



## **MEMORANDUM OF AUTHORITY BETWEEN RAMBLERS SCOTLAND AND THE RAMBLERS ASSOCIATION BOARD OF TRUSTEES**

### **1. Introduction**

1.1 This is a Memorandum of Authority between the Ramblers Scotland (RS) and the Ramblers' Association (Ramblers) Board of Trustees (BoT) to enable the Ramblers charitable purposes to be enacted in Scotland. It supersedes an earlier memorandum of authority previously agreed by the parties in 2003.

1.2 The (BOT) recognises:

1.2.1 That the purposes of the Ramblers (as defined as the objects of the Ramblers in the memorandum of association), are to promote, encourage or assist in:

- (a) The provision and protection of foot paths and other ways over which the public have a right of way or access on foot, including the prevention of obstruction of public rights of way.
- (b) The protection and enhancement for the benefit of the public of the beauty of the countryside and other areas by such lawful means as the trustees think fit, including by encouraging the provision, preservation and extension of public access to land on foot.
- (c) The provision of facilities for the organising of open-air recreational activities and in particular rambling and mountaineering with the object of improving the conditions of life for the persons for whom the facilities are intended, namely the public at large, and in the interests of social welfare (including health).
- (d) Advancing the education of the public in subjects relating to access to, and the preservation and conservation of, the countryside and of the health benefits of outdoor recreational pursuits.

The trustees may further the objects particularly by helping all persons to a greater love, knowledge and care of the countryside and urban open spaces, and by encouraging participation in walking for recreation and as a means of transport:

and that these purposes are best pursued through two autonomous bodies representing its interests in Scotland and Wales, with the Ramblers continuing to pursue those purposes in England,

1.2.2 That whilst the membership of the Ramblers is approximately England 88%, Scotland 6% and Wales 6%, the national land areas of Great Britain are England 57%, Scotland 34% and Wales 9%,

1.3 The BOT recognises that RS is a key element of the Ramblers. RS is organised through its volunteer controlled bodies: - the annual delegate conference of Scottish Council (SC) and its democratically elected Executive Committee (SCEC). RS forms a Constituent Part of the Ramblers organisation as set out in the Ramblers' memorandum of association and articles of Association (M&A).

1.4 RS has the skills and experience to manage the Ramblers affairs in Scotland, due to its knowledge and expertise of Scotland's different legal system, charity regulator, devolved parliament, cultures and traditions.

## **2. Governance**

2.1 SC and the SCEC shall determine all matters relating to the purposes of the Ramblers in Scotland, except those reserved to the BOT, listed in appendix one.

2.2 The SCEC may choose to take a different position on issues which have GB-wide significance to the Ramblers' position in England or Wales. In other situations a common position may be agreed if it clearly applies to the Ramblers activities in all three nations. Public statements should reflect these differences or agreements, as appropriate.

2.3 SCEC may, at its discretion, delegate its powers, rights and duties under this Memorandum but only in so far as the SCEC and any of its sub committees are controlled by non-staff members.

2.4 SC and SCEC may also determine the structure, including that of Areas and Groups, to best support the Ramblers' purposes in Scotland. If any such proposed changes to the structure would impact upon the M&A then Clause 2.6 shall be followed.

2.5 Given the ultimate accountability of the BOT of the Ramblers to both the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator (OSCR), all matters will be administered in accordance with the laws applicable in Scotland and England & Wales, the M&A of the Ramblers and the procedures determined from time to time by the BoT.

2.6 SCEC may propose motions directly to General Council.

2.7 The BoT shall propose to the Ramblers' General Council (GC) such changes to the Ramblers' M&A as are necessary to effect this Agreement as soon as possible and in the interim make informal arrangements to implement the spirit of this Memorandum.

2.8 The BoT acknowledges that RS may wish, in time, to establish itself as an independent charity in Scotland, registered only with the OSCR. The BoT recognises that if such independence were to occur RS would then be controlled through a Scottish Board of Trustees.

