



Presidential Commission into ICE Governance Consultation on Interim Report

Presidential Commission into ICE Governance

- Commission is an advisory body established by the Council
- purpose is to:
 - review the governance of the Institution
 - ensure ICE delivers its Royal Charter objects as effectively as possible
 - make recommendations to the Council and Trustee Board
- Commission members:
 - reflect the diverse nature of the Institution
 - include external members with strong experience of governance
- Commission is consulting widely during its work

- In 2018, ICE members voted for new governance arrangements*.
 - a Trustee Board of 12 members, responsible for governance decisions, where the board and individual trustees take collective responsibility; and
 - a 38-member Council whose main role is advisory, debating the strategic issues for civil engineering and the profession, tendering advice and representing the views of the membership to the TB, and with some approval powers.
- At the same time, resolutions were passed at a Special General Meeting expressing disappointment with the handling of the ballot and calling for a full review of ICE governance following extensive consultation.
- The Council decided to implement the new arrangements and also set up the Presidential Commission to review ICE governance.

* a Plain English guide to current and previous ICE governance arrangements is on the Commission's web page and in our Interim Report Volume 1 Annex C

Commission's Work Plan - Three Stages

Stage 1: Key Governance Principles & Issues

- consider key governance principles and issues
- review governance arrangements and trends in comparator organisations
- understand requirements of regulators such as the Charity Commission and Engineering Council
- understand the concerns of members opposed to the recent ICE governance changes
- consult on the key principles and issues for ICE Governance with:
 - the ICE membership
 - ICE's main Boards and Committees
 - Specialist Knowledge Societies

Jan – Apr 19

Stage 2: Proposals for ICE Governance

- review key issues, concerns and expectations from Stage 1 consultations
- consider all the key issues
- develop interim options and positions

May – Jul 19

Stage 3: Consulting and Reporting

- publish Interim Report
- consult ICE membership, key ICE Boards and Committees and the Specialist Knowledge Societies on the findings in the Interim Report;
- finalise recommendations
- provide final report to the ICE Council and Trustee Board in Nov / Dec 2019

Current Stage

Interim Report for Consultation

Published on Commission web page

<https://ice.org.uk/about-ice/who-runs-ice/presidential-commission>

- Volume 0 – Interim Report (Summary Report)
provides summary analysis and considerations and explains the 19 interim findings
- Volume 1 – Interim Report (Full Version)
provides more detailed analysis with references and Annexes
- Volume 2 – Evidence and Submissions
publishes the material submitted to the Commission during the Stage 1 consultations via open evidence sessions, workshops with ICE Boards and Committees and submissions from ICE members and Specialist Knowledge Societies

Focus Area 1

Top-Level Governance Structure

Please read Section 5 of the Interim Report

Should ICE's trustee body be a large Council or a compact Trustee Board?

First-principles review leads to proposition that a compact TB can:

- take effective decisions, giving clear and consistent direction;
- be collectively accountable and legally compliant;
- focus on risks & opportunities in a rapidly changing environment;
- allow each trustee to make a meaningful contribution to debate and decisions, taking individual and collective responsibility
- encourage trustees to act in the best interests of the organisation as a whole, rather than represent the views any particular group

Supported by a 38-strong Council comprising directly elected members representing the various grades and geographical locations; acting as a valuable advisory body, ensuring a breadth of views on key issues; with some approval functions; These high-level governance arrangements are largely in line with those of the nine comparator bodies and align with the maximum number of trustees recommended as good practice by the Charity Governance Code.

Interim Finding 1:

Commission recommends that ICE's top-level governance structures should comprise a compact Trustee Board with a larger, mainly advisory, Council. This is subject to considering the balance of the Trustee Board, the method of appointing its members and other matters discussed later in the Interim Report.

Question:

What are your views on this recommendation?

Focus Area 2

Balance of the Trustee Board

Please read Section 6 of the Interim Report

The Commission believes the Trustee Board should be re-balanced, with a majority of members elected either directly or indirectly by the ICE membership:

- President
- 3 Succeeding Vice Presidents
- 7 elected members
- 1 member nominated by the Nomination Committee and approved by the Council
- exceptionally, a second nominated member if necessary to bring particular skills to the Board

Number of elected members more than doubles from three (25%) in current arrangements to seven as proposed (58%)

Interim Finding 2:

Commission recommends the key principle that a majority of Trustee Board members should be elected by the ICE membership (subject to further consideration as to the method of election in section 7) giving the configuration of 12 or 13 members shown aside, with a quorum of at least seven.

Question:

What are your views on this recommendation?

Focus Area 3

Method of Election to the Trustee Board

Please read Section 7 of the Interim Report

A fundamental requirement of trustee governance is to appoint trustees who meet the profile required to optimise the skills, experience and diversity of the Board.

4 main options to elect trustees, but only 3 are viable:

Option A: open election by ICE members

(**not recommended** because it cannot fulfil the fundamental requirement of electing trustees with the required profile)

Option B: focussed election by ICE members of candidates who have the required profile

(ensures right skills etc, but weakens the role of Council who currently elect 3 of their own members to the TB)

Option C: election by the Council of Council Member candidates who meet the required profile

(ensures right skills etc, but there may be insufficient Council members with required profile)

Option D: combination: say, 3 elected by Opt B, 4 by Opt C (mitigates the disadvantages)

Interim Finding 5:

Commission seeks further views on which option to elect seven members to the Trustee Board (normally 2 per year, sometimes 3):

- Option B focused election by members
- Option C focused election by Council
- Option D combination of B & C

Question:

Commission is leaning towards option D but is keen to know which option you prefer and why?

