



## PROPOSAL FOR FUTURE GOVERNANCE OF THE INSTITUTE

v.280219

### Introduction

1. The purpose of this document is to set the framework for reshaping the governance of the IHBC for the future<sup>1</sup>. It draws on experience from Council+, comparison with other organisations, 14 years of consideration and legal advice.
2. The document follows months of informal discussions and a meeting of a 'focus group' on 23 August 2018<sup>2</sup> and detailed consideration by the Institute's Trustees.
3. Following consultation with the Institute's Branches and membership it is intended to present the proposal for approval to the Institute's AGM in Nottingham on 5 July 2019.
4. In order to promote the widest possible involvement in its consideration, it has been kept as succinct as possible with:
  - ◆ summary rationale contained in footnotes;
  - ◆ more detailed information and analysis being available;
  - ◆ only the fundamental elements of the constitution (Articles of Association and By-laws) under review with arrangements for committees, branches, panels, operations and other elements being designated for determination at levels below that of the formal constitution<sup>3</sup>.
5. It is acknowledged that some members may see limitations of aspects of these proposals. The proposal is not intended to limit influence on the Institute's affairs but to empower more members to participate.

### Current governance

6. The current governance arrangements for the IHBC were established in 1997 on its foundation when the membership was comparatively small. The constitution was carefully considered at the time and, in particular, was designed to give it:
  - ◆ charitable status;
  - ◆ a structure to allow it to be run almost entirely by volunteers;
  - ◆ a role for regional branches seen as essential for the Institute's growth and development<sup>4</sup>.
7. The detail of the Institute's current governance may be found in its:

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1 It is presented as the proposals of the Trustees for consultation with the Institute's branches and membership. Other options have been considered but following 4 years of discussion and the trialling of alternative processes, this proposal is considered to be the optimum approach.

2 David McDonald, James Caird, Jill Kerry, Dave Chetwyn, Lucie Carayon, Seán O'Reilly with Lydia Porter in attendance.

3 The concept is one of flexibility; the minimum necessary assigned to the formal constitution with everything else governed by rules or regulations.

4 But the two-way reporting mechanism of this approach only works where the branch representative regularly attends F+R and is able to report back to, and be briefed by, regular branch meetings. More consistent lines of communication now exist.

- ◆ Memorandum of Association<sup>5</sup> and
- ◆ Articles of Association<sup>6</sup>.

8. Over the past few years the Institute has been involved in a process of 'experimental evolution' originally set in motion by our Past President Trefor Thorpe.

### **Charitable and chartered status**

9. Many professional institutes are 'chartered' and some, like IHBC are charities. Both come with benefits and obligations.

- ◆ The benefits of *charitable status* are largely ones of image, particularly in our advocacy role in the heritage sector. But it does mean that constitutional changes have to be agreed by the Charity Commissions<sup>7</sup>. This reduces constitutional flexibility.
- ◆ The benefits of *chartered status* are also mainly of image: we would be seen to be joining the ranks of many august institutions. However the process of making application to the Privy Council is a specialist one and would involve considerable time and some cost<sup>8</sup>.
- ◆ There is currently no proposal to give up charitable status or apply for a royal charter. But flexibility in the constitution to do either seems desirable.
- ◆ However, early consultation indicates that there may be support for chartered status.
- ◆ Thus the proposals have been tested against a form of words that would satisfy these objectives.

### **Future governance: the need for change**

10. The main problem with the constitution and governance structure of the IHBC is its lack of flexibility. Many possible changes to the way we work require formal changes to the constitution. A structure that allows general meetings of the Institute to instigate change is desirable.

