

A photograph of four people sitting around a wooden table outdoors at a tennis club. An older man with white hair is on the left, looking towards the others. A woman with blonde hair and sunglasses is in the center, writing in a notebook. A woman with short brown hair is on the right, gesturing with her hand while talking. Another woman is partially visible on the far right. A laptop is open on the table. In the background, there is a tennis court with a net, a fence, and trees under a blue sky with some clouds.

A SELF-SERVICE GUIDE TO CLUB GOVERNANCE

*Set excellence with the right structure,
leadership and plan*

INTRODUCTION

Governance has become a focal point for organisations in both the commercial and not for profit sectors.

Sports organisations, including tennis clubs, need to ensure they work cohesively to be compliant, resourceful and sustainable. You need to have the right people in the right place with the right plan, and this self-service guide has been produced by the LTA to enable tennis clubs to set excellence in governance, leadership and management. Your club is unique, so use the LTA's expertise to develop your own governance strategy to serve and protect your greatest asset, your club community.

This guide provides clubs with the following:

- Key benefits of good governance
- Practical guidance that helps clubs to;
 - Adopt the right legal structure
 - Get the right mix of people
 - Develop a strategic plan
 - Understand finance and tax
 - Manage risk effectively
- Additional areas of compliance
- Further support

THE KEY BENEFITS OF GOOD GOVERNANCE

Governance is how the people in an organisation come together, aligning systems, processes and policies in order to be fit for purpose.

Strong governance ensures your tennis club is professionally managed, safe and compliant with its legal obligations. A well-run club will attract and engage members and players.

It is important that an organisation is sustainable, remaining strong for future years, so clubs need to capitalise on the skills found within the club community. Everyone should be valued, but no-one should be irreplaceable.

Good governance can help an organisation to:

- Focus on club priorities
- Meet funding criteria
- Engage a strong team of volunteers
- Manage risk and protect members, volunteers and visitors
- Create a sense of pride in the community
- Meet a range of specific compliance standards
- Build relationships with external parties

Note that many commercial sponsors or funders will require organisations to meet minimum governance and legal standards to protect their investment.



ADOPTING THE RIGHT LEGAL STRUCTURE

It is vital to remember that a tennis club should be treated like a business, meeting its responsibilities and financial and legal commitments. Running a club may seem daunting and time-consuming, particularly for volunteers, but this section will help you make informed decisions in your club's best interests.

The first task is to review the legal status of the club to suit the needs of its members and community. There is no 'correct' or 'standard' way. Tennis clubs are diverse in terms of facilities and income, so take the time to consider which structure will be best for you.

Your tennis clubs legal structure:

- Determines whether your club is a separate legal entity or not
- Impacts members' liability
- Must meet certain rules and criteria – possibly legal requirements
- Has financial implications
- Can influence the appeal of your club to potential funders

The most common legal structures for tennis clubs are:

- Unincorporated
- Incorporated
- Registered charity
- Incorporated charity

Note: both incorporated and unincorporated structures can have HMRC approved status under CASC. There is more information on CASC below.

Whatever legal structure you think is best for your club, make sure you understand the implications and expectations by reading this section thoroughly. We would recommend taking independent legal advice before changing your existing structure.



UNINCORPORATED VS INCORPORATED

Clubs that are incorporated become separate legal entities which mean club members are not personally responsible for its debts and legal agreements and are therefore protected. This is not the case for unincorporated clubs.

UNINCORPORATED ASSOCIATIONS

An unincorporated association is suitable for smaller or informal clubs looking for a simple way to structure themselves. Typically, these clubs are formed and run as a group of like-minded individuals with common rules or club constitution. For example, they would not employ staff, own significant assets or enter into major contracts.

Advantages

- Unincorporated associations benefit from minimal administration and do not have the same legal and administrative obligations that companies have, unless they are a charity.
- More flexibility – the rules of an unincorporated association do not have to follow any protocol. They just need to be lawful and able to be easily updated.

Drawbacks

- An unincorporated association is not separated from its members in legal terms. Committee members will have to enter into contracts, or hold assets, in their own capacity on behalf of the club.
- In the event of a claim against the club or breach of contract, members of the committee or wider club could be personally liable.
- As assets are held by individuals on behalf of the club, they must be transferred if that person leaves the club. This can be particularly awkward should an asset-holding individual pass away and their interest moves into probate.

Note: If you want to enter into contracts and limit members' liability, then you should consider becoming incorporated.

INCORPORATED ORGANISATIONS

An increasing number of clubs are choosing to separate their legal identity by becoming incorporated. This structure is well suited to clubs operating on a non-profit making basis where membership changes regularly. The LTA recommends this approach to protect the committee and members. Below is an overview of the more common options.

