

PRESIDENTIAL COMMISSION ON ICE GOVERNANCE

15:00: Tuesday 6 November 2018

The Hawksley Room, ICE, One Great George Street, Westminster, SW1P 3AA

Note of Meeting

Attending

David Orr CBE	DO	Chair
Kris Barnett	KB	
Simone Bertram	SB	(by teleconference)
Allan Cook CBE	AC	
Claire Oliver	CO	
David Porter	DP	
Jean Venables CBE	JV	

Apologies

Richard Fish
Paul Sheffield CBE
James Stewart OBE

1. Welcome and Introductions

- 1.1 DO welcomed all to the meeting and thanked them for agreeing to serve on the Commission.
- 1.2 He said:
 - we have been commissioned by the President and Council to undertake a vital and strategic task;
 - it is important to do that with an open mind, consulting members, examining the evidence and forming our recommendation accordingly;
 - our role is to look forward, with the recently approved governance changes as the baseline; and
 - he would like to operate by consensus as far as possible, but respecting the differing views.
- 1.3 Those present introduced themselves. DO summarised the backgrounds of those unable to attend; all had provided input in advance and this will be fed in to the discussions at the meeting.
- 1.4 DO explained that, at present, we are Members Designate. He is to provide the President with the proposed members for confirmation by the ICE Council and Trustee Board during December 2018. Until then, he requested that the names be held in confidence.



2. Background to the establishment of the Commission
 - 2.1 DO said that the purpose of the Commission is to look forward from the current position. However, he felt it important for the Commission to hear the background to the governance ballot and Special General Meeting (SGM) which led to the establishment of the Commission.
 - 2.2 He invited DP and CO to summarise the background from their perspective as Council members.
 - 2.3 They said that the Annual Strategy Meeting in October 2017 discussed, as one of its principal items of business, the need to consider the ICE's trustee arrangements. It considered the [Charity Governance Code](#) endorsed by the Charity Commission, and was addressed by a barrister specialising in charity and trustee law. The meeting was struck by the need to comply or explain. The ASM decided, in principle, to consider at a future Council meeting, restructuring the ICE's governance arrangements to comprise a largish, mainly advisory Council and a smaller Trustee Board.
 - 2.4 The Council meeting in December 2017 considered a paper on a proposed structure, but this was not agreed. In particular, there was concern about the large size of the Council that was proposed.
 - 2.5 At a special Council meeting in February 2018, revised proposals were put to the Council:
 - A new 'Council', of a similar size to the current arrangement (44 members) would continue to be elected by, and representative of the membership, and would deliver advisory and audit functions as well as scrutinizing the performance of the Trustee Board.
 - This largely-advisory Council would also have time to focus on wider professional and societal issues and use their wide expertise to propose solutions to tackle them.
 - The new structure would see a smaller Trustee Board of 12 becoming responsible for the Institution's strategic decision making. The new Trustee Board would enact policy and plans on behalf of the Institution which in turn would reflect the will and ambitions of the Council.
 - 2.6 The February Council agreed to put the proposals to a ballot of the membership in accordance with the bye-laws.
 - 2.7 Before the member ballot closed, the ICE received a petition to hold an SGM. The SGM motions expressed disappointment with ICE's handling of the Governance Ballot; required the ICE Council to undertake extensive and effective consultation within ICE's membership at large; and required the ICE Council to formulate new proposals for ICE Governance following and derived from the consultation and to then hold a new ballot of the Membership on those new proposals.
 - 2.8 The SGM was fixed for 31 July, after the closing date for the members ballot on the proposed governance changes of 16 July. When asked, DP explained that

the SGM date had been set in accordance with the timescales set out in the by-laws and to accommodate the calendar of one of the principal petitioners.

