

# SGSA

Sports Grounds Safety Authority



Sports Grounds Safety Authority  
Annual Report  
and Accounts **2017/2018**

# **SPORTS GROUNDS SAFETY AUTHORITY**

**Annual Report and Accounts 2017/2018**

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

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# Chairman And Chief Executive's Foreword



We are pleased to introduce the Annual Report and Accounts of the Sports Grounds Safety Authority (SGSA) for 2017/18.

2017/18 has seen many events which remind us of the importance of what we do as a safety community. Not only have there been a number of terrorist attacks in the UK, but we've also seen a tragic fire at Grenfell Tower claim the lives of at least 71 people, and a number of safety incidents and tragedies at stadia around the world.



We continue to deliver the strategic goals set out in our five-year strategy with commitment and energy. The strategy sets out how we will provide an excellent service in our regulatory role, whilst also sharing our expertise more widely, with other sports and countries.

In our regulatory role, our focus this year has been working with local authorities and football grounds to embed a wider understanding of safety to include protection against anything which could cause physical harm or injury to people in a sports ground. We published our response to the consultation on this topic in October 2017 and are now working across the sector to embed this approach within safety certification processes. We have also worked with the sector to understand what more can be done to address the safety issues associated with persistent standing, and this work continues.

This year we have made great progress in drafting the 6th edition of the Guide to Safety at Sports Grounds, which is used by safety professionals across the world. We held a consultation to seek input and views from the sector, which is a crucial part of the process to ensure the new edition is informed by those who work at sports grounds week-in and week-out. We look forward to publishing the new edition later in 2018.

Our strategy also explains that we will share our advice in a more commercial way to reduce our burden on the taxpayer. We continue to work in partnership with the England and Wales Cricket Board supporting their plans to enhance safety and improve people's experience at cricket grounds. We have also embarked on a new 3-year project with Sport Northern Ireland to support their work to oversee safety at 29 sports grounds in Northern Ireland.

We are proud to be working with FIFA to provide advice and support improvements in safety in Africa, which has included a visit to Malawi and planned visits to Senegal and Angola. This is part of FIFA's ambitious FIFA Forward programme which aims to build capacity in football associations across the world.

We have also supported safety provision in a number of other countries across the world including India, South Korea and Abu Dhabi.

This year we welcomed two new members to the SGSA Board, Dr Rimla Akhtar MBE and Janet Johnson, and bid farewell to Peter Rowley OBE after 9 years of committed service. The Board is dedicated to ensuring the highest standards of safety in our sports grounds and is passionate about the importance of avoiding complacency. We held our annual joint meeting of board members and staff at Manchester United's ground this year, which was a valuable opportunity for everyone in the organisation to discuss current strategic issues.

Just after the end of the reporting year, the SGSA Conference, Maintaining Vigilance in Safety, was held in Manchester. This was our biggest conference yet and a unique opportunity for over 300 people in the sector to come together and discuss key issues and challenges and how we can all work together to ensure we maintain vigilance in safety.

As a sector we have come such a long way in the 29 years since the Hillsborough disaster, but we must ensure that we are never complacent about safety.

Our achievements this year could not have been delivered without the hard work and commitment of our dedicated team of Inspectors and staff. They work with energy and drive to promote the importance of safety at sports grounds, and we are grateful to each and every one of them for the contribution they make to the SGSA and to the sector.

Over the next year we look forward to continuing to work in partnership with national stakeholders, including the football bodies, supporter groups, other regulators, the Police and governing bodies of sport, to ensure that sports grounds are safe for everyone.

**Alan Coppin**      **and**      **Karen Eyre-White**  
**Chair**                              **Chief Executive**

**Sports Grounds Safety Authority**

# Performance Report

## Overview

We are the UK Government's expert body on safety at sports grounds. We write guidance including the Guide to Safety at Sports Grounds (the Green Guide) and carry out a range of statutory functions in relation to football in England and Wales and advisory functions in relation to other sports both within the UK and internationally. Our core statutory functions are set out in the Football Spectators Act 1989 and the Sports Grounds Safety Authority Act 2011.

We have an important statutory responsibility to regulate local authorities in their oversight of safety at all football grounds in the Premier League and the English Football League, and at Wembley and the Principality Stadium. We also issue licences to these stadia to enable them to admit spectators.

Since 2011 our expanded remit allows us to share our expertise and support not only with football in England and Wales, but with other sports and across the world. We aim to share our expertise as widely as we can, whilst remaining focused on our purpose and keeping our statutory role front and centre.

## Going concern

There are no material uncertainties related to events or conditions that cast significant doubt over the SGSA's ability to continue as a going concern. The SGSA has received a funding settlement covering the financial years 2016/17 to 2019/20. Therefore the annual accounts have been produced and presented on a going concern basis.

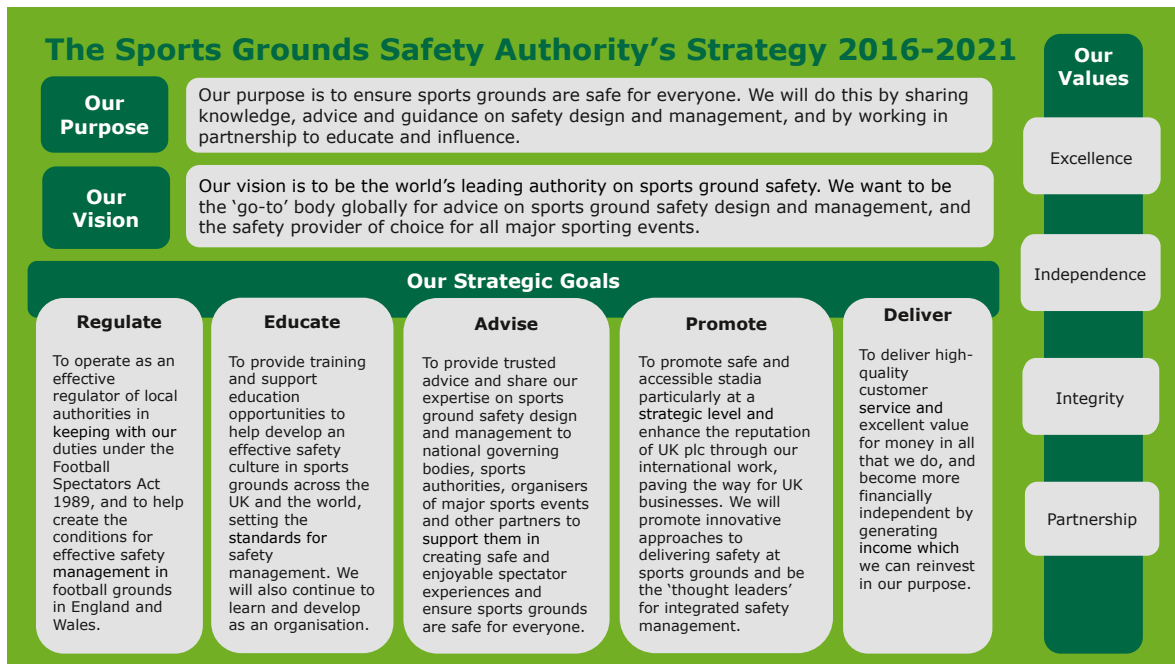
## Five year strategy

Our five year strategy, published in February 2016, set out the Authority's vision and explained how we will share our expertise for the benefit of more spectators and more sports around the world. A one page summary of the strategy is reproduced below.