## **3. Representation**

3.1 The Convener of SC, or nominee appointed by the SCEC, shall be an ex-officio member of the BoT.

3.2 The BoT may appoint up to three of their members to attend SC in a non-voting capacity.

- 3.3 Where under 3.1 the Convener is not a member of the BoT the SCEC's nominee shall be appointed for the annual term of the BoT. If the Convener or the SCEC nominee is not able to attend a Board meeting a deputy may be appointed by the Convener.
- 3.4 The Chair of the BoT or another member of the BoT, appointed by the Chair, shall be able to attend any meeting of the SCEC, with observer status, to facilitate the interchange of ideas, understanding and co-operation.
- 3.5 In clauses 3.1 to 3.4 nominees should be members of SC or a trustee of Ramblers as appropriate, and may not be employees.

#### **4. Resources**

- 4.1 There shall be a base level of resources (the basic funding allocation) allocated to
  - 4.1.1 Scottish Council [W]
  - 4.1.2 Welsh Council [X]
  - 4.1.3 The BoT for Ramblers England [Y] and for the Ramblers operations across GB (Ramblers GB), including Central Services [Z]

- 4.2 The figures for W, X and Y shall be mutually agreed between SCEC, WCEC and the BoT.

W and X will be based on the resources required for Scotland and Wales to pursue effectively the purposes of the Ramblers, taking account (but not exclusively) of actual and potential levels of income in those countries, the percentage of the members of the Ramblers, the land areas of the countries, the extent of access rights and path networks, campaign priorities for countryside protection, promoting walking opportunities and for the Ramblers to provide to Scotland, Wales and England such central services as they wish.

- 4.3 If, during the triennium, SC or WC receives legacies, restricted to Scotland or Wales, cumulatively in excess of that budgeted by more than £250,000 or in the case of Ramblers GB receives legacies restricted to England in excess of that budgeted by more than £250,000, then those amounts shall be taken into account when agreeing the funding percentages for the next triennium under 4.2 above.
- 4.4 If the Ramblers seek external funding from commercial, philanthropic or other bodies for projects potentially affecting more than one of the countries (England, Wales and Scotland) then prior liaison and co-ordination between the Ramblers staff of the relevant countries shall take place. If a substantial sum of money is received directly by Ramblers Cymru or Ramblers Scotland, from a funding bid, legacy or sponsorship or similar, then the Director of Services must be notified.
- 4.5 The finance appendix (appendix 3) agreed in May 2012 sets out the calculation agreed at that time as to how base level of resources under 4.1 will be determined. The Membership - Financial Incentive Scheme (previously part of the finance appendix) ceased to operate from 1 October 2016. Compliance with the finance appendix is monitored annually and reported to the Devolution Committee. If resources are not allocated in compliance, then the Devolution Committee can raise this non-compliance with the Board of Trustees at any time before the next review of the agreement in 2019.
- 4.6 Scotland shall have access to a 'Legal Designated Fund' as described in Appendix 2. The Director of Scotland and SCEC can determine its use.

- 4.7 The BoT shall determine the funds to be allocated to SC each year but such may not be less than the basic funding allocation as in paragraph 4.1. The funds required may be in excess of the amount determined in 4.1. Detailed budget procedures are established outside this memorandum as part of the Standing Financial Instructions and annual budget processes.
- 4.8 It is recognised by all parties that:
- 4.8.1 The effective pursuit of the purposes of the Ramblers throughout GB requires extensive fundraising and the winning of external grants;
  - 4.8.2 It is highly effective for local Groups, Areas, SC and staff of RS to raise funds at local or national level to fund activities and legal cases relevant to the local or national area; and that the use of those funds should be determined locally or by SC as appropriate;
  - 4.8.3 The full costs of running RS exceed the income generated in Scotland from membership subscriptions.
- 4.9 Ramblers GB shall liaise closely in advance, with the Director of Scotland (and vice versa), regarding all significant communications to individual actual and potential Ramblers members that will affect those living in Scotland: For example to co-ordinate appeals for donations, membership recruitment and renewal literature, publicity material, etc.

