

RSPB STATEMENT OF GOVERNANCE

Legal structure

The RSPB is a non-statutory body incorporated by Royal Charter. The Charter was originally granted in 1904 and, together with the Statutes, provides the rules and guidelines under which the RSPB operates. Supplemental Charters were granted by Her Majesty the Queen in 1957 and 1996. Amendments to the statutes were approved by the Privy Council in 2010. A new Supplemental Charter and amendments to the statutes were granted by Her Majesty the Queen in Council in July 2014. Most recently, the RSPB went through a thorough constitutional review process, leading to the current Charter and Statutes and the new Bye-Laws. The Privy Council approved our new Charter and Statutes in February 2019. The new Bye-Laws were first introduced by Council in March 2019 and will be updated from time to time.

The RSPB is a globally based, unitary corporation and charity working on its own behalf in England, Wales, Scotland, Northern Ireland and the UK Overseas Territories, and throughout the world in collaboration with BirdLife International and others. The headquarters are in Sandy, Bedfordshire, with country headquarters in Wales (RSPB Cymru), Scotland (RSPB Scotland) and Northern Ireland (RSPB Northern Ireland), with regional offices in England, Scotland and Wales, and with nature reserves throughout the United Kingdom.

The RSPB's membership stands at well over one million members, making it one of the largest voluntary wildlife conservation organizations in the world.

The RSPB is the UK Partner of BirdLife International (registered charity number 1042125), the global partnership of conservation organisations that strives to conserve birds, their habitats and global biodiversity and works with people towards sustainability in the use of natural resources.

The RSPB group comprises the Charity and four subsidiary entities: RSPB Sales Limited, March Farmers (Washland) Limited, Farming For Nature and RSPB Caymans Islands Nature Ltd.

Most of the RSPB's commercial activities are undertaken by its wholly-owned trading subsidiary, RSPB Sales Limited, and all profits are donated under Gift Aid to the RSPB. RSPB Sales Limited was incorporated as a company in 1992 to conduct trading activities in support of the RSPB's charitable objectives. The principal activity is the sale of goods by mail order and through retail outlets. The company is registered under company number 2693778.

March Farmers (Washland) Limited, company registration number 01039814, is a wholly-owned subsidiary acquired in 2008 to secure the leasehold interest in land in Cambridgeshire. All profits are donated under Gift Aid to the RSPB.

Farming For Nature, a company limited by guarantee, registration number 07982175, was incorporated in 2011. This entity is being used in relation to land leased from United Utilities at Haweswater in Cumbria. All profits are donated under Gift Aid to the RSPB.

RSPB Cayman Islands Nature Limited is a wholly-owned dormant subsidiary and non-profit company limited by shares, registered in the Cayman Islands (registration number 304647). This entity was established in 2015 to promote the conservation of biological diversity and the natural environment through the acquisition of land to create or extend nature reserves in the Cayman Islands.

Scale of RSPB's operation

The RSPB is the UK's largest nature conservation charity, inspiring everyone to give nature a home. With the support of more than one million members, and together with our partners, we protect threatened birds and wildlife so our towns, coast and countryside will teem with wildlife once again. Our vision is a world richer in nature.

The RSPB has:

- More than a million members, including over 200,000 youth members
- A workforce of c.2,000 established staff and more than 17,000 registered volunteers
- More than 210 nature reserves covering over 150,000 hectares, home to 80% of the most rare or threatened bird species in the UK; our nature reserves receive in excess of 2.5m visits a year
- A UK headquarters, three national offices and a network of regional offices
- Expenditure approaching £100m per year for charitable purposes
- Financial reserves that meet the requirements of the organisation's operating strategy
- Multi-million pound (£) conservation projects overseas, in Belarus, Sierra Leone, Sumatra and the Ukraine
- A network of more than 155 community-based local groups, more than 300 youth groups

Governing body – the Role of RSPB Council

The governing body is the RSPB Council which comprises 18 charity trustee posts (referred to as Council Members). These include the Chair of the Council, the Treasurer, and the Chairs of the Country Advisory Committees. The President and Vice-Presidents are not Council Members.

Council sets policy and is responsible for the conduct of the RSPB's affairs and for ensuring that the Charity operates in accordance with the Royal Charter, the Statutes, RSPB's Bye-laws and the law. Policy is also influenced by Country Advisory Committees.

Members of RSPB Council are the charity's trustees. These are defined in the Charities Act as 'the persons having the general control and management of the administration of the charity'.

RSPB Trustees have, and must accept, ultimate responsibility for directing the affairs of the organisation, ensuring it is solvent, well-run, and delivering the outcomes for which it was set up.

This encompasses:

- Ensuring compliance with the objects, purposes and values of the RSPB and with our governing documents, the RSPB's Royal Charter and Statutes.
- Setting or approving policies, plans and budgets to achieve those objectives, and monitoring performance against them.
- Ensuring the solvency, financial strength and good performance of the organisation.
- Ensuring the RSPB complies with all relevant laws, regulations and requirements of its regulators.
- Setting and maintaining a framework of delegation and internal control.
- Agreeing or ratifying all policies and decisions on matters which might create significant risk to the organisation, financial or otherwise.
- Consideration and mitigation of risks to the reputation and effective operation of the organisation.
- Dealing with the appointment (and if necessary the dismissal) of the Chief Executive.

