reviewing the comprehensiveness of assurances in meeting the Board's and the Accounting Officer's assurance needs and reviewing the reliability and integrity of these assurances. Both the Board and Audit and Risk Committee are serviced by the SGSA Executive which provides the information to be considered. In its review of Effectiveness of the Audit and Risk Committee in 2011, the Committee confirmed it was satisfied with the quality of the data it received and the structure of meetings.

In 2011/12 the Board met on 6 occasions, the Audit and Risk Committee on three. Details of Board Member attendance at Board and Audit and Risk Committee meetings are shown in the table below. Board Members also undertake a range of activities outside of formal meetings.

Board Member	Board meetings attended	Audit and Risk Committee meetings attended
Paul Darling	6	1
Brendon Batson	5	3
Pauleen Lane	5	n/a
Peter Rowley	6	3
Julie Summerell	5	n/a
Ronnie Wilkie	4	3
Derek Wilson	6	n/a

The background and registered interests of Board Members are published on our website. Further details about the Board and other corporate governance information are available in the "About Us" section.

The Chair conducts annual individual performance reviews with each Board Member. The Chair of the Audit and Risk Committee conducts an annual review of the Chair's performance following a structured consultation with other Board Members. As recommended in Section Four of the Government's Corporate Governance Code of good practice 2011, the SGSA Board will build in an annual review of its effectiveness in 2012/13 and future years.

The Corporate Governance framework and processes are reviewed annually by the SGSA's internal auditors, providing independent assurance that they are appropriate for the organisation. The review conducted in 2011 found the then FLA's Corporate Governance to be "adequate". Specific recommendations in relation to the operation of the then Audit Committee and Board Members Code of Best Practice were accepted and acted upon in the 2011/12 year.

### **The Audit and Risk Committee**

The Audit and Risk Committee operates in accordance with the principles and good practice described in the HM Treasury Audit Committee Handbook. There are 3 members: Peter Rowley (the Chair), Brendon Batson and Ronnie Wilkie, all of whom are members of the SGSA Board. The Committee meets 3 times a year, usually in the presence of the internal and external auditors, the SGSA Chief Executive and Finance Manager. The Committee in turn reports on its work to the full Board. In 2011/12 the Committee considered a range of issues including the production of the updated SGSA Risk Register and Business Continuity Plan, IT Security and the reviews provided by the internal auditors, as well as regular financial management issues and the Annual Report and Accounts. The Terms of Reference of the Audit and Risk Committee were not previously available to the public. As recommended in Section Five of the Government's Corporate Governance Code of good practice 2011, they have been made available on the SGSA website in the current financial year.

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The Committee conducted a full review of its own effectiveness in 2011. Responses were mainly positive, with a high degree of consensus with the new Committee structure established in June 2011. Training and development needs were identified as an area that required specific attention. The format of meetings has been altered recently to address this issue.

The Committee provides the Board with reports on governance, internal control and risk management issues. The Committee's opinion for 2011/12 is as follows:

### **SGSA Audit and Risk Committee opinion to the Board 2011/12**

Having taken account of:

- Its work throughout the year.
- Assurances received through the Committee's discussions with the Chief Executive and SGSA staff on risk management.
- The formal opinions of the internal auditors (who identified no significant issues of internal control in 2011/12) on the effectiveness of the SGSA's framework for risk management and financial systems.
- The formal opinion on the accounts and the management report of the external auditors following the audit of the accounts.

It is the opinion of the Audit and Risk Committee that the SGSA's arrangements for its own corporate governance, internal control, risk management and financial systems are sound. The Committee is satisfied that the accounts can be relied upon, that the Accounting Officer is entitled to rely on the assurances she has received from the internal auditor and that the Board can approve the accounts for 2011/12.

In accordance with good practice, the Executive inform the Audit and Risk Committee of changes to operating practices, particularly those connected to the recommendations of the Government's Security Policy Framework. In 2011/12, there were no incidents or losses of data that required a report to the Information Commissioner's Office. In 2011 the SGSA significantly enhanced its IT resilience and updated its Business Continuity Plan, taking on board recommendations made by the Committee and the internal auditors. The Plan will be monitored regularly and tested on an annual basis.