COMPANY LIMITED BY GUARANTEE

A club set up as a company limited by guarantee will be owned by its members. However, the incorporated club will have a separate legal identity allowing it to enter into contracts in its own right. Members agree to pay a minimal amount if the club becomes insolvent to limit their liability. Members are entitled to attend members' meetings and vote, which includes appointing and removing directors.

A club set up as a company limited by guarantee will be governed by its articles of association.

Advantages

- Separate legal entity enabling the club to enter into contracts and hold assets or investments in its own name (as opposed to a member's name)
- Limited liability so members and directors are protected if the club becomes insolvent or claimed against, provided the directors have been compliant with company law requirements. They are only required to pay a very small agreed sum (typically £1)
- The club rules can sit outside and separate to the articles, which depending on the articles will allow regular change without an AGM.

Drawbacks

- Additional administrative work including filing annual accounts, confirmation statements and providing directors' information to Companies House. Missed deadlines incur fines
- This administration will have some additional costs, especially if your club would require professional help to meet the reporting standards, and missed deadlines will incur penalties.
- Articles will need careful drafting to protect the club and its assets
- Certain charitable funding and grants is only available to charitable entities.

The 'set up a business' section on gov.uk has more information regarding the ongoing requirements.



COMPANY LIMITED BY SHARES

Community tennis clubs typically do not opt to be a company limited by shares. It is similar to a company limited by guarantee but owned by its shareholders. This structure may be used where a club investor wants to retain ownership.

COMMUNITY INTEREST COMPANY (CIC)

A company (limited by guarantee or shares) can apply to become a community interest company (CIC) if they can demonstrate their community benefit.

Advantages

- Members enjoy limited liability
- It provides a clear, limited company structure for clubs wanting to be seen as social enterprises rather than charities.

Drawbacks

- CICs must meet certain requirements which set out how assets can be used
- Admin requirements with no tax reliefs
- Cannot be a charity but exists to benefit the wider community by trading to make a profit.

COOPERATIVE AND COMMUNITY BENEFIT SOCIETIES

These types of structure were known as industrial and provident societies (IPS) in the past. They provide a separate legal identity for the club and offer protection to members, but for many tennis clubs a company limited by guarantee is preferable as it is more straightforward to set up and is more widely recognised by third parties (e.g. banks, local authorities).

CHARITABLE INCORPORATED ORGANISATIONS (CIO)

A charitable incorporated organisation (CIO) combines the benefits of being incorporated with charitable status. This structure is appropriate when all of the club's income is to come from gifts and grants.

A CIO is a simple way for a charity to trade (although trading for a profit would still require a trading arm). CIOs are regulated by one body – the Charity Commission – making for simpler administration. In contrast, a club set up with charitable status has obligations to both Companies House and the Charity Commission.

In order to register as a CIO, the objects must be exclusively charitable and meet the public benefit test. However, fundraising would be restricted if the club wanted to develop property or land that could be borrowed against.

ADOPTING A CHARITABLE STATUS

Adopting charitable status may benefit your club, but you will need to meet certain rules to be eligible as well as submit annual reporting.

Most tennis clubs, including those set up as unincorporated associations, companies limited by guarantee and community benefit societies, can apply for charitable status. Charitable incorporated organisations by default have charitable status.

However, community interest companies and non-charitable community benefit societies (they exist to benefit the wider community by trading to make a profit) cannot apply for charitable status.

COMMUNITY AMATEUR SPORTS CLUB (CASC) STATUS

The CASC scheme provides a number of charity-type tax reliefs to support local sports clubs. To qualify, clubs need to be open to the whole community, set limits on the costs for members, be organised on an amateur basis and meet requirements on participation and income generation. An incorporated structure can also be registered for CASC.

Advantages

- Mandatory 80% relief from business rates
- Exemptions from Corporation Tax and ability to generate income through the Gift Aid scheme

Drawbacks

- HMRC requirements for CASC status may vary from club to club and change over time

You need to register as a CASC with HMRC. Note that a registered CASC can't be recognised as a charity for tax purposes.

Tips for making changes to your club structure

- *set up a sub-committee to oversee the change*
- *contact the LTA legal & tax helpline for free independent advice*
- *notify members at an AGM or EGM, as approval is needed*
- *review your existing constitution in relation to your chosen structure*
- *develop articles of association to be approved by members*
- *review lease terms*
- *transfer assets and liabilities between old and new club*
- *update your bank accounts and any other accounts*



GETTING THE RIGHT PEOPLE

Every successful tennis club needs great people to run it, whether they are volunteers or are paid.

Whatever the size or structure, every club will have a management committee that should make decisions in the best interest of members. The management committee will typically consist of a chairperson, secretary, coach, treasurer and other roles that offer a broad and fair representation of members.

