

# Frequently asked questions

## National Policy for Gender Equity in Governance



Last updated: 31 August 2021

### Why set a target?

Research shows that strong, diverse and gender balanced leadership at all levels, brings a breadth of perspective, allows for better decision making and creates stronger organisations and organisational performance. Around the board table this is linked to one of the core functions of boards, to consider issues from a range of perspectives.

At Sport NZ, we have also heard partner organisations speak of their genuine commitment to diversity and their desire to take a leadership role in achieving this, from a governance perspective.

Historically there has been, and still is, an overall gender imbalance across the play, active recreation, and sport sector at board level. Although great progress has been made in recent years, Sport NZ believes that the Policy is needed, to realise the well-researched benefits of strong, diverse and gender balanced leadership. The Policy is the mechanism to help drive focus and sustainable change.

### With the ability for board members to self-identify gender, how can Sport NZ ensure the non-conforming gender voice is heard e.g., transgender?

The role of the board chair is critical in ensuring all board member voices are heard, including women and non-conforming gender voices.

The [Role of the Board Chair](#) is a good resource. Please let us know if you have any other suggestions of how boards can better ensure that the non-conforming gender voice is heard.

### We are interested in developing a Diversity and Inclusion Policy. How do we start?

Having recently developed one for ourselves, Sport NZ supports the development of a Diversity and Inclusion Policy for all partner organisations. We can provide a template for this if you are interested. Connect with your Partnership Manager for more information.

### How do boards ensure talented women are recruited?

There is no shortage of talented women wanting to serve on boards.

Sport NZ has recently refreshed its Women in Governance Talent Pool [Appoint Better Boards](#).

Good practice board recruitment processes are essential to ensure the right people are appointed. Step One in the [Nine Steps to Effective Governance](#) is a good resource for boards.

Please contact your Partnership Manager if you are struggling and require further support.

### How do boards attract women when the sport is predominantly men?

As above.

A mix of elected and appointed board members and genders is good practice regardless of the mix of the sport or recreation itself. It is arguably more important to have self-identified women leaders if female

representation is lacking in the sport more generally. Appointed board positions allow boards to identify and recruit talented board members, including self-identified women from a broader talent pool than solely the elected membership.

### **Why are we not supporting diversity more generally?**

The origin of this Policy was in the Women and Girls in Sport and Active Recreation Strategy, so gender is currently the primary focus.

It is recognised and accepted that diversity more generally is also important and encourage all boards to work towards this.

### **With the removal of the requirement for a minimum of 40% men on boards, how will Sport NZ ensure gender balance is retained on all boards?**

The Policy encourages all Qualifying Partners to take proactive steps to achieve gender equity and diversity more generally within their boards.

Sport NZ will continue to audit progress towards the minimum requirement for 40% self-identified women and, as part of that, monitor board gender balance. There remains an ability to reassess the gender target and overall Policy in the future if that is required.

### **Why has the Policy changed from 50% to 40% minimum?**

The Policy has always been a 40% minimum of self-identified women. The change in the final Policy was the removal of the mandatory minimum requirement for 40% self-identified men.

### **There is a lack of flexibility for small boards (six and eight members). 33% would provide more flexibility.**

The Policy is a minimum of 40% self-identified women. Sport NZ understands that, for smaller boards, this may be more difficult in the initial phases, and it is committed to supporting those smaller boards to achieve the 40% target by the deadline. The Policy does also include some flexibility for unexpected casual vacancies.

### **What happens if a board member resigns, impacting on the target?**

Unexpected departure of board members happens from time to time and could result in a board not meeting the target. Therefore, the Policy states that, if a Qualifying Partner does not meet the requirement due to a casual vacancy arising on its board, the Qualifying Partner will not be in breach of the target if it meets the target as soon as reasonably practicable after the casual vacancy occurs.

### **What happens at the end of the 2020-2024 strategic period?**

The Policy does not have an end date – it will continue to apply in future Sport NZ strategic and investment periods.

### **What are the reporting requirements?**

The Policy sets out the reporting requirements for Qualifying Partners. Those requirements include annually reporting on the board's gender make-up and informing Sport NZ of any non-compliance (including anticipated non-compliance) with the Policy.

Sport NZ may publish reports setting out the gender composition of boards of all Qualifying Partners.

### **How will Sport NZ manage non-compliance?**

Sport NZ expects ongoing compliance with this Policy. Sport NZ will work with the boards that have not met the target. If a board has not complied with the target on or before 31 December 2021, Sport NZ expects to impose consequences on those non-complying Qualifying Partners in early January 2022, such as excluding non-complying Qualifying Partners from being eligible for any new investment, or the ability to apply for new funding.

If a Qualifying Partner has not complied with the Policy by 30 June 2022, Sport NZ may, in accordance with the Relationship Agreement, reduce any payments due in July 2022 for qualifying investment (Sport NZ Partnerships, HPSNZ Tier 1, 2 & Campaign), by 10%. In addition, if the Qualifying Partner has not complied with the Policy by 30 September 2022, Sport NZ may reduce payments due in October 2022 in the same way.

Sport NZ will consider escalating the consequences if a Qualifying Partner has not complied with the Policy by 31 December 2022.

Ultimately, Sport NZ hopes that with the appropriate support, all boards can experience the benefits of having a gender diverse governance board.

### **How does this align with the Governance Mark?**

A core function of boards is to consider issues from a range of perspectives. Diversity supports this function. The Governance Mark process looks for evidence of diversity, as part of the director recruitment process.

Commencing January 2022, compliance with the Policy will form part of the mandatory foundation requirements for the Governance Mark.

### **How is it that a minimum target for self-identified women is not anti-discriminatory yet the same target for self-identified men is?**

This Policy is about equity and diversity, and that does not always mean treating different groups in the same way. There has not been a shortage of men across play, sport, and recreation boards in the past, but the same cannot be said of women. Accordingly, the mandatory aspect of this Policy is focused on self-identified women, but the Policy does still encourage gender equity and diversity generally across boards.

### **What does a Qualifying Partner mean?**

A Qualifying Partner means those which receive more than \$50,000 in any 12-month period commencing on 1 July 2020 or in any subsequent year, under Investment Schedules of the Relationship Agreement.

### **What is the legal advice for organisations when advertising for individuals of one gender or ethnicity when filling positions?**

All organisations are prohibited from discriminating in 'employment', which has a specific meaning under the Human Rights Act. While board members will not typically be employees in the usual sense, they may be employees for the purposes of the Human Rights Act, as the definition covers contract and unpaid work. Organisations therefore need to be mindful of the rules against unlawful discrimination when advertising for and appointing new board members.

Policies and systems that promote diversity generally are lawful. As such, it is lawful and appropriate in Sport New Zealand's view to apply 'enhances diversity' as an express criterion when selecting board members, for the reasons that it promotes good governance and demonstrates a commitment to diversity and inclusion at a leadership level.

In some circumstances, organisations may also be able to advertise for a candidate from a particular group,

such as someone of a particular gender, age bracket or ethnicity. Greater care is required here however, and organisations may want to seek further advice as to their circumstances. Generally, it will be permissible to advertise and appoint in this way where it is necessary to ensure equality - so called 'positive discrimination'. If for instance women or youth have been and are heavily under-represented on the board, it will probably be lawful to advertise for female applicants or applicants below a certain age. The position is less straightforward for candidates of a certain ethnicity. Applying the first approach mentioned - where 'enhances diversity' is a criterion - may be the better approach practically.