### **The risk and control framework**

As part of its oversight of spectator safety at football grounds that host designated matches, the SGSA is required to manage risks which may have an impact upon the public. In this context it ensures that local authorities issue, monitor, review and enforce safety certificates to a reasonable standard. Its Inspectors undertake visits to grounds both on match days and when they are empty to ensure that responsibility for spectator safety is taken seriously. They also consult with the relevant local authorities as part of their work. The majority of the risks faced by the SGSA are framed within this context. All SGSA staff have access to any training necessary for them to undertake their official duties.

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The SGSA's management of risk is embedded in policymaking, planning and delivery as follows:

- the policy statement seeks to balance our desire for less prescription and more risk taking with the constraints imposed by the political, media and legal climate in which we operate, which push us towards a generally risk averse approach. Within this context, the statement seeks to reflect the growing emphasis on risk assessment by those who are directly responsible and our role as adviser and facilitator and not merely as regulator;
- the risk register identifies the risks that might prevent us from achieving strategic priorities and/or the opportunities of which we might take advantage. Our objective must be to bring each risk down to a reasonably acceptable level at which it can be managed or controlled; and
- the SGSA does not hold any confidential personal information other than that relating to its own staff. The SGSA's internal auditors conducted a review of IT systems during 2009/10 which found the Authority's standards of data security to be adequate.

### **Approach to risk management**

As the Accounting Officer I undertake a full annual risk management review as part of the SGSA's planning cycle. This examines both the "risks" to the SGSA from its policies and operations and those related to its constitution and internal management. The review sets out the chain of responsibility within the SGSA for the management of risk, assigning a risk owner within the SGSA and identifying measures yet to be taken to mitigate each one. The review is then presented to the Board for their endorsement, prior to seeking formal clearance from DCMS.

In this context, "risks" include hazards, uncertainties and opportunities. In practice, however, most of the risks confronting the SGSA are potentially negative. Given the Government, media and public's general attitude to safety, the SGSA has to adopt a generally risk averse approach.

During the transition from the FLA to the SGSA, we produced a separate SGSA transition risk register outlining the specific risks associated with the change. On completion of the transition, some residual risks, specifically those in relation to our expanded remit have been transferred to the SGSA risk register.

### **Review of effectiveness**

As Accounting Officer, I also have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the SGSA's executive managers who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letters and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the SGSA Board and the Audit and Risk Committee.

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For the year 2011/12 the SGSA's internal auditors carried out reviews of the SGSA's financial systems and risk management system. They made a number of minor recommendations including some around the composition and maintenance of the risk register. These are being addressed in the current financial year.

During the year we have responded to 8 requests under freedom of information, all of which were responded to within the prescribed time limits.

I have considered the evidence provided with regards to the production of the Annual Governance Statement. The conclusion of the review is that SGSA's overall governance and internal control structures have been appropriate for SGSA's business and have worked satisfactorily throughout 2011/12.

RUTH SHAW  
Chief Executive

26 June 2012

# Certificate and Report of the Comptroller and Auditor General

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## THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

I certify that I have audited the financial statements of the Sports Grounds Safety Authority for the year ended 31 March 2012 under the Sports Grounds Safety Authority Act 2011. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

### Respective responsibilities of the Sports Grounds Safety Authority, Chief Executive and auditor

As explained more fully in the Statement of responsibilities, the Sports Grounds Safety Authority and the Chief Executive as Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Sports Grounds Safety Authority Act 2011. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Sports Grounds Safety Authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Sports Grounds Safety Authority; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### Opinion on regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

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## Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Sports Grounds Safety Authority's affairs as at 31 March 2012 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Sports Grounds Safety Authority Act 2011 and Secretary of State directions issued thereunder.

## Emphasis of matter – going concern

Without qualifying my opinion, I draw attention to note 1a of the financial statements concerning the application of the going concern basis in the light of Government proposals to transfer the functions and expertise of the Sports Grounds Safety Authority to another public sector body. A decision on whether the expertise and functions of the Sports Grounds Safety Authority will transfer to another body is expected to be made in 2013 and there is therefore uncertainty over the Sports Grounds Safety Authority's ability to continue to operate in its current legal form.

## Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions made under the Sports Grounds Safety Authority Act 2011; and
- the information given in the Corporate governance, Management Commentary sections of the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

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## Report

I have no observations to make on these financial statements.