The management committee can have variations of that title, but within this guide it means the strategic decision-making non-executive function at the tennis club. This section provides some key points for consideration when appointing people at your club.

top tip

A management committee should make decisions in the best interests of members



AN EFFECTIVE COMMITTEE PUTS THE COMMON GOOD BEFORE THEIR OWN

The size of the committee will be a balancing act, keeping the numbers manageable and ensuring diversity whilst having enough hands to implement the club's strategic plan. Typical committees are formed of 5-10 people and need:

- Clear terms of reference and roles
- Clarity in the division of responsibility between paid management and the committee
- Team members recruited on their skills/strengths
- Diversity, inclusivity and representation of all members' interests (e.g. fitness, squash sections)
- Effective policies and procedures
- Hold the executive (or paid staff) to account on behalf of members

In addition to the main management committee, a number of sub-committees or working groups are often set up to support projects. The chair of the sub-committee should have direct access to the main committee. Other volunteers may also engage in club activities on an ad-hoc basis such as for development projects and events.

TERMS OF REFERENCE

The committee and related sub-committees need a vision and goal(s) that clarify the committee's purpose and activities. Clear terms of reference should:

- Set out the committee's structure, including roles and how people are recruited
- Define the limits of responsibility and authority
- Highlight the accountabilities of all members (whether voluntary or paid)
- Include reporting frameworks that ensure there is oversight by the management committee and transparent communication between sub-committees and members
- Define minimum and maximum terms of office
- Templates including Volunteer Role Descriptions are available on the LTA Website

ROLE DESCRIPTIONS

Ensure each committee role has a written description of requirements and skills needed, suitable for a volunteer. A role description typically includes:

- Title of role
- Objective(s) of role
- A broad outline of tasks and activities and time commitment
- Skills and knowledge needed
- Where/how the volunteer can obtain support



VOLUNTEER AGREEMENTS

Alongside a role description, some clubs put in place a volunteer agreement setting out the code of conduct and how the club agrees to support them in return. This would include mutually agreed expectations from both parties such as:

- The code of conduct (behaviours) relevant to the venue
- The arrangements for an induction, training and support
- Process for reimbursing out-of-pocket expenses
- Insurance cover and health and safety protection
- Relevant policies and procedures

top tip

When recruiting volunteers, think about their possible motivations and barriers and try to address these. Don't be afraid to approach someone who you think would be great for a specific role

RECRUITING

Successful clubs are run by committed and motivated people with a diverse range of skills, experiences and backgrounds who work well together and whose characteristics will complement each other.

Assigning the right people to the right roles can be a challenge. It's important to take time to recruit people who can deliver against the terms of reference and who meet the requirements set out in your role descriptions and the outline mission of the club. Word of mouth often proves to be the most successful method of recruitment.

Get to know your members to determine the roles most suitable for them. In addition, ensure your committee has:

- Good listening, communication and analytical skills
- Ability to demonstrate club values
- Integrity, confidentiality and fair judgement

SUPPORTING AND RETAINING

More people volunteer in sport than in any other sector, and tennis wouldn't run without their valuable support. However, sports volunteers need looking after because there's a greater chance they can feel undervalued, unrecognised or have had poor experiences in other voluntary environments. It's therefore critical to properly support tennis volunteers, including your committee.



WAYS OF WORKING

A key feature of successful clubs is the ability of its volunteers, coaches and any staff to work cohesively together. Whilst the size and make-up of the team will vary, there are a number of key elements that characterise all successful teams:

- An elected chairperson
- Inductions/handovers to roles as well as relevant training
- A clear strategic plan including budget
- Core policies and procedures
- Meeting rules or code of conduct that empower the chairperson appropriately
- A sub-committee to oversee audit and risk, including at least one external and independent accountant
- Periodic review of committee performance and successes, involving external input where possible
- Minimum/maximum terms of office for key roles
- A diverse nominations committee to identify and attract representatives based on skill
- Conflict of interest policy to ensure that decision-making is not unduly influenced
- A clear and fair complaints procedure
- Knowledge of the club's terms of lease and a good business relationship with the landlord where applicable

COMMITMENT / SUCCESSION PLANNING

Some clubs set a maximum length of service for a role to keep talent and ideas fresh and reduce the burden of responsibility on any one individual. A few suggestions for consideration:

- Fixed terms (e.g. three years) could be considered for some key roles
- Encourage committee members to find someone who could support their role and subsequently take it on
- Explore the use of a "buddy" approach for new joiners to roles
- Consider making a skills inventory of club members to help with succession planning and identify people you may wish to approach to join in
- Encourage volunteers leaving roles to have a handover period and provide checklists/notes on how to undertake specific tasks
- Consider a role of 'chairman elect' in the final year of the current chairman, for a smooth transition
- Show appreciation for volunteers

DEVELOPING A STRATEGIC PLAN

Developing a strategy with clear action plans set by the management committee has significant benefits:

- Maps the future and supports growth
- Provides transparency for members, staff and potential funders
- Aligns staff and volunteers to a clear course of action
- Supports and encourages collaboration
- Enables the management team to effectively monitor progress
- Develops succession planning

WHAT IS A STRATEGIC PLAN?