## **5. Services provided by the Ramblers**

- 5.1 SCEC may decide, with the agreement of the BoT, which services to receive from the Ramblers' Central Services (CS), and which to provide itself, either directly through its staff or through other means.
- 5.2 Where SCEC requests that a significant service be organised by itself, instead of through CS, then SCEC and the BoT shall reach agreement as to whether there shall be any adjustment to the resource allocation made by BoT to SC, and if so, the amount.
- 5.3 Any such changes shall be planned in advance and all parties shall assist in the smooth transition with good will, to ensure the continued promulgation of the Ramblers' aims.
- 5.4 Where services or information provided from Central Services to members, or volunteers, or the public in Scotland are deemed not suitable by the SCEC or the Director Scotland then the SCEC can empower the Director Scotland to liaise with the Ramblers Chief Executive to have such matters reviewed or deferred. Failure to agree on such matters shall be referred to the procedures contained in Para. 10. If SCEC wished to cancel the provision of a service from Central Services then twelve months notice in writing, or some other period by mutual agreement, must be given.

## **6. Employees and operation**

- 6.1 All employees shall be employees of the Ramblers.

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- 6.2 There shall be a Director Scotland (DS) whose line manager shall be the Ramblers Chief Executive. To recruit a new DS, the Chief Executive and the Convener Scotland are both to agree the process of recruitment and the choice of candidate.
- 6.3 If, for any reason, the Ramblers Chief Executive or Scottish Convener deems it necessary to dismiss or make redundant the Director Scotland, every effort will be made by the Chief Executive and the Convener Scotland to reach a mutual agreement. In the event of a failure to agree, the matter shall be referred to the BoT Chair, who shall consult with the Convener Scotland before the Chief Executive makes the final decision.
- 6.4 The DS shall report regularly to SC and its SCEC on the implementation of the strategies, plans and policies adopted by RS and the use of its resources.
- 6.5 The DS shall be responsible for the management of local staff and resources and for developing for approval by SCEC, and for implementing, the strategies, plans and policies adopted by SCEC.
- 6.6 Staff in Ramblers Scotland (apart from the DS) shall be recruited by the DS, in consultation with the Convener Scotland and agreement over interview arrangements. The DS must consult with the Chief Executive to ensure that the legal and associated Ramblers procedures and processes are followed, and the CE shall sign off the appointment by confirming or otherwise that such matters have been followed.
- 6.7 If, for any reason, the DS or Chief Executive deems it necessary to dismiss or make redundant any staff in Ramblers Scotland (apart from the DS), then the Scottish Convener and DS shall be consulted. The DS must consult with the Chief Executive to ensure that the legal and associated Ramblers procedures and processes are followed, and the CE shall sign off the dismissal or redundancy by confirming or otherwise that such matters have been followed.
- 6.8 Financial matters will be dealt with in accordance with the financial regulations issued by the Director of Services of the Ramblers. So that the DS, Convener Scotland and SCEC may manage the finances of RS, monthly finance figures for RS shall be distributed by Central Office to the DS and the Convener Scotland. The DS shall incorporate these in the DS reports to SCEC.
- 6.9 RS shall submit regular, at least half-yearly, reports to the BoT on the progress of the implementation of plans for Scotland. The ex-officio member of the BoT from Scotland shall submit regular, at least half-yearly, reports to the SCEC on all important matters affecting the Ramblers GB, to enable the SCEC and the BoT to be informed of the affairs of each other.
- 6.10 The Ramblers Chief Executive shall attend any meeting of SC or SCEC if requested to do so by such bodies, subject to suitable advance notice and his/her availability. The Chief Executive may attend any meeting of SC or SCEC if he or she wishes.
- 6.11 The Chief Executive of the Ramblers shall be responsible for the provision of Central Services to RS, the co-ordination of matters between RS and Central Office and shall devise a structure to achieve this.
- 6.12 With a view to better consultation and coordination on matters relating to the three countries, the Senior Management Team (SMT), in addition to such meetings in London with its current membership as the CE shall decide, shall meet three times a year in Scotland, Wales and London by rotation with the DS attending. The DS would

also attend for budget items at any other SMT meetings where such items are on the agenda. The DS should in future receive copies of SMT papers and of the Board of Trustees papers (excluding the occasional papers whose circulation is restricted to Board members only).

