



# **BYC Governance Review Report**

## **CD5 - Council Document 5**

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## **British Youth Council- Governance Review 2011**

### **Background**

At the British Youth Council's (BYC) Annual Council Meeting (ACM) on 4 September 2010 members passed the following motion:

*"The British Youth Council believes that the BYC Board of Trustees could better represent BYC membership and ensure consistent good governance. The Board has regularly discussed governance and feels a definitive answer or solution ought to come through a conversation and full consultation with BYC members.*

*We resolve to mandate the Board to work with BYC members in undertaking a full consultation and drafting a review of BYCs governance- in particular the structure of the trustee Board. This review, and any recommendations, is to be presented at the ACM in 2011"*

Resulting from the motion above the BYC Board of Trustees ('the Board') requested a governance review be conducted. To take the review forward a group consisting of BYC members, existing trustees, and alumni (former trustees) was created.

An open invite was sent to all members to volunteer to be part of the review group. All those member organisations who volunteered were included in the review. Further consultation took place with the membership in the form of a survey, conducted in April-May 2011. The results of that survey were considered by the review group.

Many thanks to members of the following organisations who responded to the BYC governance survey:

A National Voice  
East Hampshire Youth Council (EHYC)  
East Riding Youth Assembly  
Fury (Fellowship of United Reformed Youth)  
Girlguiding UK  
Guilford Youth Council (GYC)  
Inverclyde Youth Council  
Kirklees Youth Council  
Liberal Youth  
Methodist Children & Youth  
National Union of Students (NUS)  
North Yorkshire Youth Council  
Stonewall  
The Scout Association  
Trafford Youth Cabinet  
Unite the Union  
Wolverhampton City Youth Council (WYF)  
Woodcraft Folk

The remit of the review was to look at BYC governance with a particular focus on the trustee board. This included looking at the principles of good governance, the make-up of the board (including its diversity), the roles on the board, the route to election, and any other related issues. Excluded from the remit of the review was the legal status of the charity. The charity's legal status was not looked at because it had been changed within the last few years.

A series of recommendations are put forward. Some can be implemented instantly; others require the approval of BYC members at the ACM. Of those requiring approval at the ACM, if approved, some will take effect immediately, others can't be implemented for a period of one year.

A schedule of recommendations is provided from page 10 onward.

The review is to be presented to the BYC Board in July to ensure sufficient time to draft any required motions to ACM. The review in full will be presented at ACM 2011.

The review group carried out work by email and discussions at meetings. The timeline of the review was as follows:

9 April	first meeting
15 April	consultation with members opened
9 May	consultation with members closed
12 May	second meeting
24 May	third meeting
7 July	final report sent to the Board
16 July	trustee meeting to consider the review and any subsequent motions
3 September	review to be presented at ACM

### **Review group**

Ian Adderley	Trustee (2008- ) <i>Chairing the review</i>
Chris Neal	Trustee (2010-)
Emily Beardsmore	Alumni (BYC Chair 2007-2009)
Alex Delaney	Alumni (BYC Chair 2009-2010)
Matt Paiton	Scout Association
Sarah Harding	Liberal Youth

### **Principles of good governance**

'Principles of good governance' are referred to within this review. For clarity they are outlined here. The Code of Good Governance (2<sup>nd</sup> edition, October 2010) sets out the six principles of good governance:

*An effective board will provide good governance and leadership by:*

- 1. understanding their role*
- 2. ensuring delivery of organisational purpose*
- 3. working effectively both as individuals and a team*
- 4. exercising effective control*
- 5. behaving with integrity*

## 6. *being open and accountable*

Compliance with these principles is considered within the review.

### **Overview of current structure**

#### *Board of trustees*

The Board is made up of 13 trustees:

- 4 officers
  - Chair
  - Vice Chair Campaigns and Communications
  - Vice Chair Participation and Development
  - Vice Chair Finance (Treasurer)
- 9 ordinary trustees (who don't hold officer positions)

All officers are elected for a term of 1 year. Terms for ordinary trustees are 2 years, unless they are filling a vacancy created by a resignation, in which case the term is only 1 year. In practice at each ACM there is a mixture of 1 and 2-year vacancies.