This is a long-term master plan. It is high level and does not focus on the detail, but instead focuses on the key priorities and themes for achieving those objectives and priorities. When creating a strategic plan, it is good practice to:

- Seek input from a range of people including members, volunteers and coaches
- Have challenging but realistic ambitions
- Be open and honest about current reality and not preoccupied with the past

SITUATIONAL ANALYSIS

It is important to be innovative and not limited by current ways of working. Before starting from scratch or throwing out your existing plan, it is worth mapping out the current state of play. There are a number of key factors to consider:

- SWOT (strengths, weaknesses, opportunities and threats)
- Operational analysis, including planning for facilities and equipment maintenance
- Membership analysis
- Competitor analysis, including identifying potential markets

This situational analysis is critical to be able to make informed decisions based on data and evidence, replacing personal views with facts. Armed with this background information, it is much easier to start reviewing your existing strategy or writing a new one. A strategic framework can help with structuring this task.

top tip

Without a strategy, the club may struggle to innovate and adapt, or even start to decline

A STRATEGIC FRAMEWORK ENCOMPASSES:

- Vision
- Mission
- Core areas of work and aims
- Values

VISION

A vision is the long-term change an organisation would like to see if its work is successful. A vision should motivate and enable individuals to clearly envisage how their effort contributes to an overall inspirational purpose.

MISSION STATEMENT

The mission statement should clearly define the purpose of an organisation. It is a short, formal statement about what the organisation aims to do and why it is trying to do it. It is the reason the group or organisation exists and helps to keep everyone involved in the organisation focused.

Example: to provide a first-class tennis facility for all ages and skills, where coaching and competitive play encourage players to reach their tennis potential.

CORE AREAS OF WORK AND AIMS

Identify the core areas of work within the tennis club and formulate an aim for each one, for example:

Core area = membership

Strategic aim = increase the number of members

- Agree who is accountable
- Set SMART goals to achieve your aims (specific, measurable, achievable, realistic, timed)
- Develop initiatives to achieve your goals
- Decide how you are going to measure success via key performance indicators (KPIs) for each aim

VALUES

Values are beliefs that are shared among the stakeholders of the tennis club. Values drive the club's culture and priorities and provide a framework in which decisions are made.

For example: our club is inclusive, friendly, ambitious, social and nurturing

PUTTING THE PLAN INTO ACTION

As mentioned, a strategy usually takes into account a relatively long-term view, typically up to five years, and addresses broad areas of activity. Typically, a strategy will be “owned” by the management committee who will be accountable for delivering it. Creating a strategic plan will essentially be asking three key questions:

- Who is responsible?
- What does success look like?
- How will we measure success?

Implementation of strategy is achieved through putting in place shorter term plans (often in 12-month cycles), securing the right resources in the form of people and funds to deliver the plan.

The strategy is broken down into more tactical projects that contribute to the overall goals. Each project needs an owner or manager and usually a small team to help with delivery from start to finish. Identification of key roles, responsibilities and timings is key to bring the projects together successfully.

REVIEWING THE PLAN

Identifying key measurements or metrics helps to focus resources or expenditure and analyse progress. Tennis club metrics include membership numbers and participation levels, profitability of tennis programme and member satisfaction. Performance management is also a critical part of the planning process and, depending upon the size of operation, we would suggest considering the following initiatives:

- Review any employed staff work programmes alongside the strategic themes and link them to appraisals
- Consider training and education needs to support the delivery of the plan
- Agree when you are going to monitor progress. Ideally this should be at every committee meeting and the strategic themes should be the main content for the meeting
- Decide on clear timeframes for reviewing the strategy

top tip

An annual review is recommended, and the strategic plan should be readily available and reflected in every decision made

FINANCE AND TAX

Tennis clubs will need to comply with rules for VAT, Corporation Tax, business rates and employment taxes.

Taxation can be a complex and challenging area for tennis clubs, particularly for volunteer-run clubs. However, non-compliance can lead to repercussions including both over paying and under paying HMRC (resulting in tax assessments, plus interest and penalties), and committee officers and club members potentially facing liabilities on behalf of the club. If you are working on a major project within your club, we advise developing a sound business plan to ensure the project meets your club's objectives and is within your financial capabilities.

Understanding what you need to know about tax is the first step in making sure your club meets its obligations. It can be a daunting subject but one that you cannot afford to ignore.

This section provides an overview of different taxes most relevant to tennis clubs to help you understand the basics but is not intended to be a definitive overview. The LTA encourages tennis clubs to seek professional advice to ensure that they comply with their tax obligations.

Associated with your tennis club's taxation status and requirements is the legal status and structure of your club (i.e. whether your club is incorporated or unincorporated). This guide also provides guidance on legal structures and status that you may find useful to read in conjunction with this advice.

