

AMENDMENTS TO BOARD'S CONSTITUTION

Summary: To present amendments to the 'roles and functions' of the Board and Executive Committee, in light of the formation of the Finance and Governance Sub-Committee

Recommendation: That the Board adopts the amendments to the Constitution

Report by: Andy Parsons – Chief Executive

BACKGROUND

1. The Board's Constitution - [Board Constitution Dec 2020](#) – details the roles and functions of the Board and Executive Committee.
2. Historically, the Executive Committee has acted as the audit committee of the Board, to provide assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority's financial and non- financial performance and oversee the reporting process.
3. However, the Board now has a separate Finance and Governance Sub-Committee which fulfils this function.
4. In addition, following a 'Board Effectiveness' questionnaire (undertaken in 2020) the agendas and focus for the Board and Executive Committee meetings were amended to reflect the comments from Board Members.
5. The proposed amendments to the roles and function are shown below and reflect the current position of the organisation. The most significant changes are to the Executive Committee.

FINANCE AND GOVERNANCE SUB-COMMITTEE (for reference)

6. The Sub-Committee was formed in 2021 with the following objectives:
 - Support the Board to ensure the financial stability and future growth of the Cotswolds Conservation Board.
 - Provide oversight of the finances and investments, financial strategy, income generation, innovation, financial objectives, plans and policies.
 - Review the financial performance of the Cotswolds Conservation Board quarterly and advise the Board accordingly.
 - Monitor the integrity of the financial statements of the Cotswolds Conservation Board and review and report on any significant financial reporting issues and judgements which those statements contain having regard to matters communicated to it by the external auditors.
 - Review the Annual Governance and Accountability Return (AGAR) and recommend to the Board for approval.
 - Review and recommend the annual budget to the Board for approval.
 - Provide assurance to the Board on the adequacy and effectiveness of the internal control systems of the Cotswolds Conservation Board including reporting on matters communicated by the internal auditors.
 - Review the internal controls and assurances against relevant risks on the risk register and make recommendations for improvements where appropriate.

- Provide assurance to the Board that appropriate governance mechanisms are in place and effective throughout the organisation.
- Provide oversight on governance best practice, changes in statutory requirements and emerging issues and advise the Board accordingly.

The Finance and Governance Committee recommends actions to the Board of Cotswolds Conservation Board, seeking their formal approval/ adoption.

EXECUTIVE COMMITTEE

7. The proposed amendments to the roles and function of the Executive Committee are as follows:

Role

- The Executive Committee will be responsible for all of the Board's functions which are not the responsibility of any other part of the Board, whether by law or under this Constitution.
- Primarily, the Executive Committee will act as ~~the audit committee of the Board to provide assurance of the adequacy of the risk management framework and the associated control environment, independent scrutiny of the authority's financial and non-financial performance and oversee the reporting process;~~ advisors to the employees of the Cotswolds Conservation Board on all priority operational matters.

Functions

- ~~draft policy and strategy, and the review thereof, and submit recommendations to the Board.~~
- ~~monitor and review the implementation of the Board's policy and strategy as set out in the Management Plan, the Business Plan and Budgets;~~
- advise upon and help to steer the operational activities of the Board within the context of the agreed Board policy and strategy;
- receive regular reports from the Board's various working and steering groups (and other areas of operational activity as appropriate). Consider recommendations and act as the decision-making body for these groups;
- consider the future priority areas of the Board's work and make recommendations to the Board with regard to the formation of new working groups and the potential cessation of existing groups;
- ~~monitor the overall effectiveness of the Board;~~
- ~~consider the effectiveness of the Board's risk management arrangements, control environment and associated anti-fraud and anti-corruption arrangements;~~
- ~~seek assurances that action is taken on risk-related issues;~~
- ~~be satisfied that the Board's Statement of Internal Control properly reflects the risk environment and actions required to improve it;~~
- ~~approve the strategic plan for internal audit and monitor performance;~~
- ~~review the annual internal audit report and reports from the external auditor and seek assurance that action has been taken where necessary;~~
- recommend relevant organisational changes to the Board;
- recommend changes to the Management Plan and the Business Plan and Budgets (both revenue and capital) to the Board;

- through close co-operation with the Finance and Governance Sub-Committee, develop strategies for strengthening the long term financial security of the Board.
- make arrangements, through the use of a selection panel, for the appointment of a Chief Executive Officer and recommend the appointment to the Secretary of State and the Board;
- ~~○ monitor the work of the Chief Executive Officer and report annually to the Board;~~
- ~~○ appoint or nominate the Board's representatives on outside bodies/organisations;~~
- make decisions within its delegated powers.

BOARD

8. The proposed amendments to the roles and function of the Board are as follows:

Functions

- The Board is required to prepare and publish a Management Plan which formulates its policy for the management of the Cotswolds AONB and for the carrying out of its functions. This must be reviewed at intervals of not more than five years.
- The Board initially adopted the Management Plan for 2004-2009 prepared by the former Cotswolds AONB Partnership working on behalf of the, then, 17 local authorities. The Board then prepared and published plans covering the periods 2008-2013, 2013-2018 and 2018-2023.
- The 2000 Act also sets out requirements for notification and consultation on changes to the Plan.
- Further specific functions which can be transferred from or shared with a local authority to the Board are set out in Part III of the Order.
- Where the Board shares local authority powers, it will agree a protocol with the local authorities that describes when, where and how the Board and the local authorities will use each power and how the Board and the local authorities will keep each other informed of each other's plans to use the power.
- The Board does not have development plan and development control powers. It is a statutory consultee for National Infrastructure Projects.

The Board's Purposes and Duty

The Board has two statutory purposes:

- to conserve and enhance the natural beauty of the Cotswolds Area of Outstanding Natural Beauty (AONB)
- to increase the understanding and enjoyment of the special qualities of the AONB

In fulfilling these purposes the Board has a duty to seek to foster the social and economic well-being of local communities in the AONB

Authority of the Board

The Board will have sole authority for the following decisions:

- adopting and changing the Constitution;
- approving and adopting the Policy Framework and the Budget;

- agreeing and/or amending the terms of reference for committees and sub-committees and deciding on their composition;
- appointing the membership of the Executive Committee and such membership of sub-committees as it decides.
- decisions not consistent with the Policy Framework and Budget, unless they have been taken as a matter of urgency by the **Finance and Governance Sub-Committee** under the Procedure Rules set out in Part 3 of the Constitution;
- appointing the Chair~~man~~ and Vice Chair~~man~~ of the Board and the Executive Committee;
- dealing with matters of governance, **with the support and recommendations of the Finance and Governance Sub-Committee**;
- agreeing the transfer or sharing of local authority powers;
- adopting an allowance scheme under Article 2.06;
- changing the name of the Board;
- with the approval of the Secretary of State, confirming the appointment of the chief officer;
- determining any delegation to committees, sub-committees and officers;
- appointing a Patron;
- all other matters which by law must be reserved to the Board.

**THE BOARD IS ASKED TO ADOPT THE PROPOSED CHANGES TO THE BOARD'S
CONSTITUTION THAT RELATE TO THE ROLE AND FUNCTIONS OF THE EXECUTIVE
COMMITTEE AND THE BOARD**

SUPPORTING PAPERS

- None

JUNE 2022