- 2.9 The proposed governance changes were approved by around 70% of those voting electronically in the members ballot, with some 9% of the membership voting.
- 2.10 The SGM motions were carried by 60% to 65% (varying between the 3 motions) with some 215 members voting. It was clarified that the ICE by-laws do not currently allow the use of proxy votes at an SGM, only votes in person. DO said this would be an area for consideration by the Commission.
- 2.11 At a special Council meeting on 4 September, the Council was advised that, under the by-laws, it had no alternative but to introduce the governance changes approved by the membership in July (these became effective on 6 November 2018 following approval by the Privy Council). The Council continued to believe the governance changes were broadly the right approach but, at the same time, it listened to and accepted the results of the SGM and legitimate concerns expressed at that meeting about the need for effective communications. It therefore decided to accept the result of the SGM and implement a full governance review.
- 2.12 Both DP and CO emphasised that the tone and mood of the Council meeting in September 2018 was conciliatory, recognising the legitimate points raised at the SGM.
- 2.13 JV explained that, when the member ballot was first announced, many ICE members approached her and Past-President Paul Jowitt (PJ) expressing concern at the lack of information about the proposed governance changes. The first many had heard of it was an open letter by the President shortly before the issue of the ballot papers. Many found the explanation in the ballot papers difficult to understand. It was only during the ballot period that ICE published FAQs on its website.
- 2.14 JV said that she and PJ met the President during the ballot period. They explained a head of steam was building up in relation to the ballot and what was seen as poor communication. They asked what they could do to help the situation and one of their suggestions was to cancel the ballot. Subsequently the President advised that the ballot could not be halted. Reluctantly, therefore, JV and PJ felt there was no alternative but to call the SGM.
- 2.15 The Commission requested a paper setting out in detail the new governance arrangements. (**Action: DO**)

3. Terms of Reference

- 3.1 The Commission was broadly content with the draft Terms of Reference (ToR) provided by the President. A number of minor amendments were suggested:
 - para 2: suggest this should refer to the Institution's 'Royal Charter objects' as that is our ultimate governance authority;

- para 3(c): suggest the addition of the 'Engineering Council' as it is another regulator as well as the Charity Commission; and
 - para 3(e): suggest the addition of 'both now and in the future', to emphasise that the Institution's governance arrangements must be fit to accommodate change that is as yet unknown.
- 3.2 The Commission's suggested amendments are to be sent to the President for discussion and confirmation by the ICE Council and Trustee Board during December. (**Action: DO**)

4. Indicative Work Plan

- 4.1 DO tabled a draft Indicative Work Plan for discussion, development and adoption by the meeting. It proposed to take forward the Commission's work in three stages:

Stage 1: Key Governance Principles and Concerns (Nov 18 – Mar 19)

Before considering the details of the ICE's governance arrangements, the Commission believes it is important to:

- consider the key principles of good governance for an Institution such as ours;
- to be aware of good practice and regulatory requirements;
- to understand the concerns that have been expressed about the recent governance changes approved by the member ballot in July 2018 and endorsed by the Privy Council in October 2018; and
- to consult ICE members on the key principles and characteristics they require of ICE governance.

Stage 2: Developing Options for Future ICE Governance (May 19 to Aug 19)

Having considered the key issues, concerns and members' and regulators' expectations for the principles of ICE governance, in Stage 2 the Commission will then consider if changes are necessary or desirable and, if so, the options to be considered.

Stage 3: Consulting and Reporting on Future Governance Options (Aug 19 to Dec 19)

In this stage, the Commission will seek guidance from the Council and Trustees in relation to the emerging options, will consult the membership and key committees on its proposals, and will then finalise its recommendations to the ICE Council and Trustee Board.

- 4.2 The Commission was generally content with the indicative work plan, subject to a number of minor amendments from those present and some which had been received from those unable to attend.

- 4.3 In particular, it was suggested that a market research firm would be needed to conduct the member consultation and present the data analysis. The Commission may need to review the timetable for stage 2 to allow for adequate time for questionnaire to be produced, member responses and analysis.
 - 4.4 All proposed amends were accepted, and the Indicative Work Plan is to be updated accordingly. **(Action: DO)**
5. Appointment of Executive Secretary
 - 5.1 DO explained the importance of the role of Secretary or Clerk to the Commission. Not only must the individual be able to administer the Commission meetings, but must also be able to undertake research and be particularly good at drafting papers and writing the report, all under the direction of the Commission.
 - 5.2 It was agreed that, given the circumstances, it would not be appropriate to engage a current member of ICE staff.
 - 5.3 DO asked members of the Commission to let him know in the next few days of any suitable candidates, before he makes a decision. **(Action: Commission Members)**
6. Date of Next Meeting
 - 6.1 In the absence of a Secretary, DO agreed to canvas Commission members' availability with a view to setting a date for the January and February meetings. **(Action: DO)**