TYPES OF TAX

The following forms of tax are typically relevant to tennis clubs:

- VAT (Value Added Tax)
- Corporation Tax
- Business rates
- PAYE and NIC

VAT (VALUE ADDED TAX)

It is important to understand VAT in relation to your club. You may be familiar with VAT from paying bills or buying goods at your tennis club. If your tennis club is VAT registered, then you will charge VAT in relation to some of your business transactions. VAT is a tax on transactions, not on profits, and is payable at the current standard rate of 20% on goods and services, unless there are certain exemptions which apply to the supplies.

VAT is often a significant cost for clubs, either because they are not registered (if their taxable turnover does not exceed the compulsory registration threshold which is currently £85,000 p.a. and/or they have not registered voluntarily) or even if they are registered because not all of their income is taxable and therefore recovery of VAT on purchases is restricted. Regarding the latter, tennis clubs will need to deal with electronic filing of VAT returns, record keeping and the additional administration which VAT brings.



REGISTERING FOR VAT

Registration is mandatory for clubs with taxable income (e.g. bar sales in your club) over the annual threshold. This is currently £85,000 p.a. but is subject to change, so needs to be checked in particular given that the test applies at any given time by reference to the previous 12 months' turnover. You can also 'voluntarily' register for VAT even if your taxable supplies are less than the threshold. Whilst this means that the club would need to charge, and account to HMRC for, 20% VAT on your taxable supplies, it also means that the club would be entitled to reclaim the VAT on your purchases (subject to VAT recovery rules).

For example, if a tennis club has some taxable sales under the threshold, it may consider voluntarily registering for VAT when the club has received significant funding to develop its facilities (clubhouse, courts etc.) and wishes to recover a proportion of the VAT incurred on the construction costs.

Clubs can register for VAT through the HMRC's online application portal. Typically, you will be expected to complete and submit a VAT Return to HMRC every quarter, although you can request to submit monthly returns.

HMRC now requires all VAT registered organisations to use digital software to manage their financial records and make VAT returns to HMRC online. You will need to ensure that bookkeeping software you use is compatible with the HMRC systems.

RECOVERING VAT FROM PURCHASES

A VAT registered club can recover the VAT incurred on purchases and transactions that the club is charged VAT on that directly relate to your taxable supplies.

For example, the tennis club could recover the VAT for purchasing bar stock that is then sold, whilst the club would in most cases be unable to recover VAT on tennis nets as this would not directly relate to your taxable transactions. If the purchase VAT cannot be linked back to your club's VATable sales, it must not be reclaimed from HMRC.

However, there are costs and overheads that are partially recoverable, but in most cases calculating this is likely to require professional advice and support.

What supplies and transactions are taxable? If your tennis club is VAT registered, then you must charge VAT on all of your taxable supplies and transactions. This includes:

- Business sales (the goods and services that you sell, e.g. bar sales, catering etc.) www.gov.uk/guidance/clubs-and-associations-vat-responsibilities-notice-7015
- Items sold to staff (refreshments, clothing etc.)
- Business goods used for personal reasons

VAT is not charged on items and transactions that are classified as 'exempt.' This might include:

- Coaching lessons provided by the club
- Hire of equipment
- Sports venue hire (providing it is hired for sporting purposes and not functions or parties etc.)
- Competition entry fees
- Membership fees

CORPORATION TAX

Tennis clubs are subject to Corporation Tax, whether your club is incorporated or unincorporated. If your club trades and makes a profit, then you will be required to file a Corporation Tax return and may need to pay Corporation Tax.

Income from members (such as membership subscriptions or bar income) where the club is not seeking to make a profit and any surplus is used for the members' benefit, is generally exempt from Corporation Tax. Other income that may be taxable includes:

- Trading income from non-members (e.g. bar sales)
- Investment income (e.g. bank interest)
- Property income (e.g. rent received)
- Chargeable gains (e.g. on the sale of land)
- Sponsorship

Clubs which have Corporation Tax to pay must:

1. Self-assess their Corporation Tax liabilities
2. Register with HMRC for this purpose
3. File a Corporation Tax return online and pay the due amount nine months and one day from the end of their accounting year end.

Failure to do all these things may result in interest charges, backdated tax bills and penalties. HMRC will conduct periodical audits to ensure Corporation Tax compliance is done accurately. The current Corporation Tax rate is 19% on all taxable profits.

Income or gains may be offset by certain reliefs or allowable expenses.



top tip
Income or gains may be offset by certain reliefs or allowable expenses

BUSINESS RATES

Business rates are a tax on non-domestic properties and land. Tennis clubs will usually have to pay business rates if the club occupies property and land under a freehold or leasehold. Business rates help pay for local services and are collected by the local authority. Business rates are often one of the most expensive outgoings for a tennis club and so it is important to understand the issues.

The Valuation Office Agency (VOA) assesses each property and provides a rental value for each site.