Candidates can stand to be trustees if aged between of 16-25 inclusive. There are legal requirements and BYC has a requirement that candidates must go through the Search Group process, and then be elected by the membership at the ACM. The Search Group process requires candidates to meet competency requirements following a written application and an interview. Those qualifications aside, anyone can stand to be a trustee. BYC does not restrict candidacy to those from membership organisations, or any other criterion.

All vacancies are directly elected at the ACM, including officer positions. The exception being if vacancies arise mid-year and the Board decide the vacancy needs filling. In such instances someone may be co-opted onto the Board, or Officer positions filled by someone from within the Board. There are approximately 5 ordinary trustee vacancies up for election each year. Whilst the number may vary depending on resignations, there should not be a point when all 13 trustees are up for election at once.

### ***Membership***

BYC Member organisations input into BYC at various levels and through numerous means.

#### Annual Council Meeting (ACM)

The ACM is the set time each year when BYC members can directly hold to account the Board of Trustees. Annual accounts are presented, a report from the Board is given- and questions taken. Trustees are elected (or not as the case may be). Members in alternating years pass motions or set the policy of the organisation.

#### Conventions

A series of conventions take place across the country. Here members have the opportunity to be consulted on policies and debate issues. For the past few years

there have been 5 conventions per year, throughout the year in a number of locations.

#### National Members Days

National membership organisations meet to discuss whatever they want to focus on. Trustees will be present at these meetings to provide an update on the work of BYC and take any questions members have.

#### Programmes Advisory Council

BYC runs many programmes. Representatives from the programmes meet together with staff to help shape the delivery of these programmes.

#### Policy Development Conferences

Each year members also have opportunities to shape BYC policies on issue affecting specific groups of young people in society – such as BME, Disability, Women and Lesbian Gay Bisexual and Transgender (LGBT).

### **Conclusions of the review**

Taking place over a few months the review considered lots of issues and proposal. At the start everything was up for discussion and review. Below we've set out the issues we looked at, our views on that issue, any recommendations, and the reasons behind them. A schedule of recommendations is set out from page 10 onward.

#### *Age of Board*

We noted that there is an age limit on the board and agreed that the limit should remain. We considered whether that age limit should remain as it is. Information about age limits on other boards was looked at- both from other youth organisations in the UK and throughout the rest of Europe.

**We recommend: age cap should remain as it is (16-25 inclusive).**

#### *Size of the board*

The maximum number of trustees on the board is 13. Whether the board should be increased or decreased in size was considered. It was felt that increasing the number above 13 was undesirable and unworkable. Equally, it was felt that any reduction in the number of trustees would unnecessarily reduce the number of opportunities available for people to get involved. The current number works well strategically and with the current number the Board is able to meet the demands placed upon it.

**We recommend: size of the Board should remain unchanged.**

#### *Profile of the board*

Here we looked at the Board from numerous perspectives, including diversity of age, gender, race, locality, and whether individuals came from membership organisations. It was noted that currently the BYC board is not representative of gender in particular. However it was also noted that the membership chose the trustees at the ACM. Creating member-only and diversity seats was considered. The idea of restricting some seats to members was rejected. Over the last few years there has been a good balance between trustees coming from membership organisations, and those who are not from membership organisations. Further, trustees are elected to be a trustee of BYC, not a representative of another organisation.

Restrictions of any sort were rejected. All seats on the board should remain open. However to ensure BYC has a diverse board the Search Group should ensure that the pool of candidates put forward for election at ACM is diverse. Whilst the decision as to who is elected is that of the members, they must be presented with the opportunity to elect a diverse board. The option of creating the restrictions via the election process e.g. first candidate elected to be female, irrespective of the votes, was discounted. It was felt the voting process should be clear and simple- with the votes clearly reflected in the result.