The SGSA's core purpose is to ensure sports grounds are safe for everyone and we have an ambitious vision to be the world's leading authority on sports grounds safety. We will do this by sharing our expertise as widely as possible with other sports and countries, continuing our valuable work in football and always putting spectators at the heart of what we do. We will be guided by our simple purpose to ensure sports grounds are safe for everyone and our values of excellence, independence, integrity and partnership.

Our commitment to our statutory responsibility in football is as strong as ever, and we will continue to work with the football bodies, clubs and local authorities on this important work. Our statutory role is to regulate local authorities in their oversight of safety at all football grounds in the Premier League and English Football League, and at Wembley and the Principality Stadium.

A full account of our approach to and policies for the management of risk are covered in the Governance Statement.



## Embedding the wider understanding of safety

On 30th October 2017 we published our response to the consultation, launched in February 2017, on the implications of the wider understanding of safety. We also published the final Oversight and Licensing (O&L) Policy, a draft of which had been included in the consultation.

The consultation process had highlighted the need within the sector for guidance on how to ensure the wider understanding of safety was embedded in their day to day safety operations. Therefore we established a project to produce a suite of guidance notes and other tools to inform grounds and local authorities. The first guidance notes and answers to Frequently Asked Questions were published alongside the consultation response, with additional documents published in December. Additional tools for local authorities have been published such as check lists and model conditions for safety certificates. Example plans and policies for sports grounds have also been produced. The project is still on-going and the approach is deliberately flexible, adopting appropriate Agile project management techniques to ensure that the advice and support from the SGSA continues to be targeted effectively.

## The Licensing Process

One of the items consulted on as part of the oversight and licensing process was the additional information that the SGSA would collect as part of the annual Licence application process. The application form has subsequently been updated for the 2018/19 season and approved by the Minister as required by the legislation. The new form was sent to the relevant grounds and to football bodies in January 2018. The new form is based on the specific information set out in the consultation. However, to reduce duplication and meet some of the concerns expressed the new application form also incorporates the information previously requested by the SGSA as part of our Annual Club Record process and the separate request for injury data.



## Performance analysis

In consultation with the Department for Digital, Culture, Media and Sport (DCMS) we identified four key performance indicators for the organisation for 2017/18:

- To continue to be an excellent, effective regulator, working in partnership with local authorities and football clubs;
- To progress the re-write of the Green Guide;
- To raise the strategic profile of safety to avoid the risk of complacency 29 years on from the Hillsborough disaster;
- And, to take steps toward diversifying our income streams.

This report sets out how we have performed and what we have achieved over the past year in our main areas of work: football activity; other sports activity; and international activity.

## Football activity

For the top four leagues of English professional football, Wembley and the Principality Stadium, we operate a licensing scheme to regulate spectator viewing accommodation. We also regulate local authorities in their oversight of safety at the 92 football clubs in the Premier League and the English Football League, and at Wembley and the Principality Stadium.

Much of this work is undertaken directly by our team of Inspectors through discussions with local authorities, clubs and other interested parties, and visits to football grounds on match/event days and non-match/event days. Inspectors advise and assist clubs and local authorities on a wide range of ground and spectator safety issues, and they monitor how local authorities are discharging their safety certification responsibilities. In 2017/18 this work included:

- Undertaking 215 match day visits (compared with 195 in 2016/17) and attending 249 Safety Advisory Group (SAG) meetings (compared with 252 in 2016/17). We received notification of 125 during performance inspections from the local authorities we monitor (compared with 122 in 2016/17).
- We have continued to deliver the Government policy on spectator accommodation through our licensing scheme. We considered licence applications from all 19 Premier League stadia and all 72 English Football League stadia, plus Wembley and the Principality Stadium. Licences for the 2017/18 season were issued to all grounds by the deadline of 31st July 2017.
- By 31st March 2018, there were 73 all-seated out of 93 Premier League, Football League and international football grounds (73 out of 94 in 2016/17).
- As part of our ongoing commitment to ensuring that sports grounds are safe for everyone, we are reviewing how we collate and report injury statistics. The purpose is to improve the consistency of reporting across the sector, so there is a transparent picture of the number and type of injuries that occur on a matchday. The two-phased review commenced at the end of 2016/17 and a new, electronic reporting system has been implemented for the 2017/18 season. As a result of the new approach, we have seen more accurate reporting of injuries which, following discussions with clubs, we believe has led to an underlying increase in the number of injuries reported. The number of reported

spectator injuries for the 2016/17 season was 1,865, (963 reported in 2015/16). The reported overall injury ratio per spectator was one injury per 19,205 spectators.

- We continued to encourage a move to risk based safety certification, which places the responsibility for determining how to provide for spectator safety with ground management rather than being prescribed by local authorities. By 31st March 2018, 29 clubs had moved to this approach, and a further 15 planned to do so by 2019.
- We continue to chair the SGSA's Safety Committee and help facilitate the Local Authority Regional Chairs Group bringing together stakeholders within the sector and fostering joint working.

## Persistent Standing in Football Summit

Persistent standing in football is an ongoing and complex challenge that presents safety, crowd management and customer service issues. In October 2017 we hosted a summit with the aim to re-engage the football safety sector with this challenging issue, to look at the approaches that are currently being adopted and their impact and discuss options to manage the issue and to seek a sector-wide way forward.

30 representatives from across football attended, including local authorities, supporters, football clubs and the Police.

The SGSA is committed to continued engagement with the sector on this issue.

## Other sports activity

We are able to offer advice and guidance in respect of safety at any sports ground. This allows us to share good practice with, and observe and learn from, other sports, whether at a local or national level. Below is a selection of some of the activity we have undertaken outside of football in 2017/18.

### Cricket

In April 2016 we signed a new partnership agreement with the England and Wales Cricket Board (ECB) to enhance spectator safety and security at domestic and international grounds. Under the agreement, the SGSA will carry out safety audits, review procedures and provide training for county cricket Chief Executives, safety officers and ground management at grounds across England and Wales from 2016/17 to 2018/19.