Currently, you will not have to pay business rates on a property with a rateable value of £12,000 or less which is excellent news for many small and medium-sized tennis clubs. For properties with a rateable value of £12,001 to £15,000, the rate of relief will go down gradually from 100% to 0%.

It is also worth noting that if a club is a community amateur sports club (CASC) or a charity, they gain an 80% mandatory rate relief. Relief on a discretionary basis may also be granted by contacting the department responsible for business rates at the local authority.

Tennis clubs are encouraged to manage their rates bill by undertaking the following steps:

1. Review your current bill and how this is calculated to make sure you aren't being overcharged. Consider appealing the rateable value given to the property by the VOA if you believe it is too high. You may require professional advice if this is an action you are seeking to pursue.
2. Be aware that if you are considering making improvements to your club's facilities, such as new floodlights or a clubhouse extension (or have already done so) this may impact on your rates bill. You should include any projected rate increases into your longer-term budget.
3. Explore whether there are reliefs available that your club can access, particularly from your local authority.

Find further information on business rates and check your club's rateable value by searching for VOA on gov.uk

PAYE & NICs

Pay As You Earn (PAYE) is the system that HMRC uses to collect income tax and National Insurance contributions (NICs) from employees. If your tennis club has employees, you may have to deduct income tax and NICs from their pay each pay period and may also have to pay employer's NICs, an additional cost to the club.

Managing PAYE and NICs can be an administrative challenge for tennis clubs, particularly for those with limited experience in this area. Clubs with employees will be required to:

1. Collect and account for income tax and NICs under PAYE to HMRC
2. Complete forms and returns including those relating to employees' expenses and benefits
3. Ensure that employees are paid in accordance with the national minimum wage rules
4. Keep adequate records, deduct the correct amounts, complete the relevant forms and establish procedures to do this accurately and on time
5. Complete payroll using the HMRC's PAYE online service.

It is important that clubs take PAYE and NICs seriously as it can result in financial penalties.

EMPLOYMENT STATUS

One of the most important and difficult issues for tennis clubs is determining whether someone who your club engages (e.g. a coach, member of bar staff or groundsman) is a volunteer, worker, employee or working on a self-employed basis. Status depends on the true nature of the relationship, the duties undertaken and the frequency of work carried out. It is important to consider employment status as it will have implications for tax and NICs. An individual's true legal status will also dictate the scope of their legal rights including the right to receive the national minimum wage.

Clubs and coaches can use an anonymous online HMRC service to find out if a worker on a specific engagement should be classed as employed or self-employed for tax purposes:

[gov.uk/guidance/check-employment-status-for-tax](https://www.gov.uk/guidance/check-employment-status-for-tax)

Finally, below is recommended best practice regarding finance and tax:

- The management committee should review management accounts on a quarterly basis (at least)
- These should be compared against a budget or forecast to ensure expectations are being met
- There should be clear payment authorisation procedures
- Annual accounts should be reviewed by a third party to give members comfort of financial propriety
- Funders for previous development projects may have financial performance covenants that need meeting. Identify those where necessary and ensure compliance.

Note

This is a brief introduction and overview into the complex world of taxation. It is by no means intended to be a definitive guide, and we encourage you to undertake further research and seek professional advice to ensure that your tennis club is meeting its tax obligations and maximising any reliefs or benefits available. Please visit the HMRC website for more information on the tax areas discussed above. At the end of this guide, you will find details on how to get further support from the LTA.

MANAGING RISK EFFECTIVELY

Managing risk means reducing the likelihood or impact of any identified risk and/or putting in place process, procedures and contingency plans. It is vital to ensure that your club facilities and equipment are safe for all users including your members, volunteers, staff, coaches and visitors. Include risk as an agenda item at every committee meeting.

The process of identifying, assessing and controlling threats includes those that pose a risk to your club's capital and earnings. These could stem from a wide variety of sources including financial uncertainty, legal liabilities and accidents. Consider the risks relating to your lease agreements, data capture and management process, succession planning (for key roles such as club manager and chairman) and exposure to fraud.

The LTA require all registered clubs to complete an annual online risk assessment to validate their public liability insurance cover. However, risk assessments should be regularly reviewed depending on a number of factors such as type of group, venue or equipment used.

In addition to the formal risk management requirements, common sense is essential. Strive to minimise or eliminate risk as part of day-to-day operations at the club by reminding people of hazards, either verbally and/or by displaying important safety information.

For example, before the start of a coaching session, all risks should be recorded and addressed. If the risk cannot be eliminated in time for the session to begin then this may require the session to be cancelled, if the risk is deemed quite likely and/or serious. If the risk is addressed or the likelihood is minor, then it will be the judgement of the coach to decide whether the session can run safely, informing participants (or parents) of the risk, such as reminding players that the court may be slippery.

Risk management is an on-going responsibility and this guidance provides some key pointers.

WHAT ARE THE BENEFITS OF RISK MANAGEMENT?

