

Proposal 1 - Legal Responsibility and Accountability

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P1.1: Summary

This proposal provides changes to the M&AA to implement the structure necessary to ensure the BMC Executive/Board of Directors has appropriate Legal Responsibility and Accountability required for the BMC's continued legal operation.

P1.2: Change Proposed

The proposal comprises 4 elements, each of which it is proposed would be voted on at the AGM as separate Special Resolutions (requiring 75% approval of voting members).

1a. The good governance as recommended by the Independent Lawyers - It was identified that there are 10 ORG recommendations necessary for compliance with legal requirements and good governance standards. Of these 7 are implemented in these proposed Articles of Association

1b. To ensure the widest possible members engagement it is proposed that the following recommendation 38 is implemented. Proposed Article 14.13

1c. In line with the ORG recommendation 39 the numbers of members required to raise a resolution (Proposed Article 12.2) be increased from 25 to 100. This also aligns with the number of members required to call a General Meeting (Proposed Article 12.5, which is unchanged from old articles 50.2). This change is supported by the proposed Grievance Procedure.

1d. To implement the changes required by Sport England to comply with the Code of Sports Governance.

P1.3: How much will it cost?

1. The changes to AoA have cost be circa £8000 in legal fees.
2. To implement electronic voting, based on quotes received it would cost circa £8,500 per General Meeting based on 80,000 emails sent and up to 40,000 responses.
3. As Independent Directors are volunteers, there are no other additional costs to this proposal.

P1.4: ORG Recommendations addressed

No	Recommendation	NC comments and Notes
26	The Executive Committee should be restructured and renamed the Board of Directors	<ol style="list-style-type: none"> 1. Fin Dir may not be a member of staff. <i>The decision on a permanent staff role of Finance Director is deferred to Stage 2, so the Board composition will allow for an additional co opted director.</i> 2. Why funded partner on BOD? What if no funded partner? <i>The decision on Partner representation on the Board is deferred to Stage 2, so the Board composition will allow for an additional co opted director.</i> 3. How would we appoint NC Clubs rep? <i>The NC are responsible for the selection of NC members on the Board. The process for this selection will be defined in Stage 2.</i>
27	The BMC should appoint a Chair of the Board of Directors who is independent from the Members' Assembly	Agreed
28	The BMC should ensure that its Board of Directors has clear primacy, to ensure compliance with the Companies Act 2006	Agreed
29	The Board of Directors should establish a Nominations Committee and a Finance/Audit Committee	These are both formed, but there is a need to link Audit committee with the future Finance Director role
34	The BMC should retain the role of President, who chairs the Members' Assembly, however the role should be separate from the Chair of the Board of Directors	Agreed
36	The BMC should review Specialist Committees and Working Groups to clarify roles and ensure separation of policy-making and operational activities	Agreed, to clarify delegation of powers but any potential reorganisation of committees reporting lines and NC memberships was deferred until Stage 2.

No	Recommendation	NC comments and Notes
39	The BMC should introduce an effective process for members to raise grievances about the management of the BMC	Yes but we need to look at increasing thresholds to be more aligned with companies act (5%) so that there is a balance between members ability to raise grievances and not being too constrained by small group issues.

P1.5: ORG Recommendations not addressed in this proposal?

The ORG made 3 recommendations that were Governance related which the NC has decided will be reviewed in Stage 2. These are:

No	Recommendation	NC comments and Notes
31	In addition to publishing minutes (excluding any sensitive matters) after every meeting, the Board of Directors should produce a communiqué (summary of key themes and discussions), to be published on the BMC website	The new AA (para 23.14) does require publication, 'on request' but while the intent is to publish these publicly (on the website) the NC decided this should be part of Stage 2 to ensure the transparency and accountability of the board was delivered cohesively.
32	The Board of Directors must work with the Patrons to create a strong basis for working relationship and clarify the mechanism for bringing new Patrons into the organisation.	It was considered important that the process for appointing and working with patrons was not rushed so this recommendation was deferred for review in Stage 2. There is however a specific clause added to the AA (para 26.1) which allows the Board, in consultation with the NC, to remove a Patron where his action or conduct is detrimental to the company.
33	The National Council should be restructured and become the Members' Assembly, and its role redefined	While Board changes have redefined the role, the structure and name of the National Council are not critical to address legal accountability and responsibility and so are deferred to Stage 2.

No	Recommendation	NC comments and Notes
	Board Composition	<p>The Board will have 4 member elected posts, 1 ex officio and 7 others (4 x Independent Directors and 3 TBC).</p> <p>The 3 TBC roles need to be further clarified in Stage 2 so will initially be...?</p>