During the 2017 season we observed safety management at eight games. Our feedback was presented to all participating grounds and discussed with the ECB and Cricket Safety Officers. In addition we provided targeted support to three grounds, supported in the testing of exercise programmes for the ECB and International Cricket Council (ICC), attended a number of SAGs as well as providing general ad hoc support to the ECB.

### Northern Ireland

We continue to support the Northern Ireland Executive's Department for Communities (DfC) and the delivery of the Regional Stadia Programmes through our presence on the Safety Technical Group and the provision of advice and guidance related to the development of Casement Park, the principal Gaelic Athletic Association stadium in Belfast.

In November 2017 we signed a new contract with Sport Northern Ireland (SNI), which is now well underway. We are providing advice, guidance and support to local authorities across Northern Ireland as they implement the Safety at Sports Grounds (NI) Order (2006). We are helping all three major sports in Northern Ireland (football, gaelic football and rugby

union) to build capacity in sports grounds safety by developing a Safety Officer training programme which will include 'Train the Trainer' elements.

## **Training and presentations**

We were invited to present at a number of 'Policing at Major Sporting Events' courses around England, providing a safety management perspective to Police Officers who would have responsibility for policing at sporting events. SGSA Inspectors also spoke at Public Safety at Sports Grounds and Events courses run by the Emergency Planning College, attended by local authority officers with responsibility for sports grounds in their area.

SGSA Inspectors attended and/or gave presentations at a number of industry gatherings including the meetings of the football, cricket, rugby union and rugby league Safety Officers Associations, the UK Venue Managers Association conference and various local government, academic and emergency service training events.

## **Multi Agency work with the Police**

During the year we were again active participants within the UK Football Policing Unit (UKFPU) Multi Agency Group. This work included supporting the embedding of the wider understanding of safety at the National Police Commander's Conference and dedicated football officials' regional workshops.

## **Counter-terrorism**

The SGSA continued to support the work of the National Counter Terrorism Security Office (NaCTSO) and National Counter Terrorism Police HQ (NCTPHQ) in developing advice and guidance for the crowded places sector and specifically for the sports grounds sub sector. The SGSA represented sports grounds on the national Crowded Places Information Exchange (CPIE) and chairs a specialist sub group for the sports and event sector. This sub group had representatives from major sports governing bodies and umbrella bodies, together with the live music and entertainments sector. We also, in association with the NCTPHQ, developed information leaflets on dealing with the threats of terrorism for the sports sector.

## **Steward training**

We have worked throughout the year with Skills Active and the sector to consider what revision is necessary to the National Occupational Standards (NOS) for Spectator Safety to ensure they reflect the evolving skills required of today's workforce.

## **Accessibility**

In its 2015 strategy *Sporting Future: A New Strategy for an Active Nation*, the Government set out its intention to enable the Sports Grounds Safety Authority (SGSA) to take on a more formal role in helping sport grounds reach the required standards for accessibility. As part of our 2017 consultation on the wider understanding of safety and the SGSA's Oversight and Licensing Policy, we consulted on the extent to which the SGSA should use its licensing powers in respect of accessibility issues, and, if so, what its approach and objectives should be.

After considering responses, we concluded that we will seek to work in partnership with the Equality and Human Rights Commission (EHRC), and with owners of grounds, and encourage good practice by providing advice and guidance on accessibility for disabled spectators, rather than including accessibility in the licensing process. DCMS confirmed in its January 2018 update on progress with *Sporting Future* that it agreed with the SGSA's position and will not seek a more formal role for the organisation in accessibility.

In order to achieve this partnership approach we have convened a forum with the Equality and Human Rights Commission, Level Playing Field, the Office of Disability Issues, and DCMS which aims to pool knowledge and ensure there is a co-ordinated approach across the sector. The group met twice in 2017/18.

## The 6th Edition of the Green Guide

Work continued on the 6th edition of the *Guide to Safety at Sports Grounds*, the Green Guide. We launched a consultation process in March 2018 and it is anticipated that the 6th edition will be published later in 2018.

## Newsletter

Our monthly email newsletter continues to provide useful practical advice and guidance on a wide variety of topics as well as keeping our readers up to date with recent SGSA activity. Through the newsletter we reach a wide variety of readers, including many representatives from sports other than football and from outside of the UK.

## International activity

Outside of our domestic regulatory and advisory functions, we are able to provide advice and guidance on safety at sports grounds overseas, on matters such as safety design and management. Despite the high standards of sports grounds safety within the UK, 2017/18 saw several tragedies across the world in sports grounds and the last year has seen the SGSA continue to develop its international reach. As an organisation, we have a unique set of expertise that we use to improve spectator safety. This expertise is in demand from external markets both in the UK and internationally. We have a significant opportunity to improve safety at sports grounds on the global stage.

This work is supported by a new business development strategy, and has seen the SGSA contribute to the global improvement of sports grounds safety across the world by sharing our experiences and providing our expertise on a consultancy, and full-cost recovery basis.

We continue to work in collaboration with other government departments, including the Department for International Trade, DCMS, and the Home Office, to maximise the value that SGSA can bring to the international sports market. We are ethical in our business development activity and only pursue opportunities which fit with our values.

## Africa

On behalf of FIFA, we were asked to provide support to the Football Association of Malawi to help them understand the causes of a stadium tragedy at the Bingu National Stadium in 2017 that led to eight fatalities. Rick Riding and Peter Weymes visited the stadium, in addition to one other, and provided a report with recommendations to FIFA to help improve the safety management. We are building upon this project by working with FIFA to help them improve the safety of football grounds across the world as part of their FIFA Forward vision and we are currently planning additional projects in Angola and Senegal, which have also seen recent fatalities.

## Argentina

In 2017, Karen Eyre-White and Darren Whitehouse hosted the Director of Security in Football Matches at the Argentinian Ministry of Security, Guillermo Madero, in London. Argentina is facing a significant challenge with anti-social behaviour and the Ministry has established a three-phase programme to drive anti-social behaviour out of football. Following this visit, we also met with the state legislator for Buenos Aires who is leading on legislative change to improve safety and we continue to engage with them.

## Australia

In August 2017, Rick Riding provided peer review advice for the design and construction of the new Western Sydney Stadium in New South Wales, Australia. This involved providing expert advice on *Guide to Safety at Sports Grounds* compliance.

## Comité Européen de Normalisation (CEN - European Standards body)

CEN is made up of representatives from European national standards bodies, including the British Standards Institution (BSI). SGSA Inspectors represent the BSI on CEN, and this year attended meetings in London, Cologne and Milan, contributing to consideration of European Standards, most notably the various Parts of BS EN 13200 – Spectator Facilities.

## Council of Europe

SGSA continues to be held in the highest regard by international stakeholders in safety and security. Rick Riding represents the United Kingdom on the Council of Europe Standing Committee on integrated safety, security and service approach at football matches and other sports events and has attended meetings in Strasbourg to provide expert input into European wide safety and security matters.