Identifying and managing the risks that a club may face ensures that:

- Risks are monitored, enabling the club to make informed decisions and take timely action
- The club makes the most of opportunities and develops them with the confidence that any risks will be managed
- Strategic plans take risks into consideration

The first step in managing risk at your club is to undertake a risk assessment, a straightforward review of the venue, equipment and activities to check that they are fit for purpose and appropriate.

WHAT SHOULD A RISK ASSESSMENT INCLUDE?

- Identification of any unsafe conditions
- Outline actions required to resolve or manage the risk, prioritising the most serious issues first
- Identification of the person responsible to resolve, along with the target date for completion
- Reassessment to ensure corrective action was successful



RISK REGISTER

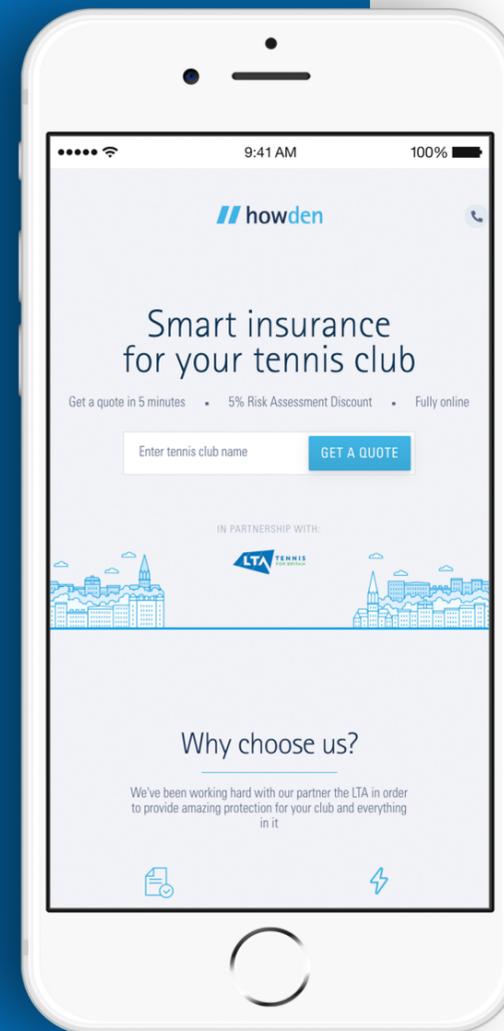
A risk register is a log or a list of all the identified risks, their severity and the actions or steps to be taken. The LTA online risk assessment tool helps clubs to carry out a comprehensive risk assessment of the facility, and also provides a report which can form the basis of the club’s overarching risk register – see example below.

This report forms a framework that can present a great deal of information in just a few pages and capture problems that threaten the success of the club and safety of people. Reviewing the risk register should be a standard item on the management committee’s meeting agenda, even if there are limited issues to address.

What are the hazards?	Who might be harmed and how?	What are you already doing?	Do you need to do anything else to manage the risk?	Action by whom?	Action by when?	Done
i.e. Changing Rooms	Members, staff and visitors might be injured in changing rooms as a result of a slip or from using contaminated shower facilities	<ul style="list-style-type: none"> - Regular, documented cleaning programme is in place to ensure that floors are kept clean and dry - Documented maintenance programme is in place to ensure that benches, cubicles, lockers and floors are in good condition - Staff are trained on COSHH regulations to ensure that all cleaning substances are used, handled and stored correctly and safely - Shower heads are regularly cleaned to prevent the risk of Legionnaires Disease - Signage clearly highlights wet areas where slippage risk is higher 	Put signage in place advising members and visitors to take care and instructing them who to advise if a repair is needed	Club Manager	30.04.2019	Complete

top tip

Reviewing the risk register should be a standing item on the management committee’s agenda



In addition to the LTA’s risk assessment tool and comprehensive insurance package, which covers public liability, employer’s liability, directors and officer’s liability and abuse liability, it is also important to get additional cover for areas such as property and contents, courts, equipment and cyber. The LTA have negotiated excellent rates through Howdens for these additional services, with further discounts available for those scoring well on their risk assessment.

HEALTH AND SAFETY TIPS

Whilst risk assessments will cover health and safety hazards, below are a few practical tips to create a safe environment at your club:

- Ensure fully trained first aiders are on site during opening hours
- Regularly check fire alarms and extinguishers and record alarm practice procedures. This can be critical in the case of insurance claims
- Ensure all accidents are recorded and, where necessary, reported to the HSE under RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013). The committee should be made aware of such accidents

Finally, it is imperative to keep on top of managing risk at your club. Make sure you continue to monitor and take action on known risks and your members know who to report potential risks to.

ADDITIONAL AREAS OF COMPLIANCE

There are a number of additional policies and procedures that ensure the healthy and effective running of a tennis club. Some are mandatory (legal) requirements, but all are recommended.