## **7. Corporate identity**

- 7.1 The name and brand of the Ramblers may be used by RS subject to such safeguards as the BoT may require from time to time.
- 7.2 The corporate image of the Ramblers may be adapted for RS better to promote the aim of the Ramblers in Scotland but only to the extent that the overall image shall be retained and the proposed changes have been notified to the BoT sufficiently in advance for such changes to be considered and approved by the BoT, such approval not being unreasonably withheld.

## **8. Legal activity**

- 8.1 Appendix Two below sets out the details of the role of the Legal Designated Fund.

## **9. Promoting this memorandum**

- 9.1 All existing and future Trustees, SCEC members, and Ramblers staff (where appropriate) in Central Services and Scotland shall be made aware of the provisions of this Memorandum, and it shall form part of said staff's and volunteers' induction.
- 9.2 A Devolution Committee (of volunteers not staff) comprising:
  - 9.1.1 The Chair and Honorary Treasurer of the BoT;
  - 9.1.2 Two members from Scotland appointed by the SCEC;
  - 9.1.3 Two members from Wales appointed by the WCEC; and
  - 9.1.4 Two members from England appointed by BoT

shall meet regularly at such times it considers expedient (but normally at least every three to six months in the beginning) to monitor and progress the implementation of this Memorandum and to promote good understanding between the parties. When difficulties or potential difficulties are identified the Committee will attempt to resolve them quickly and informally.

## **10. Monitoring and disputes**

- 10.1 All disputes arising from the interpretation or operation of this Memorandum, which have not been resolved by the Devolution Committee, shall be referred, as quickly as practicable, to the BoT. In the event of a failure to agree a resolution the decision of the BoT is final.
- 10.2 While a dispute is ongoing through the procedures outlined in 10.1 and 10.2, the status quo, i.e. the current position, shall continue to operate.

## **11. Review**

- 11.1 This memorandum shall come into force at 1 October 2011 and be reviewed in its fifth year of operation (starting 1 October 2015) such that a Memorandum (existing or revised) may be implemented from 1 October 2016.

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11.2 In the absence of a successor Memorandum, this Memorandum shall continue in effect.

11.3 It was agreed that this memorandum should extend to 30 September 2019 at the Devolution Committee meeting in October 2015.

On the recommendation of the Devolution Committee in July 2018, and approved by the board of trustees in September 2018 and SCEC in November 2018, it was agreed that this memorandum should extend to 30 September 2020.

11.4 In the event of RS becoming an independent charity registered solely with OSCR then this Memorandum shall cease.

**Appendix 1: Matters relating to Scotland which are reserved to the board of trustees**

The principle of the Ramblers Scotland Memorandum of Authority, approved in 2003 mirrored that of the relationship between the Scottish Parliament and the UK government. This is that all matters are devolved except for those specifically reserved to the UK Government.

Thus for Ramblers Scotland, all matters are devolved to Ramblers Scotland apart from items listed below where control is reserved to the board of trustees.

*ITEMS RESERVED TO THE BOARD OF TRUSTEES*

1. The Ramblers brand and GB-wide corporate ID.
2. Overall GB budget decision-making and allocations to Scotland.
3. Approval of legal activity where net costs exceed £25,000 (excluding Ramblers staff time).
4. Employment matters including remuneration and terms and conditions of employment for all Ramblers staff.
5. Responsibilities to the charity regulators. The BoT has dual responsibilities to both the Charity Commissioners for England & Wales and to the Office of the Scottish Charity Regulator (OSCR). When making decisions about the Ramblers activities in Scotland the board has to ensure that it has adequate understanding of the environment within which the Ramblers operates in Scotland and the expectations of OSCR.
6. Such other matters for which the trustees have a legal obligation or duty from time to time under the Ramblers' articles or under company law.