## France

With the French success in being awarded the 2024 Olympic games, the SGSA have been active in developing opportunities to share our knowledge and experience gained during London 2012. Working through the Home Office and their International Cooperation and Development Team, Martin Girvan presented to the French Olympic Security team on the lessons learned from London. Following this, the SGSA attended an event in Paris, organised by the Department for International Trade, aimed at opening up opportunities to support France to deliver a safe and secure Olympic games and we anticipate further developments over the coming months.

## India

India is an ambitious sporting nation. In 2017, the eyes of the footballing world focused on India as it hosted the FIFA Under-17 World Cup across six venues and cities. To ensure that there were no major incidents in any of the stadiums, and that all spectators could experience a safe, welcoming environment, a stadium and security partnership between UEFA and the Asian Football Confederation (AFC) was established. SGSA contributed to this partnership and played a significant role in the success of the tournament. The SGSA were asked to support the Local Organising Committee by inspecting the six match-hosting venues and calculating the maximum safe capacities of each venue in line with our best-practice guidance, the *Guide to Safety at Sports Grounds*. We presented our work at the Football Movement Conference in Mumbai, February 2018, following successful input to a DCMS-led visit by the Sports Authority of India.

“Thank you SGSA for conducting the safety audits of all our venues.  
This has been a landmark moment in safety planning in Indian events”

**Sandeep Mancha, Head of Operations at Local Organising Committee**

## Qatar

Rick Riding and Ken Scott continue to support Project Stadia, funded by the Qatar Supreme Committee for Delivery and Legacy, in developing post-construction stadium certification and licensing procedures for the World Cup in 2022. This project, working with multiple stakeholders in safety and security, has the potential to contribute to safety at sports grounds not only for Qatar, but also for the 192 INTERPOL member countries.

## South Korea

In December 2017, we were invited by the Korean Sports Promotion Foundation (KSPO) to present at the International Sports and Leisure Safety Forum in Seoul. Director of Sport and International Projects, Darren Whitehouse, shared the UK journey toward a safety culture across sport. We are continuing to explore collaborative opportunities with KSPO and have shared some of our guidance documentation to help improve safety in sports grounds in South Korea.

## United States

Sue Storey and Darren Whitehouse hosted students from Niagara University in January 2018 and outlined the work of the SGSA and the UK journey toward safer sports grounds. With education as one of the SGSA key strategic pillars, we are now developing education links with Niagara (New York) and Drexel University (Philadelphia) and are developing a specific module for the Masters degree in Sports Management. This module will be a five-day course, delivered by SGSA, and focusing on the calculation of safe capacities in sports venues. We expect that the first event will be run in February 2019.

## Financial overview

We continued to operate within a prudent financial framework. Net expenditure for the year amounted to £1,507,368 (£1,367,546 in 2016/17) against an expenditure limit set by DCMS of £1,542,000. The accounts have been prepared in accordance with the Accounts Direction given by the Secretary of State for Digital, Culture, Media and Sport under the Sports Grounds Safety Authority Act 2011. There were rises in staffing and travel and subsistence costs. These were attributable to an increase in staff numbers and increased international and domestic travel and were partially offset by increased revenues recovering these costs from advisory contracts. In addition rental costs increased due to the relocation of the SGSA's headquarters to larger premises. The Statement of Financial Position at 31 March 2018 shows net assets of £388,268 (£353,636 in 2016/17). We generated £201,059 (£141,761 in 2016/17) of income through activity relating to non-statutory functions which included work for the ECB, SNI and DfC and overseas in Malawi and South Korea. Full details of our expenditure, receipts, assets and liabilities are contained in the Accounts.

A new Management Agreement was finalised with DCMS in March 2017.

## Sustainability issues

During the year waste paper, plastics, cardboard and other materials were recycled under the processes managed by the Department for Business, Energy and Industrial Strategy at Fleetbank House. Individual environmental performance indicators for the SGSA are therefore not available. As the SGSA occupies fewer than 1,000m<sup>2</sup> and has less than 250 staff we fall within the exemption criteria of the Greening Government Commitment and are not required to produce a sustainability report.

**Karen Eyre-White**  
**Chief Executive**

13 July 2018

# Accountability Report

## Corporate Governance Report

### Director's Report

The SGSA Board Members during 2017/18 were:

<b>Alan Coppin</b>	<i>Chairman</i>
<b>Rimla Akhtar MBE</b>	
<b>Janet Johnson</b>	
<b>Susan Johnson OBE</b>	
<b>Philip Kolvin QC</b>	
<b>David Mackinnon</b>	
<b>Peter Rowley OBE</b>	<i>Appointment ended 12 November 2017</i>
<b>Derek Wilson</b>	

At 31 March 2018 our executive staff were:

<b>Karen Eyre-White</b>	<i>Chief Executive and Accounting Officer</i>
<b>Darren Whitehouse</b>	<i>Director of Sport and International Projects</i>
<b>Caroline Hale</b>	<i>Head of Media, Marketing and Communications</i>
<b>Daniel Heath</b>	<i>Head of Corporate Resources</i>
<b>Sally Delgado</b>	<i>Senior Policy Advisor</i>
<b>Jason Clotworthy</b>	<i>ICT Manager</i>
<b>Stephen Podd</b>	<i>Deputy Finance and Office Manager and Administrative Support</i>

At 31 March 2018 our Inspectors were:

<b>Ken Scott FRICS</b>	<i>Chief Inspector</i>
<b>Lou Elliston MA</b>	
<b>Geoff Galilee CMIOSH</b>	
<b>Martin Girvan BSc MILAM</b>	
<b>Richard Hebbard</b>	
<b>Mark Holland</b>	
<b>John Perkins</b>	
<b>Rick Riding MRICS MIFireE MBEEng MBA</b>	
<b>Andy Robinson</b>	
<b>Sue Storey Dip.EP MEPS</b>	
<b>Laura Strong BSc (Hons) MCIEH CEnvH</b>	
<b>Peter Weymes</b>	

They were assisted by **Mark Smith** (*Assistant Inspector*) who also undertook some Inspector duties

## **Prompt payment**

We support the principles of the Prompt Payment 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 such invoices within 30 days (2016/17 100%).

## **Data loss disclosure**

The Sports Grounds Safety Authority has suffered no protected personal data incident during 2017/18 or prior years and has not reported any such incidents to the Information Commissioner's Office.

## **Tax Assurance**

The SGSA has no off payroll appointments (compared to no off payroll payments in 2016/17).

## **Monitoring Spending on Consultancy and Temporary Staff**

The SGSA has incurred no expenditure on consultancy services or temporary staff.