**We recommend: Search Group arrangements are formalised and documented. The document must be made available to the membership. The formal arrangements must include a requirement to ensure a diverse pool of candidates is put forward to the ACM. This is to be completed in time for the Search Group process for the 2012 ACM.**

#### *Length of time on the board*

Since lowering the lower age range of trusteeship from 18 to 16, it is now possible for individuals to serve a potential 11 years on the board. It was felt that this position was not desirable. Whilst long service brings with it experience and institutional knowledge, it also limits the opportunities for others to be involved. Information from across the third sector showed that a large number of boards have a limit on the number of years an individual can serve on a board. Though we also noted that unlike most other organisations, we place an upper-age limit on our Board.

We were mindful of trying to balance the need for board renewal against the need for the board to have the requisite skills and expertise. We do not think that in practice a limit on the length of time someone can serve on the board will be needed. However, we do recommend that the appropriate limit on the number of years an individual can serve on the board should be 6 years. Six years is a reasonable length of time. For instance, it allows someone to serve for 4 years before making any decision as to whether they wish to stand for an office position, and if so, gives them a potential of two years as an officer. It is felt this time is ample.

**We recommend: no limit is placed on the length of time someone can serve on a board (other than that imposed by the age limit), but strongly recommend trustees are advised they should not consider serving more than 6 years on the Board, save for extraordinary circumstances.**

#### *Length of terms*

Here we deal only with term lengths in relation to ordinary trustees, officer terms lengths are dealt with separately below. A two year term presents an adequate amount of time for an individual to gain experience of being on a board and develop an understanding of the organisation. An increase to the term length would create too great a time commitment. Decreasing the term length to 1 year would result in a term length that didn't allow adequate time to properly get involved and contribute fully as a trustee.

**We recommend: there should be no change to the term length of ordinary trustees.**

#### *Chair*

This chair is a vital leadership role in the organisation. Successive BYC Chairs have given huge amounts of their time to the organisation on an often daily basis. The role is pivotal for the direction of the organisation. The current 1 year term length does not reflect this. A term length of 2 years would provide greater organisational

stability, clarity in leadership, and improved strategic management. But equally, a poor chair in place for a period of 2 years rather than 1 creates an increased risk for the organisation. Additionally for a 1 year term the chair is accountable to the membership through an election at the ACM: should someone wish to serve more than 1 year they must win the vote at ACM. An increase to the term length must therefore be combined with a need to enhance accountability. The Board already have the power to recommend to the membership the removal from office of an officer; however the ability of membership to remove an officer is not clear.

**We recommend: the term length for chair is increased to 2 years with no individual being able to serve more than 1 term. The ability of the membership to move at a Council Meeting a 'motion of no confidence' must be specifically stated in the Rule Book and made clear to members at ACM.**

#### *Remuneration of chair*

BYC demands huge time commitments of the chair. Successive chairs have given a lot of time, whilst balancing this against a need to work full time or be in full time education and a part time job. Without remuneration we run the risk of unfairly excluding those who can't afford not to work full time, or can't afford not to have a part-time job whilst in full-time education. Information from across the sector, and other youth organisations such as student unions, was considered. It was felt that given the time commitment required, the role should be remunerated in some way. The level of remuneration is considered in the next paragraph. With remuneration will come the need to make explicit, through a formal agreement, the time commitment of the Chair.

**We recommend: the BYC Chair should have the option of remuneration if required. A formal agreement is to be drawn up by the BYC Board, in consultation with the Chief Executive, for a remunerated chair.**

#### *Level of remuneration*

Information was looked at from across the sector. It is important that the level of remuneration is financially viable based on BYC's finances.

**We recommend: the BYC Board ask the Financial Strategy Group (of which the Chief Executive is a member) to recommend to the Board the level of remuneration in view of BYC's finances.**

#### *Vice Chairs*

The role of Vice Chair Finance (Treasurer) is dealt with separately below. Here consideration is made of Vice Chair Participation & Development; and Vice Chair Campaigns and Communications. The roles are defined in the Rule Book, which will require changing every time the roles need to change.