Amyas C E Morse  
Comptroller and Auditor General  
National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

2 July 2012

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## Statement of Comprehensive Net Expenditure

For the year ended 31 March 2012

	Note	2011-12 £	2010-11 £
<b>Expenditure</b>			
Staff and Board costs	2	767,158	773,012
Depreciation	5	8,806	12,132
Other expenditures	3	284,155	311,493
		<b>1,060,119</b>	<b>1,096,637</b>
<b>Income</b>			
Income from activities	4	37,029	3,285
Income from sale of publications	4	6,008	2,973
		<b>43,037</b>	<b>6,258</b>
Net expenditure before interest		1,017,082	1,090,379
Interest receivable	4	0	(201)
<b>Net expenditure for the financial year</b>		<b>1,017,082</b>	<b>1,090,178</b>

The notes on pages 34 to 41 form part of these Accounts

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## Statement of Financial Position

As at 31 March 2012

	Note	2011-12 £	2010-11 £
<b>Non-current assets</b>			
Property, plant and equipment	5	49,165	40,250
<b>Total non-current assets</b>		<b>49,165</b>	<b>40,250</b>
<b>Current assets</b>			
Trade and other receivables	7	33,790	27,077
Cash and equivalents	8	165,356	286,614
<b>Total current assets</b>		<b>199,146</b>	<b>313,691</b>
<b>Current liabilities</b>			
Trade and other payables	9	118,312	104,970
<b>Total current liabilities</b>		<b>118,312</b>	<b>104,970</b>
<b>Assets less liabilities</b>		<b>129,999</b>	<b>248,971</b>
<b>Taxpayers' equity</b>			
General reserve		129,999	248,971

The financial statements on pages 30 to 31 were approved by the Board on 12 June 2012 and were signed on its behalf by:

RUTH SHAW  
Chief Executive

26 June 2012

The notes on pages 34 to 41 form part of these Accounts

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## Statement of Cash Flows

For the year ended 31 March 2012

		<b>2011-12</b>	<b>2010-11</b>
	Note	£	£
<b>Cash flows from operating activities</b>			
Net expenditure		(1,017,082)	(1,090,178)
Adjustments for non cash items	3	8,806	12,379
Adjustment for interest	4	0	(201)
(Increase)/Decrease in trade and other receivables	7	(6,713)	29,722
Increase/(Decrease) in trade payables	9	13,342	22,575
<b>Net cash outflow from operating activities</b>		<b>(1,001,647)</b>	<b>(1,025,703)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	5	(17,721)	(26,749)
Interest		0	201
<b>Net cash outflow from investing activities</b>		<b>(17,721)</b>	<b>(26,548)</b>
<b>Cash flows from financing activities</b>			
Grants from parent Department		898,110	979,769
<b>Net cash inflow from financing activities</b>		<b>898,110</b>	<b>979,769</b>
<b>Net financing</b>			
<b>Net increase/(decrease) in cash and cash equivalents in the period</b>		<b>(121,258)</b>	<b>(72,482)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>286,614</b>	<b>359,096</b>
<b>Cash and cash equivalents at the end of the period</b>	8	<b>165,356</b>	<b>286,614</b>

The notes on pages 34 to 41 form part of these Accounts

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## Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2012

	Note	General Reserve £
<b>Balance at 1 April 2010</b>		<b>359,380</b>
<b>Net expenditure for 2010/11</b>		<b>(1,090,178)</b>
Grant in aid		979,769
<b>Balance at 31 March 2011</b>		<b>248,971</b>
<b>Net expenditure for 2011/12</b>		<b>(1,017,082)</b>
Grant in aid		898,110
<b>Balance at 31 March 2012</b>		<b>129,999</b>

The notes on pages 34 to 41 form part of these Accounts

# Notes to the Accounts

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## **1. Statement of accounting policies**

On 1 November 2011, the SGSA took on all the liabilities and operating activities of the FLA, with no changes to levels of funding, numbers of staff in post, their remuneration levels or terms and conditions of service. The accounts are presented as those of the SGSA, covering the whole of the 2011-12 financial year.