**Karen Eyre-White**

**Chief Executive**

13 July 2018



# Statement of responsibilities

## **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 Digital, Culture, 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 Digital, Culture, 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 accounts; and prepare the accounts on a going concern basis.

The Accounting Officer of the Department for Digital, Culture, 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.

There is no relevant audit information of which the entity's auditors are unaware. I have taken all the steps to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information. The annual report and accounts as a whole is fair, balanced and understandable. I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable

**Karen Eyre-White**  
**Chief Executive**

13 July 2018

# Governance Statement

## Compliance with the Corporate Governance Code

A review of compliance with the Government's Corporate Governance Code of good practice 2017 (the Code) concluded that the Authority has complied with the areas applicable to the SGSA as a Non-Departmental Public Body (NDPB).

## Governance Framework

The Accounting Officer of the SGSA is accountable to the Secretary of State for the Department for Digital, 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 six Members appointed by the Secretary of State for Digital, Culture, 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 updates from the Audit and Risk Committee on risk, 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 of and challenge to the Authority's policies and performance. Specifically, this year the Board has considered the wider understanding of safety, key performance indicators and our approach to the problem of persistent standing in seated areas of stadia.

The Board is supported in fulfilling its responsibilities by the SGSA Audit and Risk Committee. The Committee has responsibility for oversight of issues of risk, control, health and safety 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 reviews of the effectiveness of both the Board and the Audit and Risk Committee, conducted in February 2018, Board Members confirmed they were satisfied with the quality of the data they received and the structure of meetings. Suggestions for Board Member training and the length and frequency of future meetings will be discussed in the current year.

In 2017/18 the Board met on six occasions, the Audit and Risk Committee on three. Details of Board Member attendance are shown in the table below.

Board Member	Board meetings attended	Audit and Risk Committee meetings attended
Alan Coppin*	6/6	n/a
Rimla Akhtar	2/2	1/1
Janet Johnson	2/2	2/2
Susan Johnson	6/6	3/3
Philip Kolvin	4/6	n/a
David Mackinnon	5/6	3/3
Peter Rowley	4/4	1/1
Derek Wilson	6/6	3/3

\* The Chair's attendance at A&RC meetings is optional and not expected

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 of the website.

The Corporate Governance framework and processes are reviewed annually by our internal auditors, providing independent assurance that they are appropriate for the organisation. The reviews conducted in 2017/18 found that whilst some improvements were required to enhance the adequacy and effectiveness of the framework of governance, risk management and control, the SGSA's framework of internal control was fundamentally effective.

## 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. In 2017/18 there were six members: Peter Rowley (the Chair, whose appointment ended on 12th November 2017), Janet Johnson (the chair from 13th November 2017), Rimla Akhtar (from 20th February 2018), Susan Johnson, David Mackinnon and Derek Wilson, all of whom were Members of the SGSA's Board. The Committee met three times in 2017/18. All meetings were attended by the Chief Executive, Head of Corporate Resources, by representatives of the internal auditors and representatives of the external auditors attended the two meetings to which they were invited. The Committee reports on its work to the full Board. In 2017/18 the Committee considered a range of issues including the SGSA Risk Register, health and safety 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 are available to the public on demand.

The Committee provides the Board with reports on governance, internal control and risk management issues. The Committee's opinion for 2017/18 is as follows:

### SGSA Audit and Risk Committee opinion to the Board 2017/18

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 2017/18) on the effectiveness of the SGSA's framework for corporate governance, business continuity and financial systems; and,
- 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 2017/18.

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 2017/18, there were no incidents or losses of data that required a report to the Information Commissioner's Office.

## 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 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. Among the specific risks considered by the Authority during the year were potential safety failures at sports grounds, the pressures resulting from reduced resources and the ability of the Authority to capitalise on the opportunities resulting from its expanded role.

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

- The risk management policy recognises that the SGSA works in a complex multi-stakeholder environment, whereby external events have an impact on our purpose and organisational objectives and create risks which we must manage to the best of our ability. Our role is as a regulator, advisor and facilitator on matters of safety and as such many operational risks are not within our direct control;
- 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 staff and applicants for employment. The Authority suffered no data losses during 2017/18.

## Approach to risk management

As the Accounting Officer, I oversee a review of risks on a regular basis. This examines both the risks to the SGSA from its policies and operations and those related to its constitution and internal management. The risk register sets out responsibility within the SGSA for the management of risk, assigning risk managers within the SGSA and identifying measures that have been taken and are yet to be taken to mitigate each one. The register is presented to the Audit and Risk Committee at each meeting for approval.

## 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.

For the year 2017/18 the SGSA's internal auditors carried out reviews of key financial controls and IT controls and security, also validating the organisation's implementation of previous assurance recommendations. Overall, they concluded that whilst some improvements were recommended to enhance the adequacy and effectiveness of the framework of governance, risk management and control, the SGSA's framework of internal control was fundamentally effective.

During the year, we received fourteen requests under the Freedom of Information Act 2000 (FOI), all of which were responded to within the prescribed time limits.

The Authority received no complaints in 2017/18.

I have considered the evidence provided with regards to the production of the Annual Governance Statement. The conclusion of the review is that the overall governance and internal control structures have been appropriate for SGSA's business and have worked satisfactorily throughout 2017/18.

## Whistleblowing arrangements

The SGSA currently follows DCMS's whistleblowing policy. We plan to review our whistleblowing arrangements in the upcoming year.

## Corporate Governance

The accounts have been prepared in the form directed by the Secretary of State for Digital, Culture, Media and Sport, 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. The accounts were approved by DCMS Ministers.

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.

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.

No non audit work was undertaken by our auditors.

**Karen Eyre-White**  
**Chief Executive**

13 July 2018

# Remuneration and staff report

## Statement of policy on the remuneration of senior members

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

### Chairman

The Chairman's salary of £18,130 (FTE £90,650, unchanged from 2016/17) 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 2017/18 the Chairman attended all six Board meetings and represented the SGSA at a number of other meetings and events.

The Chairman receives 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

Board Members are appointed by the Secretary of State for terms of no more than 3 years, and, in line with the Commissioner for Public Appointments' 2012 Code, no individual may serve in any one post for more than ten years. In 2017/18 Members were paid a daily fee of £265 for attending SGSA meetings (unchanged from 2016/17) 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.

Board Members receive travel and subsistence payments where appropriate but do not receive any benefit in kind. In 2017/18 Board Members' travel and subsistence totalled £7,304 (£7,718 in 2016/17). Board Members do not have any entitlement to a pension. The following sections have been subject to audit. Details of the daily fees paid to Board Members in total for the year are as follows:

	2017-18	2016-17
Board Member	£	£
Dr R Akhtar	530	0
Ms J Cook	0	530
Ms J Johnson	1,590	0
Mrs S Johnson	2,120	2,385
Mr P Kolvin	1,590	2,120
Dr P Lane	0	795
Mr D Mackinnon	1,855	2,120
Mr P Rowley	2,385	1,590
Mr D Wilson	2,120	2,650

## Chief Executive

The Chief Executive, Karen Eyre-White, is seconded to the SGSA from the Home Office. The Chief Executive receives a salary recommended by the Chair of the SGSA. Any pay award and bonus are based on agreed performance indicators. The Chief Executive does not receive any benefit in kind.