The system of having two vice chairs is useful in that it allows for an increased pool of vice chairs to delegate to and provides greater impact when offering speakers at events. However the current system is not ideal. Whilst it will vary from year to year, there is no natural system for delegation. The roles do not match organisational need. In practice speakers at events are picked based on their expertise on that particular subject and availability, thus removing part of the rationale for having two vice chairs.

Many ordinary trustees take on substantial amounts of other work, such as the trustees responsible for international work. The demands on their time are usually

greater than the demands on the time of vice chairs. The portfolio work of the vice chairs can be absorbed within the Board, for instance a trustee could lead on membership.

**We recommend: The number of vice chairs should be reduced to one. That the vice chair shall deputise for the Chair and take on other work as required. Other work should be met by the ordinary trustees. The term length for the vice chair should be 1 year. There should be no limit on the number of terms an individual can serve.**

*Treasurer*

The role of treasurer is vital. It is important that there is a trustee who has the skills to deal with the details of financial strategy and ensure the entire Board understands financial scrutiny. It can often take a while to become fully familiar with an organisation’s financial management systems and policies. Financial strategy requires setting long term goals and plans spreading over several years. For these reasons the term length for the treasurer should be increased.

**We recommend: the Vice Chair (Finance) position be formally renamed ‘Treasurer’. The treasurer is to remain as an officer. The term length for the treasurer should be 2 years. There should be no limit on the number of terms an individual can serve. The ability of the membership to move at a Council Meeting a ‘motion of no confidence’ must be specifically stated in the Rule Book and made clear to members at ACM.**

*Election cycle*

If the above recommendations are adopted, the election cycle should take the following form:

Election of officers:

Year 1: Chair (2 years)

Year 1: Vice Chair (1 year)

*Year 1: Treasurer (1 year) – this is required to put in place the election cycle for following years*

Year 2: Treasurer (2 years)

Year 2: Vice Chair (1 year)

Year 3: Chair (2 years)

Year 3: Vice Chair (1 year)

Diagrammatically:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Chair	2 year term		2 year term		2 year term	
Vice-Chair	1 year term	1 year term	1 year term	1 year term	1 year term	1 year term

Treasurer	1 year term (first election only)	2 year term	2 year term	2 year term (continuing to year 7)
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The above cycle for election of officers ensures that each year there are at least two officers up for election- keeping accountability to the membership. Overlap between the chair and treasurer ensures that institutional knowledge of BYC finances can be passed on between officers. An inexperienced treasurer can be supported by an experienced chair, and vice versa. For implementation of the above election cycle the treasurer in the first year will need to be elected on a 1 year term. For all other years the term of office for the treasurer should be 2 years.

**We recommend: the above officer election cycle be adopted.**

#### *Board composition*

The number of ordinary trustee vacancies should increase from 9 to 10- representing an increase in opportunities for involvement in the BYC board. Therefore the board should have the following make-up:

- Chair
- Vice Chair
- Treasurer
- 10 ordinary trustees.

The overall size of the Board will remain the same as the number of vice chairs is reduced to 1.

**We recommend: the number of ordinary trustees increases to 10.**

#### *Election to the board*

BYC is fortunate in that it receives a high volume of applications for the Board, resulting in a high number of candidates at election. This presents a challenge at ACM to ensure the membership have enough time to hear from the candidates and make a decision as to who they elect, whilst ensuring enough time remains to complete the rest of the ACM business.

There are issues around the advantage incumbency (being an existing trustee) give- in particular in how we create a 'level playing field'. It was not felt within the remit of this view to dictate specific recommendations as to what to do or not to at the ACM. However we feel this issue should be looked at separately.

Equally we felt it was not within our remit to look at ways of increasing the number of organisations present at ACM, or ways of including those not able to physically attend. Though we do feel this issue should be considered.

**We recommend: before ACM 2012 the election process is looked at by the Board. This should include considering: ways to better enable new candidates to engage with the membership at ACM itself; and whether any form of electronic voting or other methods to include those not physically in attendance could be incorporated. Following an evaluation of ACM 2012, the election process should be document and repeated at future ACMs.**

*Openness, accountability and transparency*

It is important the Board and Trustees individually are held to account. In particular at ACM Trustees will unavoidably be helped by incumbency, so with that should come increased scrutiny and accountability.