NOTE: There are a number of services which Ramblers Scotland receives from Ramblers GB central services, including membership administration, finance, walk magazine, etc, which are not reserved matters, but are carried out by agreement, at a GB level by central services, at present.

**Appendix 2: The Ramblers national legal designated funds**

For Ramblers Cymru and Ramblers Scotland, each nation is entitled to a legal fund for strategic cases of up to £25,000 for each nation.

These funds are reimbursed each year after the annual accounts have been audited to the level of £25,000 for each nation regardless of the level of expenditure from each fund in the previous financial year.

National Directors manage these funds in liaison with National Executive Councils who authorise strategic expenditure at national discretion.

These funds can be used for professional and specialist activity, such as the cost of legal advice, legislative and inquiry work and associated campaigns.

For cases where costs exceed £25,000 nations can have access to the GB Ramblers legal fund.

Business cases for the use of the GB funds need to be submitted to the mission sub-committee following liaison with the director of advocacy & engagement.

**Appendix 3: Devolution financial appendix (all nations)**

1. This financial appendix forms part of both of the Devolution Memoranda of Authority signed between Ramblers GB and Ramblers Cymru (RC) or Ramblers Scotland (RS) on 18th September 2011.
2. It has been agreed to define the recurrent resources allocated to RC & RS as a percentage of the budgeted general income approved by the BoT in the annual budget. (i.e. exclusive of (i) project income, (ii) legacies which are not budgeted for in advance and (iii) any use of reserves to fund investments in one-off, time limited projects). This definition was considered simpler and more transparent than the complex definition in the original memoranda.
3. Resources for 2011/12 are devolved as follows in table 1 below.
4. The percentage in Table 1 item 10 is the 'base level of resources in para 4.1 of the memoranda and applies for the three year's 2011/12 to 2013/14.
5. The responsibility for the devolved budgets rests with the RS and RC, is exercised through their Executive Committees and Directors, and shall be in accordance with the Memoranda of Authority. Monthly financial reports will be provided to RC and RS to enable careful monitoring of the resources allocated to each.

**Table 1**

		<b>GB</b>	<b>RC</b>	<b>RS</b>
1	Total General Budget Income of Ramblers GB (as defined above)	£4416k <sup>1</sup>		
2	Recurrent resources devolved – value <sup>2</sup>		£197k <sup>1</sup>	£193k <sup>1</sup>
3	Allocations to areas devolved <sup>3</sup>		£21k	£31k
4	Allocations to national Councils		£10k	£9k
5	Additional one-off project resources for the year		Nil	£15k <sup>4</sup>
6	Additional one-off resources - incentive membership scheme <sup>5</sup>		Nil	Nil
7	Allocation of resources for central services <sup>6</sup>		£183k	£173k
8	Centrally funded but locally controlled legal fund (from designated fund)		£25k	£25k
9	Recurrent resources devolved - lines 2, 3 & 4 as a percentage of 1 above		5.16%	5.28%
10	Recurrent Resources allocated - value and as a percentage of 1 above <sup>7</sup>		£411k 9.31%	£406k 9.19%
11	Aspired level of resources (FTE)		5	5
12	Core level of resources (FTE)		3	3

1. BoT Minute B/384/11 BoT July 2011 papers, enclosure 5
2. The difference in the costs results from different accommodation costs.
3. Based on 2009/10 and checked by Paul Butler 26.4.12. Welsh paper Draft 13 - 9.03.11 Scotland undated paper from AC. The total allocation to RC and RS is based on the formula used for all Areas in Ramblers GB. The allocation to areas within each Wales and Scotland is a matter for RC and RS
4. Commonwealth Games initiative
5. Scheme starts 1.10.2011, first payment in 2012/13 budget based on 2011/12 achievement
6. Welsh paper Draft 13 - 9.03.11 Estimate Based on 2009-10 uprated by 7% for inflation for 2010/11 & 2011/12 as 50% of costs are salaries which rose by 1% and 2% respective the baseline figure in line 1 is 2011/12
7. Resources in lines 2, 3, 4, 7 divide by 1