The Chief Executive 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:

	Karen Eyre-White Chief Executive	
	2017-18	2016-17
<b>Salary Details</b>	<b>£ (k)</b>	<b>£ (k)</b>
Salary	70-75	65-70
Performance Bonus	5-10*	5-10**
<b>Total Pay</b>	<b>75-80</b>	<b>75-80</b>
Full year salary equivalent	70-75	65-70
<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 2018	10-15	10-15
Lump sum at 31 March 2018	n/a	n/a
Cash equivalent transfer value at 31 March 2017	90	77
Cash equivalent transfer value at 31 March 2018	105	90
Real increase in cash equivalent transfer value	6	6
Pension benefits accrued during the year	27***	29***
<b>Total remuneration</b>	<b>105-110</b>	<b>100-105</b>

\*Bonus paid in 2017/18 based on 2016/17 performance.

\*\*Bonus paid in 2016/17 based on 2015/16 performance.

\*\*\*The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

## Salary

Total pay includes salary, non-consolidated performance-related pay and payment for untaken annual leave. 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 to senior managers in the year.

## Cash Equivalent Transfer Values (CETV)

This 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 scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total service, not just their current appointment. CETVs are calculated 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 is the element of the increase in accrued pension funded by the employer. It excludes increases due to inflation and contributions paid by the individual. It is worked out using common market valuation factors for the start and end of the period.

## Staff

### Average number of persons employed

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

	2017-18	Total
Directly employed		16.9
Seconded		1.7

	2016-17	Total
Directly employed		14.4
Seconded		1.0

Details of staff and board costs are provided in Note 2 of the Notes to the Accounts. Total staff pay costs for 2017/18 were £1,156,887

The SGSA Chief Executive and staff are covered under the provisions of the Principal Civil Service Pension Scheme and the Civil Servants and Others Pension Scheme, details of these schemes and how we treat pension liabilities is provided in Note 1c of the Notes to the Accounts.

From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (**classic**, **premium** or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

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**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into **alpha**



sometime between 1 June 2015 and 1 February 2022. All members who switch to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the two schemes). 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 salary-related and for 2017/18 ranged between 4.6% and 8.05% of pensionable earnings for members of **classic** (and members of alpha who were members of **classic** immediately before joining **alpha**) and between 4.6% and 8.05% for members of **premium, classic plus, nuvos** and all other members of **alpha**. 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 initial 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 worked out as in **premium**. In **nuvos** a member builds up a pension based on their 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 legislation. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate is 2.32%. 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% up to 30 September 2015 and 8% and 14.75% from 1 October 2015 (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of 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 up to 30 September 2015 and 0.5% of pensionable salary from 1 October 2015 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**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages).

Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

Under the Equality Act 2010 we are required to have due regard to the need to eliminate unlawful discrimination in our recruitment and employment policies and to provide equality of opportunity for all staff.

The gender breakdown of SGSA staff at 31 March 2018 was as follows:

Gender	Chief Executive	Inspectors	HQ staff
Males	0	10	4
Females	1	3	2

The SGSA is committed to equality and valuing diversity within its workforce. Our goal is to ensure that these commitments, reinforced by our values, are embedded in our day-to-day working practices with all our customers, colleagues and partners. We provide equality of opportunity and will not tolerate discrimination on grounds of gender, gender identity, marital status, sexual orientation, race, colour, nationality, religion, age, disability, HIV positivity, working pattern, caring responsibilities, trade union activity or political beliefs – or any other grounds.

### Sickness data

The average number of day's sickness for staff in the SGSA in the financial year was 1.7, compared with 2.4 in the previous year.

### Highest paid – Median pay ratio

We 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.

During the period the full time equivalent banded remuneration of the highest-paid director in the SGSA in the financial year 2017/18 was £75-80k (£75-£80k in 2016/17). This was 1.6 times the median remuneration of the workforce which was £48.18k (1.7 times the median remuneration of £45.99k in 2016/17).

In 2017/18, no other SGSA employees received remuneration in excess of the highest-paid director (2016-17, also none). Remuneration in the organisation, not including the highest paid director, ranged from £20-25k to £50-55k (£20-25k to £50-55k in 2016/17). Total remuneration includes salary and non-consolidated performance related pay. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

### Off payroll payments and consultancy payments

There were no off-payroll arrangements for pay and no consultancy payments.

**Karen Eyre-White**  
**Chief Executive**

17 July 2018

# Parliamentary Accountability and Audit Report

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

### Opinion on financial statements

I certify that I have audited the financial statements of the Sports Grounds Safety Authority for the year ended 31 March 2018 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, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

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 2018 and of its 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.

### Opinion on regularity

In my opinion, in all material respects the income and expenditure 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.

### Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate. Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2016. I am independent of the Sports Grounds Safety Authority in accordance with the ethical requirements that are relevant to my audit and the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Responsibilities of the Sports Grounds Safety Authority and Accounting Officer for the financial statements

As explained more fully in the Statement of Responsibilities, the Sports Grounds Safety Authority and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

### Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Sports Grounds Safety Authority Act 2011.

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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sports Grounds Safety Authority's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sports Grounds Safety Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

## **Other Information**

The Sports Grounds Safety Authority and the Accounting Officer are responsible for the other information. The other information comprises information included in the annual report, other than the parts of the Accountability Report described in that report as having been audited, the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## **Opinion on other matters**

In my opinion:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Secretary of State directions made under the Sports Grounds Safety Authority Act 2011;
- in the light of the knowledge and understanding of the Sports Grounds Safety Authority and its environment obtained in the course of the audit, I have not identified any material misstatements in the Performance Report or the Accountability Report; and
- the information given in Performance Report and Accountability 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 parts of the Accountability 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.

## Report

I have no observations to make on these financial statements.

