**Summary of proposed changes to the WANO Governing Documents**

Please find below an executive summary of the proposed changes to the WANO Articles of Association, the WANO Charter and Policy 6 Governance. Having carefully read the three documents, it was felt they needed to be revised for a host of reasons.

* In a number of cases, the language used incorrectly describes the governance role of the Governing Board as a management function.
* In a few cases, new responsibilities are suggested for the roles of the Governing Board and the Managing Director.
* In many places, functions are inconsistently described such as a responsibility is mentioned in one document but not mentioned in another.

Based on the comments raised by some of the Governing Board members and following the Regional Governing Board discussions, there is a need to better explain the nature and intent of the proposed changes.

The documents are foundational for the Association, with each successive document taking its authority from the former. The Charter is the principal document, followed by the Articles of Association, and then the Governance Policy. There are inconsistencies across all of these documents which make it difficult to reconcile them. The proposed changes correct this.

What was changed:

* The documents in some cases, we believe, unintentionally confused the role of governance and the Executive Leadership Team (ELT). Governors are to govern, management is to manage in the simplest of terms. As an example, Articles 64 says “The business and affairs of the Association shall be *managed* by the Governing Board”. A more accurate wording would be “*overseen and directed*”. Another example is in the Charter where instead of the Governing Board “*Determining* the appropriate levels of resources”, a more appropriate wording would be “*Review and Approve*”. Hence, we carefully proposed such language changes to reflect the intended and actual workings of WANO.
* Removal of the Annual General Meetings. This is no longer required under British Law, and the business matters can much more efficiently be conducted via reports to the Governing Board and mailings of annual financial reports to the Members.
* A separate resolution is proposed to change the title of the Managing Director (MD) to Chief Executive Officer (CEO.) The change is intended to convey a better understanding of the role during external engagements and recognize the position is now a member of the main Governing Board. The resolution for the new title does not convey any additional authorities.
* Duties and accountabilities that are good governance practices but are absent in the current documents were added as follows for the Governing Board:
	+ Annually evaluate the main Governing Board effectiveness
	+ Evaluate and monitor business risks, and ensure control measures are in place
	+ Provide orientation training for new Governors
* Duties and accountabilities that are good governance practices but are absent in the current documents were added as follows for the Chairman:
	+ Responsible for the effectiveness of the main Governing Board
	+ Chairing the MD nominating process and proposing the appointment of the MD for Governing Board approval
	+ Ensuring in concert with the MD the consistency, the integrity and the overall performance of the entire organisation.
* A duty that is a good governance practice but is absent in the current documents was added as follows for the Regional Governing Boards:
	+ Evaluate the compensation of the Regional Director (if applicable).
* Duties and accountabilities that are good governance practices but are absent in the current documents were added as follows for the Managing Director:
	+ Provide leadership and oversight of WANO Communications, including developing communications strategies ( a recent Governing Board decision )
	+ Consult with the Regional Governing Board in the *selection* and appraisal of the Regional Centre Directors (note: the “appraisal” part was already in the current documents and is not a change). The rationale for the participation of the MD in the *selection* process is that given the MD is the leader of the ELT the MD’s opinions and input should be solicited by the Regional Governing Board during their selection process.

What was not changed:

* The documents specify the functions of the Governing Board, Regional Governing Boards, Managing Director and Regional Directors. The suite of duties, for example the Managing Director, is not the same in any of the documents. One has to read all three documents to determine the suite of duties for the Managing Director. Hence, using a direct cut and paste approach we collated all the duties listed in the three documents so that they are more consistent. This however gives the impression that voluminous changes to duties and authorities were being proposed which is not the case as the wording already existed.
* There is no change in governance structure.
* There are no significant changes to duties other than those listed above.
* There is no diminishing of authorities of the Regional Governing Boards nor Regional Centre Directors
* Regional Chairs, in consultation with the MD, conduct an annual performance review of the RC Directors. This is directly out of the existing documents and is current practise.
* Budget and staffing responsibilities. The Regional Centres and Regional Governing Boards are clearly accountable for their regions under the existing wording.
* Due to misinterpretation of the existing wording with respect to the Managing Director’s accountabilities for cost control systems and financial matters, we have now inserted “for WANO London office” to provide better clarity.

As an aid, please find attached a one page pictorial illustration that we have assembled of the WANO governance structure complete with the major functions of each of the players. **The words in red reflect the proposed new functions or roles to the governing documents, the black print are unchanged existing roles/functions, crossed out black words that are superseded by red reflect language clarification.**

The sole intent of the proposed changes was to provide WANO with a more coherent suite of governing documents, to make them more accurate by providing more clarity to certain functions that various parties perform, and to incorporate some obvious omissions of some current corporate governance practices that are performed elsewhere.

The above explanations are for your consideration and we will be seeking your approval to submit for member resolution at our next Governing Board meeting.