11. The many factors influencing the imperative for a new constitutional structure are:

- ◆ the membership has grown to 2,500;
- ◆ the Institute is now managed by a professional administration<sup>9</sup>;
- ◆ the existing structure has been gradually extended to cover substantial ranges of activity, policy formation and external liaison;
- ◆ the continued involvement of IHBC members as volunteers is essential<sup>10</sup>;
- ◆ but the capacity of members to undertake voluntary roles in the Institute has been declining<sup>11</sup>;

<sup>5</sup> [http://www.ihbc.org.uk/business/docs/Memorandum\\_assoc6December2005.pdf](http://www.ihbc.org.uk/business/docs/Memorandum_assoc6December2005.pdf)

<sup>6</sup>

<https://www.ihbc.org.uk/business/docs/IHBC%20Articles%20of%20Association%20as%20adopted%20by%20AGM%20Resolution%2006%20June%202014.pdf>

<sup>7</sup> For England and Wales, and Scotland.

<sup>8</sup> CIfA has been through this process in recent years.

<sup>9</sup> Currently 6 members of staff, with others employed on a contractual basis.

<sup>10</sup> Other professional Institutes with larger officer corps also have larger memberships and, generally, considerably larger membership fees.

<sup>11</sup> Declining resources on the part of IHBC members' employers has meant that younger members, particularly those in local authorities, have fewer opportunities to participate.

- ◆ the *ex-officio* aspects of the existing structure means that some roles are more onerous than they should be thus further reducing the real opportunities for participation<sup>12</sup>;
- ◆ voluntary officer structures and reporting mechanisms have resulted in duplication of effort and agenda inflation;
- ◆ external legal advice has criticised the arrangements for the 'Board of Trustees'<sup>13</sup>;
- ◆ the requirement for a trustee from each region has skewed regional representation<sup>14</sup>;
- ◆ our structure and its nomenclature are unorthodox which hinders external understanding of roles and responsibilities<sup>15</sup>;
- ◆ the process of 'experimental evolution' has provided some good indicators of what is likely to work well<sup>16</sup>;
- ◆ the Institute already has some international membership<sup>17</sup>, with considerable potential for development<sup>18</sup>;
- ◆ there is considerable potential for development of the IHBC's contribution to historic building conservation at an international level.

### **The purpose of the Institute**

12. It is not proposed to amend the Institute's purposes:

- ◆ as a professional body;
- ◆ as a promoter of best practice for the benefit of the public.

### **Membership and membership rights**

13. Only about half the Institute's membership is of fully accredited IHBC status<sup>19</sup>. The other half<sup>20</sup> has no recognized role in the running of the Institute despite wider purposes of the Institute and the excellent contributions of some.
14. A justification for this stems from the wider objectives of the Institute, beyond those of professional accreditation.
15. It would be possible to extend formal participation in the working of the Institute:
- ◆ voting rights at the AGM;
  - ◆ membership of committees and other meetings below board level;
  - ◆ this might be further defined by minimum periods of membership or new membership categories;

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12 For example there is no reason why a committee chair need be a trustee. There may be members who would make good chairs but find the additional role of trustee to onerous.

13 Too many members, lack of continuity of membership and attendance and the need for specific expertise and training.

14 In recent years several branches have experienced difficulty in finding a branch trustee and in others attendance at meetings has been patchy.

15 For example the status of F&R+ and Council+ are not easily discernible.

16 Particularly the broadened scope of Council+.

17 Including the Republic of Ireland. Most of this comprises existing members who have relocated abroad.

18 Many of the built environment professions have overseas memberships.

19 The robustness of our accreditation system is regarded as an asset.

20 Currently Affiliates and Associates.

- ◆ subject to the regulation of the profession being retained in the exclusive hands of accredited members.

16. These do not currently form part of this proposal but could do so easily and maybe should do so.

### **Proposal**

17. The recommended constitutional framework is one that ought to be familiar to the wider public:

- ◆ a Board (of Directors<sup>21</sup>) elected by the AGM<sup>22</sup>:
  - for a balance of relevant skills;
  - with no formal representational role for the branches;
  - with powers of co-option in the event of casual vacancy or identifiable gaps in skill sets<sup>23</sup>;
- ◆ a Council<sup>24</sup>:
  - with a core membership, formal regional representation and wild-card membership;
  - with a role as a 'training ground' for board membership and other formal roles in the Institute<sup>25</sup>;
- ◆ a committee and panel structure<sup>26</sup>;
- ◆ a constitution based on 'chartered institute' principles<sup>27</sup>.

