



# Draft Board Terms of Reference

Jan 2019 – for sharing with Areas and Council ahead of AGM

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## Background

1. The terms of reference for the BMC Board need updating following the creation of the Organisational Development Group and the proposed updates to the BMC governance arrangements
2. The new terms of reference need to reflect the ongoing reconstitution of the National Council and the potential creation of a Memorandum of Understanding (MoU) between the Board and the National Council/Members' Assembly
3. The new TORs need to balance the need to be flexible enough to not constrain the Board in future dealings, yet definitive enough to prevent the MoU from becoming a 'contract' between both parties
4. The Board has a current set of TORs as published in June 2018 as part of the Governance Manual - which can be found here:

<https://britishmountaineeringcouncil.teamwork.com/index.cfm#files/3888224>

5. It is proposed that the new ToRs will replace those within the governance manual (rather than creating a new document)

## Revised Draft Board ToRs

### 1. Purpose

1.1 "The Board" is the title for the BMC's Board of Directors.

1.2 The Board takes overall responsibility for the BMC and its performance. The role and responsibilities of the BMC Board are as follows in relation to each theme listed below:

### Strategy

- Work with the Members Assembly to define and deliver a strategic vision for the organisation.

- Annually review and approve a strategic business plan that covers a five-year forward period.
- Oversee the strategic management of the BMC in accordance with the policies adopted by the Members' Assembly and the AGM.

### **Risk Management**

- Set and review the risk appetite for the organisation.
- Ensure that the organisation has an appropriate risk register in place and review this regularly in order to manage risk for the organisation

### **Compliance**

- Ensure that the BMC, including its subsidiaries, is run in accordance with the Memorandum & Articles of Association and accepted good practice in the effective and efficient governance of sporting organisations
- Ensure that the BMC and its subsidiaries comply with relevant legal requirements as set out in the Companies Act 2006 and other relevant legislation together with the regulatory requirements of the Financial Conduct Authority and the Charity Commission.

### **Operational Delivery and Policies**

- Work closely with the Members' Assembly to achieve positive outcomes for the whole BMC organisation, including through its relationships with external stakeholders.
- Maintain an overview of the work and functions of the BMC, including through receiving regular reports from senior managers, Specialist Committees and subsidiaries, to ensure that agreed policies, regulations and procedures are followed.
- Provide key oversight of Specialist Committees, ensuring effective Terms of Reference are in place which allow for appropriate delegation of policies to Members Assembly, Working Groups and Local Areas, where deemed appropriate by the Board.
- Regularly review significant policies that underpin operational delivery.

### **Financial Management**

- Annually review and approve a financial plan that covers a five-year forward period, including a detailed budget for the first year, taking account of recommendations from the Finance and Audit Committee and ensuring alignment with the priorities of the strategic business plan.
- Consider and act on regular financial reports, including management accounts and balance sheet, that would normally have been first reviewed by the Finance and Audit Committee, to ensure that the BMC can meet its financial obligations.
- Receive the Annual Accounts as recommended for approval by the Finance and Audit Committee and review relevant recommendations and observations provided by the External Auditors.

### **Human Resources**

- Receive, review and approve organisational policies that relate to human resources and safeguarding.
- Receive and consider reports from the Chief Executive on the staffing required to deliver the strategic business plan.
- Approve annual pay awards for BMC staff, based on recommendations received from the Finance & Audit Committee.
- Receive for review half-yearly reports from the Chair on the performance of the Chief Executive and approve annually any performance-related element of the Chief Executive's pay.
- Provide representatives for Appointment Panels for senior posts where the process requires Board involvement alongside the Chief Executive.
- Provide direction to the appointments process, whenever needed, for the Chief Executive post and provide the majority of an Appointment Panel whose recommendation would need to be approved by the full Board.

### **Health & Safety**

- Annually review and issue a statement that communicates the Board's commitment to health & safety.
- Review reports provided by management in relation to health and safety risks, incidents and policies.

### **Reporting**

- Provide reports on financial and operational matters to each National Council meeting.
- Make regular reports available to the organisation's members, in a form that provides a suitable overview of the Board's work on their behalf.
- Provide an annual report to the AGM to accompany the annual accounts.

### **Sensitive Matters, Appeals and Investigations**

- Support the Chair, President and senior staff in dealing with confidential, contentious or otherwise sensitive matters, including personnel issues and adverse issues that could potentially impact on the organisation's reputation.
- Establish panels of Board members as may be required from time to time to respond to any appeal or investigatory matter that would not appropriately fall within the remit of senior staff, including whistleblowing matters.

## **Board Effectiveness**

- Ensure that appropriate internal arrangements are in place and implemented annually to review the Board's effectiveness, with an external review every three years.
- Ensure that appropriate training is provided for Board members in areas where skills, knowledge and understanding require updating.

## **2. Membership**

2.1 The BMC Board consists of a minimum of five people and maximum of twelve people (*not including a non-voting co-option, which may be approved within the Articles*).

2.2 The Board comprises – Chair, President, up to three Independent Directors, up to three Nominated Directors, no more than three National Council representatives and the CEO (paid role).

2.3 Directors will be elected by the members of the BMC in accordance with the provisions in the Articles of Association, typically at the Annual General Meeting (AGM).

2.4 The BMC Board may appoint such other employees and volunteers and on such terms as it may from time to time think fit.

2.5 The President shall be elected by the members of the BMC at the AGM and shall hold office until the next AGM. The President can serve for a three year period followed by an additional period of up to three years **upon further approval from the Board**.

2.6 Appointments to the BMC Board shall be for a period of three years from the date of appointment followed by an additional period of up to three years **upon further approval from the Board**. Please refer to Articles 20.1 for further details.

2.7 The Board shall have a maximum of 33% National Council directors and a minimum of 25% independent directors. (*not including in this calculation a non-voting co-option, which may be approved within the Articles*).

2.8 The Board shall retain its commitment to diversity and endeavour, where practical, to maintain a minimum of 30% gender diversity in its makeup.

## **3. Quorum**

3.1 The quorum necessary for the transaction of business at meetings shall be five Directors, which must include an Independent Director and a Director appointed by National Council.

#### **4. Frequency and style of meetings**

4.1 The Board must meet at least three times a year. The work schedule of the Board will flex to accommodate the workload in any given year, adding additional face-to-face or electronic meetings as appropriate.

4.2 The Board may confer and make decisions by any technological means by which Board Members are able to simultaneously hear each other and/or participate in discussion. The minutes of the meeting will record the method by which the meeting was conducted.

#### **5. Voting**

5.1 Most Board decisions can be reached through consensus. Where voting is required, voting at any meeting shall be determined by a show of hands, unless any Director demands a ballot. Questions arising at a meeting shall be determined by a majority of votes of those present. Each Director has one vote.

#### **6. Record of Meetings**

6.1 The Board shall ensure that proper minutes are made of all appointments of Directors and all proceedings of their meetings.

#### **7. Review**

7.1 Nothing in these terms of reference shall supersede the provisions of the Memorandum and Articles of Association of the BMC.

7.2 These terms of reference will be reviewed on an annual basis.