**Sir Amyas C E Morse**  
**Comptroller and Auditor General**

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

**Date: 17 July 2018**

# Financial Statements

## Statement of Comprehensive Net Expenditure

For the year ended 31 March 2018

	Note	2017-18	2016-17
		£	£
<b>Expenditure</b>			
Staff costs	2	1,188,979	956,869
Depreciation and amortisation	5&6	30,452	27,365
Loss on disposal of fixed assets	5	10,362	0
Other expenditures	3	478,634	525,073
		<b>1,708,427</b>	<b>1,509,307</b>
<b>Income</b>			
Income from activities	4	197,728	135,006
Income from sales of publications	4	3,331	6,755
		<b>201,059</b>	<b>141,761</b>
<b>Net expenditure for the financial year</b>		<b>1,507,368</b>	<b>1,367,546</b>

All income and expenditure relates to continuing activities

The notes on pages 32 to 40 form part of these Accounts

## Statement of Financial Position

As at 31 March 2018

		2017-18	2016-17
	Note	£	£
<b>Non-current assets</b>			
Plant and equipment	5	74,975	68,121
Intangible assets	6	1,573	0
<b>Total non-current assets</b>		<b>76,548</b>	<b>68,121</b>
<b>Current assets</b>			
Trade and other receivables	8	113,352	60,497
Cash and equivalents	9	404,613	354,488
<b>Total current assets</b>		<b>517,965</b>	<b>414,985</b>
<b>Current liabilities</b>			
Trade and other payables	10	168,268	129,470
<b>Total current liabilities</b>		<b>168,268</b>	<b>129,470</b>
<b>Non-current liabilities</b>			
Deferred income	12	37,977	0
<b>Total non-current liabilities</b>		<b>37,977</b>	<b>0</b>
<b>Assets less liabilities</b>		<b>388,268</b>	<b>353,636</b>
<b>Taxpayers' equity</b>			
General reserve		388,268	353,636

The financial statements on pages 28 to 31 were approved by the Board on 12 June 2018 and were signed on its behalf by:

**Karen Eyre-White**  
**Chief Executive**  
 17 July 2018

The notes on pages 32 to 40 form part of these Accounts



## Statement of Cash Flows

For the year ended 31 March 2018

		2017-18	2016-17
	Note	£	£
<b>Cash flows from operating activities</b>			
Net expenditure for the financial year		(1,507,368)	(1,367,546)
Depreciation and amortisation	3	30,452	27,365
(Profit)/Loss on disposal of fixed assets	3	10,362	0
(Increase)/Decrease in trade and other receivables	8	(52,855)	(26,169)
Increase/(Decrease) in trade payables	10	38,798	38,134
Non-current deferred income received	12	37,977	0
<b>Net cash outflow from operating activities</b>		<b>(1,442,634)</b>	<b>(1,328,216)</b>
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment	5	(47,471)	(5,827)
(Increase)/Decrease in intangible assets	6	(1,770)	0
<b>Net cash outflow from investing activities</b>		<b>(49,241)</b>	<b>(5,827)</b>
<b>Cash flows from financing activities</b>			
Grants from parent Department		1,542,000	1,370,000
<b>Net cash inflow from financing activities</b>		<b>1,542,000</b>	<b>1,370,000</b>
<b>Net financing</b>			
<b>Net increase/(decrease) in cash and cash equivalents in the period</b>	9	<b>50,125</b>	<b>35,957</b>
<b>Cash and cash equivalents at the beginning of the Period</b>		<b>354,488</b>	<b>318,531</b>
<b>Cash and cash equivalents at the end of the Period</b>	9	<b>404,613</b>	<b>354,488</b>

The notes on pages 32 to 40 form part of these Accounts

## Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2018

		General Reserve
		£
<b>Balance at 1 April 2016</b>		<b>351,182</b>
<b>Net expenditure for 2016/17</b>		<b>(1,367,546)</b>
Grant in aid		1,370,000
<b>Balance at 31 March 2017</b>		<b>353,636</b>
<b>Net expenditure for 2017/18</b>		<b>(1,507,368)</b>
Grant in aid		1,542,000
<b>Balance at 31 March 2018</b>		<b>388,268</b>

The notes on pages 32 to 40 form part of these Accounts

## Notes to the Accounts

### 1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2017/18 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 Digital, Culture, 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. No statement of other comprehensive expenditure has been prepared as all income and expenditure is reported in the statement of comprehensive net expenditure.

#### 1.a *Going concern*

There are no material uncertainties related to events or conditions that cast significant doubt over the SGSA's ability to continue as a going concern. The SGSA has received a funding settlement covering the financial years 2016/17 to 2019-20. Therefore the annual accounts have been produced and presented on a going concern basis.

#### 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.

#### **Property, Plant and Equipment & Intangible assets**

Property, plant, equipment and intangible assets above £500 are capitalised. Items of property, plant, equipment and intangible assets are initially recognised at cost. They are subsequently carried at fair value. Management is 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%

## Amortisation

Amortisation is provided on intangible assets so as to write off the cost of each asset in equal instalments over its estimated useful life. Amortisation is applied to new assets pro rata in the year of purchase. The rate used was:

Intangible assets - 25%

## Operating Leases

Operating lease rentals are charged to the profit and loss account in the period to which they relate. There are no finance leases.

## International Financial Reporting Standards issued but not yet effective

The International Accounting Standards Board have issued new standards and interpretations in relation to IFRS 15 and IFRS 9 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 and the Civil Servants and Others Pension Scheme. These are unfunded multi-employer defined benefit schemes. 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 costs

Staff and Board costs comprise:

	2017-18		
	£	£	£
	Staff	Chair and Board	Total
Wages, salaries and fees	874,703	30,320	905,023
Social security costs	98,281	1,823	100,104
Other pension costs	183,852	0	183,852
<b>Total costs</b>	<b>1,156,836</b>	<b>32,143</b>	<b>1,188,979</b>

	2016-17		
	£	£	£
	Staff	Chair and Board	Total
Wages, salaries and fees	692,942	30,320	723,262
Social security costs	81,226	1,832	83,058
Other pension costs	150,549	0	150,549
<b>Total costs</b>	<b>924,717</b>	<b>32,152</b>	<b>956,869</b>

### 3. Other Expenditure

	2017-18	2016-17
	£	£
<b>Running costs</b>		
Travel and subsistence*	177,328	158,466
Rent and rates	94,501	66,075
Training and recruitment	1,647	15,581
Accommodation, cleaning, heating and lighting	29,277	17,846
External audit fees	11,000	14,000
Internal audit fees	9,580	9,580
Other professional fees	66,357	97,516
Postage, telephone and broadband	36,227	25,454
Office supplies, printing and stationery	52,200	55,820
SGSA Conference and event attendance	0	64,735
Bad debt expense	477	0
(Profit)/Loss on foreign exchange	40	0
<b>Total running costs</b>	<b>478,634</b>	<b>525,073</b>
*includes Board Member travel and subsistence of £7,304 (£7,718 in 2016/17).		
<b>Non-cash items</b>		
Depreciation and amortisation	30,452	27,365
Loss on disposal of fixed assets	10,362	0
<b>Total</b>	<b>519,448</b>	<b>552,438</b>

The external auditors did not undertake, nor received any remuneration for, non-audit services during the year..