### **General meetings**

18. The General Meeting (typically the AGM) would, as at present,

- ◆ receive and adopt the Board's Annual Report;
- ◆ receive and adopt the annual accounts;
- ◆ appoint the Officers and the Board;
- ◆ receive and debate any formally presented motions.

### **The Board of Directors**

19. The Board would be comprised of 12 members:

- ◆ Officers (4):
  - chair;
  - vice-chair;

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21 Who will act as Trustees for any period in which the Institute is a Charity.

22 As at present, but possibly also on the recommendation of the Council.

23 The possibility of skill-led co-option from outside the accredited membership or even the Institute might be considered.

24 Similar to Council+ at present.

25 Such as committees, panels, chairmanships and officer posts.

26 To be determined by the Board in consultation with the Council, initially not changed much from the present structure.

27 A form of words that would achieve this is in draft,

- treasurer;
  - secretary;
  - ◆ Designated representatives of the devolved administrations nominated by their branches, elected at the AGM (3)<sup>28</sup>;
  - ◆ 5 other members, elected at the AGM;
  - ◆ The President would attend but not be a Director<sup>29</sup>;
  - ◆ Board members would be appointed for their willingness and ability to perform this role and the role of charitable trustee<sup>30</sup>;
  - ◆ There would be the capacity to appoint up to 2 co-optees to the Board should special skills or experience seem expedient<sup>31</sup>.
  - ◆ Board members would be appointed in rotation (as far as possible) for periods of 3 years<sup>32</sup>
    - year 1: chair and 3 members;
    - year 2: vice-chair, secretary and 2 members;
    - year 3: treasurer and 3 members;
    - initial appointments would be phased<sup>33</sup>;
    - casual vacancies would be filled for remaining terms.
20. The responsibility of the Board would be:
- ◆ budgetary and financial control;
  - ◆ corporate plan and its monitoring;
  - ◆ annual report and accounts;
  - ◆ senior staff appointments;
  - ◆ appointment of committee chairs and setting of committee terms of reference;
  - ◆ general governance including IHBC Enterprises Ltd;
  - ◆ the Board would not routinely consider matters which are the responsibility of committees<sup>34</sup>.

### **Council**

21. The Council would be the representative forum of the Institute<sup>35</sup>:
- ◆ the Council would be comprised of 50 members:
    - the Board (12);

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28 Their increasingly different legal and policy structures demand this.

29 As at present. The ambassadorial roles of President and Vice-President are of very considerable value.

30 There are specific duties which need to be fully understood and performed.

31 Many bodies have such scope.

32 For the purposes of continuity. This already applies to the chair.

33 For periods of 3, 1 and 2 years respectively.

34 But would consider specific issues referred to it by committees where wider institutional issues were involved.

35 As Council+ is at present.

- the Committee chairs (5);
  - 2 from each branch (24);
  - wildcard members. (9+)<sup>36</sup>.
- ◆ wildcard places would be available as follows:
    - proposed attendance from designated members would be notified 2 weeks in advance of the meeting;
    - applicants for wildcard places would be selected from those who had expressed an interest in advance but selected (if necessary) to achieve a branch balance or other basis to be devised.
22. There are obviously some months of discussion still to be had. The current proposal is to:
- ◆ revise the document in the light of discussions at F&R;
  - ◆ offer it to the branches for consideration;
  - ◆ the President and Chairman to visit every branch that wishes it to discuss the proposals and receive feedback;
  - ◆ place any structural changes before the AGM in June 2019.

*James Caird v.280219*

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<sup>36</sup> Expressed as 9+ because additional places would be available when regular members had indicated inability to attend.