Focus Area 4

Nomination Committee

Please read Section 8 of the Interim Report

NomCo nominates President, Vice Presidents and Nominated Trustees for endorsement by Trustee Board and approval by Council.

Its work is influential, but sensitive and confidential.

Interim Finding 6:

Commission recommends a NomCo of 8 to 12 members, a majority of whom are elected by the Council. It should include one aspiring member (ie graduate or student).

Interim Finding 7:

Commission recommends that NomCo:

- identifies a role specification and demonstrates to TB and Council how the nominee meets the required characteristics
- publishes a summary of the process in a NomCo Annual Report, while respecting the confidentiality of the nominations process

Question:

Have you any views on these issues?

Focus Area 5

Chairing the Trustee Board and Council

Please read Section 9 of the Interim Report

Option A: President chairs both the Trustee Board and the Council

- President remains the unquestioned leader of ICE, chairs governing body
- continuity assisted by 3-year lead-in
- helps alignment between the Council and the Trustee Board
- any conflict of interest handled by delegating Chair of Council

Option B: President chairs the Trustee Board but not the Council

- President remains the unquestioned leader of ICE, chairs governing body
- continuity assisted by 3-year lead-in
- President no longer chairs Council, reducing its influence?
- avoids Col, but may be less alignment between TB and Council

Option C: President chairs the Council but not the Trustee Board

- provides continuity, avoids any conflict between the President's role as chair of both the Council and the Trustee Board, and reduces the President's workload in a busy year
- concern the President is no longer the leader of the Institution and becomes a figurehead
- may be less alignment between TB and Council
- risk of tension between the President and Chair of the TB

Interim Finding 9:

The Commission seeks further views on the following options for chairing the Trustee Board and Council:

- Option A: President chairs both the Trustee Board and the Council (with measures to mitigate any conflict of interest)
- Option B: President chairs the Trustee Board but not the Council
- Option C: President chairs the Council but not the Trustee Board

Question:

Which option do you prefer and why?

Focus Area 6

Vice Presidents

Please read Section 10 of the Interim Report

Currently, 7 VPs nominated to Trustee Board:

- 3 'succeeding' (ie expected to become President)
- 4 'non-succeeding'

Under Interim proposals only the 3 succeeding VPs will be nominated.

Important key principle is that all trustees should have equal levels of responsibility.

So each trustee will normally lead on a portfolio (not just the VPs).

This avoids any one trustee being seen as superior to another.

Interim Finding 11:

Commission seeks further views on the following options to uphold the key principle that all trustees should have equal levels of responsibility:

- Vice Presidents will only be the succeeding VPs, with other members of the Trustee Board holding the title 'Trustee'
- all members of the Trustee Board except for the President should have the title of Vice-President

Question:

Which option do you prefer and why?

Focus Area 7

Strengthening the Role of Council

Please read Section 11 of the Interim Report

Important to strengthen the role of the Council to ensure it fulfils its role of debating, and advising on, significant issues facing civil engineering, the profession and society and is not seen as a talking shop.

Must not undermine the key principle that it is the Trustee Board which has ultimate control and responsibility for the governance of the Institution.

Interim Finding 12:

Commission recommends strengthening the role of Council:

- Council should be pinnacle of the Institution's Learning Society, with the LS Committee and Panels reporting through the Council
- there should be a trustee who is Vice President / Trustee for the Council, who will also act as Vice-Chair of the Council
- ToR of both TB and should require the TB to consult Council on defined, significant matters
- TB must provide a reasoned explanation to the Council if it declines to accept the Council's advice.

Question:

**What are your views on this recommendation?
Have you any other suggestions?**

Focus Area 8

Transparency and Engagement

Please read Section 12 of the Interim Report

Transparency and openness are vital elements in building confidence in the Institution's governance.

The Commission recommends publishing:

- plain English guide to the ICE's governance arrangements
- TB and Council Terms of Reference
- the comprehensive 'Governance Handbook'
- Trustee Board minutes once confirmed
- details of how to attend a Council as an observer
- the President's calendar
- an annual Transparency Report

Engagement

The Commission recommends that:

- TB regularly invites particular groups to present to it
- TB and Council examine the root causes of low turn-out in member votes with a view to significant improvement

Interim Finding 15 and 16:

Commission recommends the measures aside to improve transparency and engagement.

Question:

Have you any views on these issues?

Focus Area 9

Special General Meetings

Please read Section 13 of the Interim Report
Commission's Terms of Reference require us to consider how SGMs can be more accessible to voting members.

Interim Findings 17, 18 and 19:

Commission recommends:

- no change to the number of members required to requisition an SGM
- that non-Voting Members may make an oral contribution at an SGM
- By-Laws are amended to permit electronic voting for voting members unable to attend an SGM

Question:

Have you any views on these issues?

Your Comments

- we warmly welcome your comments on any or all of the 9 Focus Areas in this Consultation Pack
-or on any other aspect of the Interim Report
- many thanks in advance for your time and insights
- to have your say, please email your views to presidential.commission@ice.org.uk **before 11 Oct 19**
- all submissions received in response to this consultation will be considered by the Commission and will be published in the Final Report - personal details withheld apart from authors' names

Next Steps

- Interim Report published 5 Aug 19
- closing date for consultation responses 11 Oct 19
- Final Report to TB and Council in Dec 19 and published on ICE website
- work of the Commission is then complete
- Trustee Board will then decide on any governance changes required as a result, having taken the advice of the Council
- some changes may be implemented right away, while others may require a ballot of the voting members to change By-Laws
- the Trustee Board will need to communicate clearly and effectively with ICE members in advance of formally initiating any changes