RSPB Council and its committees

Council is currently supported by four main committees, each reporting directly to Council: Finance, Audit and Risk, Nominations, Conservation, and Fundraising and Communications. Other subcommittees are established from time to time, in every case accountable directly to Council.

The role of the Finance, Audit and Risk Committee is to review financial performance, the financial plan and the internal and external audit processes, and to report on these to Council. It oversees contracted out financial functions such as pensions and investment

The role of the Nominations Committee is to review the pattern of trustee retirement, identify the skills and experience required to ensure Council's effectiveness, oversee the checks to be conducted prior to nomination and scrutinise the applications and nominations received. The panel consist of five Council Members and two members of staff.

Conservation Committee formulates and approves the Society's conservation policy; considers and approves the annual conservation objectives, and monitors progress; considers and approves the land acquisition strategy and recommends to Council individual acquisitions and disposals.

The role of the Fundraising and Communications Committee is to consider and recommend to Council policies and strategies concerning the public reputation of the RSPB, its education activities and its communications, including the role and development of adult and junior membership, and to monitor progress.

Country Advisory Committees: Policy and the impact the Charity has locally, is influenced by the committees for Northern Ireland, Scotland, Wales and England, which also take on any duties specifically delegated to them from time to time. These committees consist of a majority of non-trustees and are chaired by a Council Member.

Separately a Board of Pension Trustees comprises Council members together with management and staff representation.

Council and its committees operate to a schedule of quarterly meetings. All trustees are automatically members of both the Conservation and Communications committees, which currently meet on the same day. Including Council meetings, trustees are expected to attend c.12 meetings a year, along with the RSPB's Annual General Meeting, Members Weekend, periodic corporate events, and activities arranged specially for trustees.

The Executive Board

The day-to-day management of the Charity is delegated by Council to the Chief Executive and carried out by the Executive Board.

To ensure clear governance and transparency, the remuneration of the Chief Executive is determined by a committee comprising the Treasurer and Chairs of Conservation and Fundraising and Communication, chaired by the Chair of Council. The performance of the CEO is subject to formal appraisal by the committee against previously agreed measures and is discussed at an annual appraisal meeting. Based on that assessment and taking account of salaries paid in comparable organisations, remuneration is set and the outcome reported to Council. Any recommendation is made in line with the RSPB's pay policy for all employees. Council is ultimately responsible for setting and reviewing the salary of the Chief Executive, who in turn is responsible for setting and reviewing the salaries of the Management Board in line with the same policy.

The Council Members

Trustees (Council Members) are elected or declared elected by the membership at the Annual General Meeting, and serve for terms of five years, retiring at the end of their term, though there is some scope for re-appointment.

Ten Council Members can be nominated by either the membership or Council, and the other eight vacancies are reserved to Council to nominate. Council nominates the Chair, which is subject to member approval at the AGM. Council decides which of them will chair the various committees, filling these positions as and when the need arises.

Following their election to Council, each trustee receives a briefing pack outlining their role, together with information on the RSPB, its policies, structures and work. Each new trustee completes a register of interests and related party transactions: this register is updated annually and whenever any changes occur. An induction day, taking a strategic look at the roles and responsibilities of trustees and management, is offered to each new trustee. All trustees are offered opportunities to learn more about specialist areas of the RSPB's work, through individual meetings with staff and site visits to our nature reserves throughout the UK. A special weekend event, to which all trustees are invited, is held each year in an area of high nature conservation importance, focusing on species and habitat

management work that the RSPB is undertaking. Similar events are held for the Country Advisory Committees.

Risk management

The trustees are responsible for identifying and managing the major risks facing the Charity. Risk management is well established at the RSPB and is considered in every aspect of its work. Managing large areas of countryside, much of it visited by many people, entails risk and demands constant attention. In response to the recommendations set out in the Financial Reporting Standard applicable in the UK and Republic of Ireland, on an annual basis the trustees consider the risk control system, risk appetite and a register of major risks, based on continuous review by staff. In undertaking this work, the trustees review risk in its broadest sense and consider anything that might alter or undermine the capacity of the Charity to fulfil its charitable objectives.

The register provides a comprehensive view of the following areas of risk:

- Environmental
- People and culture
- Legal and compliance
- Safeguarding
- Health, safety and wellbeing
- Financial
- Technological infrastructure
- Physical infrastructure
- Reputational
- Major change activities / investment for the future
- Strategic outcomes / Mission

The most significant strategic risks which are detailed and published in the annual Trustees' Report and Accounts in the context of RSPB's achievements, challenges and future plans.

Main responsibilities of RSPB trustees

As defined in the Statutes, and further detailed in the table below, the powers reserved to Council are:

- Approval of RSPB policies and the amendment thereof
- Approval of the corporate strategy
- Adoption of the annual budget, the annual report and the annual accounts
- Approval of the remuneration policy (including pensions) for RSPB staff
- Purchase and sale of land and property in excess of £250,000 (*figure determined by Council*)
- Various matters specifically reserved to Council in the Charter and Statutes.