#### 4. Income

	2017-18	2016-17
	£	£
Sale of publications	3,331	6,755
International projects	21,300	18,350
Other income	176,428	116,656
<b>Total</b>	<b>201,059</b>	<b>141,761</b>

#### Income by geographical area

	2017-18	2016-17
Area	£	£
UK	179,759	123,411
Other countries	21,300	18,350
<b>Total</b>	<b>201,059</b>	<b>141,761</b>

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

UK income includes £100 from the sale of redundant IT equipment to staff at fair value.

The SGSA charges for the issue of licences to admit spectators to watch designated football matches. In the year ended 31 March 2018 93 licences were issued to grounds 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 Digital, Culture, Media and Sport and are therefore not recognised as income in the SGSA's accounts.

## 5. Plant and equipment

2017-18	Plant and Machinery	Furniture and Fittings	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 April 2017	115,377	41,127	156,504
Additions	0	47,471	47,471
Disposals	0	(22,199)	(22,199)
<b>At 31 March 2018</b>	<b>115,377</b>	<b>66,399</b>	<b>181,776</b>
<b>Depreciation</b>			
At 1 April 2017	68,688	19,695	88,383
Charged in year	24,122	6,133	30,255
Disposals	0	(11,837)	(11,837)
<b>At 31 March 2018</b>	<b>92,810</b>	<b>13,991</b>	<b>106,801</b>
<b>Net book value at 31 March 2017</b>	<b>46,689</b>	<b>21,432</b>	<b>68,121</b>
<b>Net book value at 31 March 2018</b>	<b>22,567</b>	<b>52,408</b>	<b>74,975</b>

All assets are owned by the SGSA.

2016-17	Plant and Machinery	Furniture and Fittings	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 April 2016	111,471	41,127	152,598
Additions	5,827	0	5,827
Disposals	(1,921)	0	(1,921)
<b>At 31 March 2017</b>	<b>115,377</b>	<b>41,127</b>	<b>156,504</b>
<b>Depreciation</b>			
At 1 April 2016	46,730	16,481	63,211
Charged in year	23,879	3,214	27,093
Disposals	(1,921)	0	(1,921)
<b>At 31 March 2017</b>	<b>68,688</b>	<b>19,695</b>	<b>88,383</b>
<b>Net book value at 31 March 2016</b>	<b>64,741</b>	<b>24,646</b>	<b>89,387</b>
<b>Net book value at 31 March 2017</b>	<b>46,689</b>	<b>21,432</b>	<b>68,121</b>

## 6. Intangible assets

2017-18	Software licences	Total
	£	£
<b>Cost or valuation</b>		
At 1 April 2017	6,540	6,540
Additions	1,770	1,770
Disposals	0	0
<b>At 31 March 2018</b>	<b>8,310</b>	<b>8,310</b>
<b>Amortisation</b>		
At 1 April 2017	6,540	6,540
Charged in year	197	197
Disposals	0	0
<b>At 31 March 2018</b>	<b>6,737</b>	<b>6,737</b>
<b>Net book value at 31 March 2017</b>	<b>0</b>	<b>0</b>
<b>Net book value at 31 March 2018</b>	<b>1,573</b>	<b>1,573</b>

2016-17	Software licences	Total
	£	£
<b>Cost or valuation</b>		
At 1 April 2016	6,540	6,540
Additions	0	0
Disposals	0	0
<b>At 31 March 2017</b>	<b>6,540</b>	<b>6,540</b>
<b>Amortisation</b>		
At 1 April 2016	6,268	6,268
Charged in year	272	272
Disposals	0	0
<b>At 31 March 2017</b>	<b>6,540</b>	<b>6,540</b>
<b>Net book value at 31 March 2016</b>	<b>272</b>	<b>272</b>
<b>Net book value at 31 March 2017</b>	<b>0</b>	<b>0</b>



## 7. Financial instruments

As the vast majority of cash requirements of the SGSA are met through Grant in Aid received from the Department for Digital, 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 2017-18 the SGSA suffered a loss on foreign exchange transactions of £40 (2016-17 £0).

## 8. Trade receivables and other current assets

	2017-18	2016-17
	£	£
<b>Amounts falling due within one year:</b>		
Prepayments*	10,295	26,921
Other receivables	103,057	33,576
<b>Total</b>	<b>113,352</b>	<b>60,497</b>
* All of which relates to goods and services.		

## 9. Cash and cash equivalents

	2017-18	2016-17
	£	£
Balance at 1 April 2017	354,488	318,531
Net change in cash and cash equivalents	50,125	35,957
Balance at 31 March 2018	404,613	354,488
The following balances at 31 March 2018 were held at:		
Commercial banks and cash in hand	<b>404,613</b>	<b>354,488</b>

## 10. Trade payables and other current liabilities

	2017-18	2016-17
	£	£
<b>Amounts falling due within one year:</b>		
Other taxation and social security*	48,652	44,848
Trade payables	20,624	26,418
Accruals	72,250	35,440
Accrued annual leave	21,995	22,764
Deferred income	4,747	0
<b>Total</b>	<b>168,268</b>	<b>129,470</b>
*due to Central Government bodies		

## 11. Commitments under leases

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

	2017-18	2016-17
	£	£
<b>Obligations under operating leases comprise:</b>		
Not later than one year	74,699	74,895
Later than one year and not later than five years	271,359	306,178
Later than five years	0	39,880
<b>Total</b>	<b>346,058</b>	<b>420,953</b>

## 12. Deferred income

Deferred income relates to contribution received by the SGSA towards the capital cost of the office move undertaken in April 2017. This income received is being amortised over the life of the assets.

	2017-18	2016-17
	£	£
<b>Deferred income comprises:</b>		
Not later than one year	4,747	0
Later than one year	37,977	0
<b>Total</b>	<b>42,724</b>	<b>0</b>

### **13. Contingent liabilities**

There were no contingent liabilities at 31 March 2018 (31 March 2017 none).

### **14. Capital commitments**

There were no capital commitments at 31 March 2018 (31 March 2017 none).

### **15. Related-party transactions**

The SGSA is a Non Departmental Public Body of the Department for Digital, 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 HM Revenue and Customs, the Department for Business, Energy and Industrial Strategy 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.

### **16. Events after the end of the reporting period**


There were no events that had a material effect on the accounts after the end of the reporting period.

The Accounting Officer authorised the accounts for issue on the date they were certified by the Comptroller and Auditor General.

For further information on the work of the Sports Grounds Safety Authority, please contact us at:

 [info@sgsamail.org.uk](mailto:info@sgsamail.org.uk)

 East Wing 1st Floor, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX

 020 7930 6693

 @SGSA\_UK

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Sports Grounds Safety Authority

[www.safetyatsportsgrounds.org.uk](http://www.safetyatsportsgrounds.org.uk)

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