These financial statements have been prepared in accordance with the 2011-12 Government Financial Reporting Manual (FReM) issued by the Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. They are also prepared in accordance with the Sports Grounds Safety Authority Act 2011 and directions issued by the Secretary of State for Culture, Olympics, Media and Sport. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the SGSA for the purposes of giving a true and fair view has been selected. The particular policies adopted by the SGSA are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

### ***1.a Going concern***

The SGSA has a funding settlement covering the financial years 2011-12 to 2014-15. The Government indicated during debates on reform of Public Bodies in December 2010 that it will remain as a separate body until after 2012, when its expertise and functions may be transferred to another body. The stated aim of DCMS is to complete this process in 2013. The decisions on when and to whom its expertise and functions will transfer have yet to be taken. Having considered the circumstances and from discussion with DCMS, management's expectation is that whilst there is material uncertainty over the timing and nature of the transfer of functions, the SGSA will continue to operate in its current form for at least the next 12 months.

### ***1.b Accounting convention***

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

### **Government Grants**

All income and expenditure is accounted for on an accruals basis, net of VAT. The Treasury has judged that grant in aid should be recognised as financing and therefore credited directly to reserves as opposed to income.

### **Revenue Recognition**

Revenue represents the fair value of consideration received or receivable for services provided and goods sold. All revenue is recognised on an accruals basis.

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## **Property, Plant and Equipment**

Property, plant and equipment above £500 are capitalised. Items of property, plant and equipment are initially recognised at cost. They are subsequently carried at fair value. The Board Members are of the opinion that the depreciated historical cost of property, plant and equipment provides a suitable proxy for fair value given their low value.

### **Depreciation**

Depreciation is provided on all plant and equipment so as to write off the cost of each asset in equal instalments over its estimated useful life. Depreciation is applied to new assets pro rata in the year of purchase. The rates used were as follows:

Fixtures and fittings – 10%

Plant and machinery – 25%

### **Operating Leases**

Operating lease rentals are charged to the profit and loss account in the period to which they relate.

### **International Financial Reporting Standards issued but not yet effective**

The IASB have issued certain standards and interpretations with an effective date after the date of these financial statements. The SGSA has not adopted these standards and interpretations early and their adoption is not expected to have a material impact on the SGSA's reported income or net assets in the period of adoption.

### ***1.c Pensions***

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme. This is an unfunded multi-employer defined benefit scheme. The SGSA's share of net assets and liabilities cannot be separately identified. The SGSA accounts for the pension costs as a defined contribution scheme (see Note 2).

## 2. Staff numbers and related costs

### Staff and Board costs comprise:

	<b>2011-12</b>		
	£	£	£
	<b>Permanently Employed Staff</b>	<b>Others (Chair and Board)</b>	<b>Total</b>
Wages, salaries and fees	633,761	29,903	663,664
Social security costs	55,902	1,975	57,877
Other pension costs	128,057	0	128,057
<b>Sub total</b>	<b>817,720</b>	<b>31,878</b>	<b>849,598</b>
Less recoveries in respect of outward secondments	(82,440)	0	(82,440)
<b>Total net costs</b>	<b>735,280</b>	<b>31,878</b>	<b>767,158</b>

The SGSA has not offered or paid any exit packages to staff.

	<b>2010-11</b>		
	£	£	£
	<b>Permanently Employed Staff</b>	<b>Others (Chair and Board)</b>	<b>Total</b>
Wages, salaries and fees	629,752	30,717	660,469
Social security costs	52,941	1,999	54,940
Other pension costs	130,683	0	130,683
<b>Sub total</b>	<b>813,376</b>	<b>32,716</b>	<b>846,092</b>
Less recoveries in respect of outward secondments	(73,080)	0	(73,080)
<b>Total net costs</b>	<b>740,296</b>	<b>32,716</b>	<b>773,012</b>

For 2011-12, employer's contributions of £128,057 were payable to the PCSPS (2010-11 £130,683) at one of four rates in the range 16.7% to 24.3% (unchanged from 2009-10) of pensionable pay, based on salary bands. The Scheme's Actuary reviews employer contributions every four years following a full scheme valuation. Employees joining after 1 October 2006 could opt to open a partnership pension account, a stakeholder pension with an employer contribution. No member of staff has taken up this option to date.

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a 'final salary' scheme (**classic, premium or classic plus**); or a 'whole career' scheme (**nuvos**). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic, premium, classic plus** and **nuvos** are increased annually in line with Pensions Increase legislation. Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (**partnership** pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for **premium, classic plus** and **nuvos**. Increases to employee contributions will apply from 1 April 2012. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **Classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 calculated as in **premium**. In **nuvos** a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic, premium** and **classic plus** and 65 for members of **nuvos**.