	<b>Recommendation</b>	<b>Approval from</b>	<b>Time when can be enacted</b>
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There should be increased opportunities to hold the Board to account throughout the year. At each event- convention, national members' day and ACM, there should be designated time for a question and answer session with a representative of the Board.

There are many things done to ensure the principles of good governance are complied with that aren't specified in governing documents, and that would be impractical to stipulate in governing documents. To ensure institutional knowledge is not lost BYC should establish a 'good governance best practice guide' focused on the governance of BYC. This should be a non-binding document that supplements the governing documents.

**We recommend: The attendance record of Trustees at Board meetings should be published in the Annual Report and made available at ACM. The practice of publishing Board minutes and information is welcomed and should continue. Members should be given the opportunity to hold the Board to account throughout the year. Best practice on good governance should be documented.**

**Schedule of recommendations**

Below is a summary of the recommendations, where approval is to be sought from, and the time it can be enacted. Should there be any discrepancies between the text below and the text in the preceding pages, the text in the preceding pages is to be treated as the authoritative version.

1	Age cap on board to remain at 16-25 inclusive	No change	In effect
2	Size of the board to remain unchanged	No change	In effect
3	Search Group arrangements to be formalised and documented. The document must be made available to the membership. The formal arrangements must include a requirement to ensure a diverse pool of candidates is put forward to the ACM. This is to be completed for the Search Group process for the 2012 ACM.	Board	Process to start after ACM 2011
4	No limit to be placed on the length of time someone can serve on the Board, but strongly recommend trustees are advised they should not consider serving more than 6 years on the Board, save for extraordinary circumstances.	Board	Board to approve guidance before ACM 2011
5	No change to the term length of ordinary trustees	No change	In effect
6	Term length for Chair increased to 2 years, with no individual being able to serve more than 1 term.	ACM + amendment to Rule Book	Motion at ACM 2011 to take effect at ACM 2012
7	The ability of the membership to move at a Council Meeting a 'motion of no confidence' must be specifically stated in the Rule Book.	Board- power exists in Articles of Association	Before ACM 2012
8	Allow for remuneration of the Chair	ACM + changes to governing documents	ACM 2011 – to take effect ACM 2012
9	Board to ask Financial Strategy Group to recommend the level of remuneration	Board	After ACM 2011
10	The number of vice chairs be reduced to one, with a term length of 1 year. Role descriptions to be updated.	ACM + amendment to Rule Book	ACM 2011, to take effect ACM 2012
11	Vice Chair (Finance) to be renamed 'Treasurer' and the term extended to 2 years.	ACM + amendment to Rule Book	ACM 2011 to take effect from ACM 2012
12	Pending the above changes, the following officer election cycle to be introduced:  Year 1: Chair (2 years) Year 1: Vice Chair (1 year) <i>Year 1: Treasurer (1 year) – this is required to put in place the election cycle for following years</i> Year 2: Treasurer (2 years) Year 2: Vice Chair (1 year) Year 3: Chair (2 years)	ACM 2011 + amendment to Rule Book	ACM 2011 to take effect from ACM 2012

	Year 3: Vice Chair (1 year)		
13	Pending officer changes: the number of ordinary trustees be increased to 10.	ACM 2011 + amendment to Rule Book	ACM 2011, to take effect from ACM 2012
14	Before ACM 2012 the election process is looked at by the Board. This should include considering: ways to better enable new candidates to engage with the membership at ACM itself; and whether any form of electronic voting or other methods to include those not physically in attendance could be incorporated. Following an evaluation of ACM 2012, the election process should be document and repeated at future ACMs.	Board	After ACM 2011, before ACM planning for ACM 2012.
15	The attendance record of Trustees at Board meetings should be published in the Annual Report and made available at ACM. The practice of publishing Board minutes and information is welcomed and should continue.	Board	Immediate. To be available at ACM 2011.
16	Document best practice on good governance	Board	Immediate