Management	
Manage the business of the Society	Section 6 Charter
Make and amend Statutes, subject to Privy Council approval	Section 10 Charter
Make, amend and suspend Bye-Laws	Section 11 Charter
Exercise all powers of the Society	Cl. 4.1 Statutes
Delegate any of its functions	Cl. 4.2.1 Statutes
Delegate management of investments to Financial Expert	Section 5.e Charter
Membership	
Prescribe different classes of members	Cl.2.3 Statutes
Terminate a membership	Cl. 2.4.5 Statutes
Elect Honorary Members	Cl. 2.2.3 Statutes
Members' meetings	
Convene members' meetings	Cl.3.3 Statutes
Consider requests for general meeting by members	Cl. 3.3.2 Statutes
Determine form of general meeting	Cl. 3.4.1 Statutes
Appoint Chair of general meeting	Cl. 3.7 Statutes
Permit proxy votes at general meeting	Cl. 3.10.1 Statutes

Appointments	
Nominate Category A and B Council Members	Cl. 5.3.2, 5.3.3 Statutes
Determine to hold ballot on election of Council Members	Cl. 5.4.2 Statutes
Fill casual Council vacancy	Cl.5.5 Statutes
Remove Council Member (including the Chair)	Cl. 5.8.1 (v) Statutes
Approve the payments to Council Members or those connected to them ¹	Cl. 5.10 Statutes
Allow conflicted Council Member to participate (subject to conditions)	Cl.5.11.2 Statutes
Nominate and appraise Chair of Council	Cl. 4, 11 Bye-Laws
Appoint, appraise and remove Chief Executive	Cl. 5.1 Bye-Laws
Nominate President and appoint Vice President(s)	Cl. 6.1 Statutes
Appoint Life Vice President	Cl. 6.2 Statutes
Remove President, Vice President or Life Vice President	Cl. 6.3.2 Statutes
Approve the appointment of and dismiss members of Advisory Committees	Bye-Laws
Corporate governance	
Establish and dissolve Committees	Cl. 3.1 Bye-Laws
Delegate any of its functions to committees	Cl. 3.1. Bye-Laws
Prescribe terms of committees	Cl. 3.4 Bye-Laws
Approve volunteer or local groups	Cl. 7 Bye-Laws

Role of RSPB Members

Members also play a role in the governance of the RSPB. The role of members of the RSPB is shown in the table below:

Elect Council Members ² (in general meeting)	Section 6 Charter
Approve a revised/new Charter (in general meeting requiring $\frac{3}{4}$ majority vote), subject to Privy Council approval.	Section 9 Charter
At an Annual General Meeting, receive a report from the Council, to receive the accounts for the previous financial year, elect the President, to elect or declare as elected the new Council Members from those nominated in accordance with the Statutes and Bye-Laws, to elect auditors and to conduct any other business as the Council may decide.	Cl. 3.2.2 Statutes
Request an EGM (signed by $\frac{1}{2}\%$ of Members entitled to vote)	Cl. 3.3 Statutes
Vote for or against Council Members	Cl. 5.4.2 Statutes
Demand ballot on a resolution at general meeting (at least 50 members) and vote on ballot	Cl. 3.13.1. Statutes
Nominate Category B Council Members (not less than 14 members for a nomination)	Cl. 5.3.4 Statutes

General requirements of RSPB trustees

Charity trustees have the ultimate responsibility for directing the affairs of a charity and ensuring that it is solvent, well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up. Their duties include running the charity in compliance with legislation and regulations, exercising their duty of prudence and their duty of care. Charity trustees may be held legally accountable for breach of those duties.

The Charity Commission's guidance is that trustees must:

1. ensure your charity is carrying out its purposes for the public benefit;
2. comply with your charity's governing document and the law;
3. act in your charity's best interests;
4. manage your charity's resources responsibly;
5. act with reasonable care and skill;
6. ensure your charity is accountable.

¹ Anticipated to be very rare in practice.

² Note that while the Chair of Council is a position nominated by the Council Members, the appointment is dependent on election by RSPB members. As with all trustees, the Council is permitted to co-opt until the next AGM if there is a vacancy that needs filling.

Collectively, RSPB Council should have the skills, knowledge and experience to govern the charity economically and effectively. Trustees are expected to be able to think creatively, probe facts, challenge assumptions, monitor activities and display good independent judgement.

In order to fulfil their duties and ensure proper governance of the organisation, potential trustees will be able to demonstrate the following (proportionate to the scale and complexity of the organisation as set out in '*Scale of RSPB's operation*' above). This includes:

- An ability to assess financial information to ensure the organisation's finances and financial reserves are managed in accordance with its charitable objectives
- An understanding of the legal and regulatory framework governing charities
- An ability to think strategically and analytically
- Knowledge of risk management and compliance issues
- An understanding of the devolution processes/administrations within the UK
- The necessary time to be an effective trustee
- They are not disqualified by law from serving as a charity trustee

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