Further details about the Civil Service pension arrangements can be found at the website <http://www.civilservice.gov.uk/pensions>

### Average number of persons employed

The average number of whole-time equivalent persons employed during the year was as follows.

	<b>Permanent</b>		
	<b>2011-12</b>	<b>Staff</b>	<b>Total</b>
Directly employed		12.8	12.8
Seconded		1.6	1.6
	<b>Permanent</b>		
	<b>2010-11</b>	<b>Staff</b>	<b>Total</b>
Directly employed		14.2	14.2
Seconded		0.3	0.3

### 3. Other Expenditure

	2011-12	2010-11
	£	£
<b>Running costs</b>		
Travel and subsistence*	85,388	79,345
Rent and rates	85,503	91,447
Training and recruitment	6,970	1,569
Accommodation, cleaning, heating and lighting	17,556	53,447
External audit fees	6,400	6,400
Internal audit fees	12,988	16,564
Other professional fees	12,483	11,863
Postage and telephone	20,389	19,573
Office supplies, printing and stationery	35,507	31,038
(Profit)/Loss on foreign exchange	971	0
Corporation Tax	0	0
<b>Total other operating payments</b>	<b>284,155</b>	<b>311,246</b>
* includes Board Member travel and subsistence of £4,605.		
<b>Non-cash items</b>		
Depreciation	8,806	12,132
Loss on disposal	0	247
<b>Total</b>	<b>292,961</b>	<b>323,625</b>

### 4. Income

	2011-12	2010-11
	£	£
Interest	0	201
Sale of publications	6,008	2,973
International projects	25,459	0
Other income	11,570	3,285

#### 2011-12 Income by geographical area

	2011-12	2010-11
Area	£	£
UK	14,783	6,459
Other countries	28,254	0

Income from international projects derives from new activities resulting from the expanded remit of the SGSA. This income and that for UK work is charged for on a cost recovery basis.

The SGSA charges for the issue of licences to admit spectators to watch designated football matches. In the year ended 31 March 2012 94 licences were issued to clubs/stadia for a fee of £100 each. In accordance with the SGSA's Financial Memorandum, these fees have been paid into the Consolidated Fund via the Department for Culture, Media and Sport and are therefore not recognised as income in the SGSA's accounts.

## 5. Plant and equipment

<b>2011-12</b>	<b>Plant and Machinery</b>	<b>Furniture and Fittings</b>	<b>Total</b>
	£	£	£
<b>Cost or valuation</b>			
At 1 April 2011	51,494	45,856	97,350
Additions	17,721	0	17,721
Disposals	(1,034)	0	(1,034)
<b>At 31 March 2012</b>	<b>68,181</b>	<b>45,856</b>	<b>114,037</b>
<b>Depreciation</b>			
At 1 April 2011	38,220	18,880	57,100
Charged in year	5,945	2,861	8,806
Disposals	(1,034)	0	(1,034)
<b>At 31 March 2012</b>	<b>43,131</b>	<b>21,741</b>	<b>64,872</b>
<b>Net book value at 31 March 2011</b>	<b>13,274</b>	<b>26,976</b>	<b>40,250</b>
<b>Net book value at 31 March 2012</b>	<b>25,050</b>	<b>24,115</b>	<b>49,165</b>
<b>All assets are owned by the SGSA.</b>			
<b>2010-11</b>			
	£	£	£
<b>Cost or valuation</b>			
At 1 April 2010	51,518	22,867	74,385
Additions	3,760	22,989	26,749
Disposals	(3,784)	0	(3,784)
<b>At 31 March 2011</b>	<b>51,494</b>	<b>45,856</b>	<b>97,350</b>
<b>Depreciation</b>			
At 1 April 2010	34,785	13,720	48,505
Charged in year	6,972	5,160	12,132
Disposals	(3,537)	0	(3,537)
<b>At 31 March 2011</b>	<b>38,220</b>	<b>18,880</b>	<b>57,100</b>
<b>Net book value at 31 March 2010</b>	<b>16,733</b>	<b>9,147</b>	<b>25,880</b>
<b>Net book value at 31 March 2011</b>	<b>13,274</b>	<b>26,976</b>	<b>40,250</b>

## 6. Financial instruments

As the cash requirements of the SGSA are met through Grant in Aid received from the Department for Culture, Media and Sport, financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts to buy non-financial items in line with the SGSA's expected purchase and usage requirements and the SGSA is therefore exposed to little credit, liquidity or market risk. As the SGSA is now able to undertake work for organisations outside of England and Wales there is a small exposure to risk of loss on foreign exchange transactions. In 2011-12 the SGSA suffered a loss of £971 on foreign exchange transactions.