SAFEGUARDING

As the governing body of tennis, it is the LTA's duty to promote the safety of all those who play, volunteer and support tennis in this country. The LTA is therefore committed to supporting, enabling and protecting registered venues by ensuring that these standards are upheld.

To be eligible for LTA venue registration, venues are required to meet the following standards:

1. Have a Safeguarding Policy and Procedures document that has been clearly communicated and implemented at the venue.
2. Have a Diversity & Inclusion Policy and Procedures document that has been clearly communicated and implemented at the venue.
3. Have a Welfare Officer who has undergone the necessary training and is engaged in their role.
4. Ensure that people in certain roles within the venue have completed a satisfactory Criminal Records Check.
5. Have completed an annual Risk Assessment of the venue and its facilities.
6. Ensure that any coaches qualified to Level 3 or above standard are LTA Accredited or Accredited+.

By registering with the LTA, you have committed to adhering to these Safeguarding Standards. Specific guidance around each of these standards is available on the LTA website.

Failure to adhere to these standards could lead to the removal of your Venue Registration and associated benefits of membership, including insurance and management software.

The LTA Safeguarding Team are here to help. If you have concerns, or wish to report anything, you can use our online form or call the LTA on 020 8487 7000 (Monday-Friday, 9am-5pm). For further enquiries please email the Safeguarding Team at safeguarding@lta.org.uk.



GDPR

The General Data Protection Regulation (GDPR) protects all citizens from privacy and data breaches. It impacts all organisations including tennis clubs and their volunteers, staff and coaches. It affects how organisations collect, use and store an individual's data. Tennis clubs and coaches are encouraged to review and amend their data processes in order to ensure that they are compliant with the new regulations and to avoid potentially significant financial penalties. Staff with access to members' data will need training as to their data protection responsibilities and your club will need to carry out a data audit and create basic privacy policies. The LTA provides guidance and handy templates for clubs relating to GDPR.



DIVERSITY AND INCLUSION

Equal opportunities into volunteering, as well as membership, should be applied. It's important to have a management committee that is reflective of your membership and of the local community. It is not always easy to encourage people to volunteer from every group, but by actively encouraging input you will become a more inclusive, forward-looking and sustainable venue.

Ask volunteers and staff if they have any individual needs that the club can help with. For example, can the club make reasonable adjustments to ensure a volunteer with disabilities has the best possible experience? Do any volunteers have religious requirements or caring responsibilities? If you feel your club lacks confidence or knowledge of equality, diversity and inclusion issues, you can access information and online training through the LTA safeguarding page.

COMPLAINTS POLICY

Problems can arise within clubs and between members but where good procedures are in place, problems may get solved without prolonging the difficulty. However, members, volunteers, staff and coaches need to feel complaints are handled with sensitivity, and that they receive a fair hearing and that procedures are followed.

WHISTLEBLOWING

The LTA has an external provider to report and whistleblowing concerns, and this information should be included in handbooks and communicated appropriately. Contact the LTA for further information.

CONFLICT OF INTEREST

It is natural for a conflict of interest to occur amongst committee members at times. A conflict of interest policy sets out the process for managing this to ensure that decision making is not unduly influenced. Typically, early on in the committee meeting, the chairman will ask if any members have a conflict of interest regarding items on the agenda.

EXPENSES

Consider the club's position (often defined in the club rules or articles) on whether or not to pay out-of-pocket expenses to volunteers, and under what circumstances. The decision to pay expenses is entirely at the discretion of the club but should be clear and consistent. If you do pay expenses, it's important that expenses are not paid at a flat rate (i.e. giving a set amount of money each time someone volunteers) to avoid any doubt over whether they are being paid as an employee.



FURTHER SUPPORT

Our dedicated delivery network is on hand to provide expert advice regarding the running and operation of your tennis facility including good club governance and management and workforce development. If you don't already know your local County Association representative or regional delivery team contact, please find out more at lta.org.uk/about-us/contact-us/

In addition to our local delivery network, we have a dedicated LTA legal & tax helpline operated by a leading commercial law firm. They can provide valuable guidance and advice on the following topics:

- Governance and Incorporation
- Contracts
- Tax Treatment and Advice
- Employment Law
- Property Law
- Disciplinary and Safeguarding Regulations (including equality, diversity and inclusion)
- Data Protection & GDPR
- Whistleblowing

Your simply need to call 03330 433 232 and quote your LTA Registration number.

RELATED GUIDANCE

The LTA's Self-service guide to bringing clubs and coaches together explains the key benefits of building professional relationships that work for club, coach and community. Successful collaboration creates a positive club culture along with financial gains, and this all starts with understanding the role of a qualified coach, adopting the right operating model, being clear on how to pay coaches and appointing the right coach. Read through this self-service guide to understand why clubs and coaches are crucial components of the tennis sector and how they must work in harmony to open tennis up across the nation.

