

## Sports Governance Academy

### Understanding Directors' and Trustees' Duties in Sport

#### Session 3 – Case study

Please read through the scenario below. Written responses are not expected.

#### An interim CEO for Bounce Ball UK

##### Monday afternoon

- You are an INED at NGB Bounce Ball UK
- Last Friday, the CEO informed the board that they will step down in two weeks due to a health emergency in the family
- This morning, the Chair said the Nominations Committee will draw up a role description and person specification for an interim CEO
- The Nominations Committee, which the Chair of the organisation leads, will meet on Thursday
- On a train home recently Les, another INED at Bounce Ball who is capable (but not wholly trustworthy, in your experience) mentioned confidentially that they have resigned from a job at Mega Corp and hopes to go back to working for a sports organisation, where they started their career
- Les serves on the Nominations Committee and it occurs to you that they might be interested in the interim CEO role
- (It is not unusual for a Board member to take on an interim CEO role in an emergency)
- Des, the hard-working Director of Programmes is effectively deputy CEO; they narrowly missed out on the CEO role 18 months ago but Des continues to impress and is popular with staff

**Question:** Ahead of the Nominations Committee meeting, will you contact Les to ask about their intentions, or the Chair to raise concerns? If so, what do you say?

*Reminder – Companies Act 2006, section 175 (extract):*

- (1) A director of a company must avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company.*
- (2) This applies in particular to the exploitation of any property, information or opportunity (and it is immaterial whether the company could take advantage of the property, information or opportunity).*