## 7. Trade receivable and other current assets

	2011-12	2010-11
	£	£
<b>Amounts falling due within one year:</b>		
Prepayments*	11,053	12,862
Other receivables**	22,737	14,215
<b>Total</b>	<b>33,790</b>	<b>27,077</b>

\* all of which relates to goods and services.

\*\* of which £20,400 is due from Central Government bodies. In 2010-11 this figure was £12,000.

## 8. Cash and cash equivalents

	2011-12	2010-11
	£	£
Balance at 1 April	286,614	359,096
Net change in cash and cash equivalents	(121,258)	(72,482)
Balance at 31 March	165,356	286,614
The following balances at 31 March were held at:		
Commercial banks and cash in hand	165,356	286,614
<b>Balance at 31 March</b>	<b>165,356</b>	<b>286,614</b>

## 9. Trade payables and other current liabilities

	2011-12	2010-11
	£	£
<b>Amounts falling due within one year:</b>		
Other taxation and social security*	30,159	29,121
Trade payables	1,660	2,142
Accruals	67,611	56,846
Accrued annual leave	18,882	16,861
<b>Total</b>	<b>118,312</b>	<b>104,970</b>

\* Due to Central Government bodies

## 10. Commitments under leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods.

	2011-12	2010-11
	£	£
<b>Obligations under operating leases comprise:</b>		
<b>Buildings</b>		
Not later than one year	55,121	0
Later than one year and not later than five years	0	97,893
Later than five years	0	0
<b>Total</b>	<b>55,121</b>	<b>97,893</b>
<b>Other</b>		
Not later than one year	0	750
Later than one year and not later than five years	0	0
Later than five years	0	0
<b>Total</b>	<b>0</b>	<b>750</b>

## 11. Capital commitments

There were no capital commitments at 31 March 2012.

## 12. Related-party transactions

The SGSA is a Non-Departmental Public Body of the Department for Culture, Media and Sport which is regarded as a related party with which the SGSA has had various material transactions during the year. In addition the SGSA had a small number of material transactions with the Department for Work and Pensions, the London Organising Committee of the Olympic Games, the Joint Local Authorities Regulatory Services and the Cabinet Office. These transactions were at arms length and in the normal course of business.

No Board Members, key manager or other related party has undertaken any material transactions with the SGSA during the year.

## 13. Post Balance Sheet events

The accounts were authorised for issue on the date they were certified by the Comptroller and Auditor General. There were no post balance sheet events to report.



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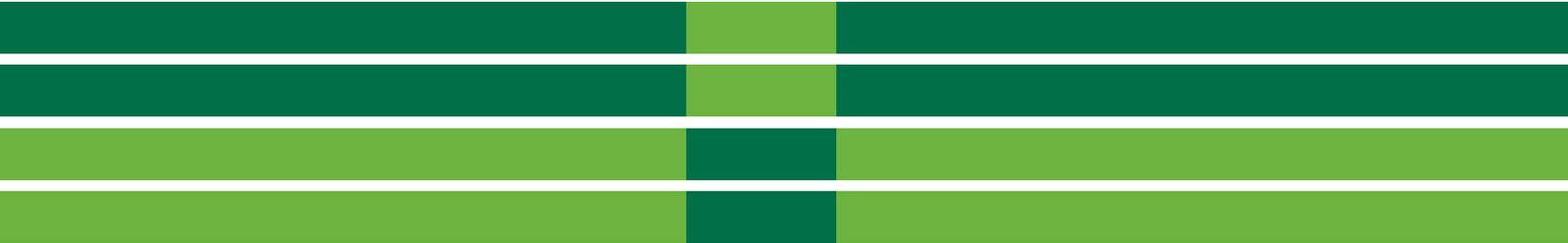
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