

Report of the Council of the Institute of Chartered Secretaries and Administrators

This report to the membership of the Institute covers the period from 1 July 2016 to 30 June 2017.

The complexity of the proposed changes to the Charter & byelaws and the finalisation of the new Qualifying Programme saw an increase in the number of Council meetings held during the year. Face to face meetings were held in Sydney in September 2016 and Johannesburg in March 2017. Teleconference meetings were held in November 2016, as well as in February and June 2017.

Council meetings continue to be conducted in a spirit of goodwill and friendly cooperation and as the Council composition is based on the number of members in each Division there is a good cross-section of views and skills.

The composition of Council for the period was as follows:

Australia	Mr Peter Turnbull (elected Vice-President with effect from 1 July 2016)
	Mr Frank Bush (President until 30 June 2016 and Immediate Past President with effect from 1 July 2016)
Canada	Mr Gerry Boose (elected with effect from 1 January 2016)
Hong Kong/China	Ms Edith Shih (re-elected as Vice-President with effect from 1 July 2016)
	Mr Paul Stafford
Malaysia	Dr Syed Abdul Hamid Aljunid (elected with effect from 1 January 2017)
New Zealand	Ms Kerry Heath
Singapore	Mr Loh How Yee (elected with effect from 1 January 2017)
Southern Africa	Ms Jill Parratt
Zimbabwe	Ms Loice Kunyongana
UKRIAT	Mr David Venus (Vice-President until 30 June 2016 and elected President with effect from 1 July 2016)
	Mr Frank Curtis (elected with effect from 1 January 2017)
	Mr John Heaton
Past Presidents	Mr Michael Ashford (Canada) Mr Frank Bush (President until 30 June 2016 and Immediate Past President with effect from 1 July 2016)

On behalf of the Council, I am pleased to be able to report to you on the work your Council has undertaken during the year ended 30 June 2017. This report takes in my first full year as President and I would like to acknowledge the significant commitment my colleagues made this year to attend five Council meetings (two face to face and three by teleconference) to finalise details of the proposed changes which I elaborate on below.

In October 2014, the Council adopted a strategic framework, mission statement and five principal elements that would guide its activities going forward. It gives me great pleasure to outline the substantial progress that had been made during this last year.

As a reminder, the Institute's mission statement is as follows:

'To be the leading global professional institute in governance'

The five elements that have driven the Council's activities are:

- To update the International Standard and Qualifying Programme;
- To promote the benefits of membership and the qualification;
- To raise the profile of the Institute to ensure that its skills, knowledge and experience in governance are recognised internationally;
- To improve communications with the membership base;
- To update the administrative structures of the Institute.

New qualifying programme

My predecessor as President, Frank Bush, reported to you last year on work that has been carried out to produce a new International Standard that would underpin our examinations and criteria for membership. The current International Qualifying Scheme (IQS) was introduced in 2004 and so it was seen as critical that the qualification be brought up to date and made more relevant to a wider range of professionals.

The work to produce a new Qualifying Programme for our examinations worldwide is now complete with the final details agreed at our meeting in Johannesburg in March of this year. We are all very grateful to members of the Working Group that led the review and members of the seven Subject Advisory Committees that provided the expert input.

The new Qualifying Programme will enable students to study to earn the designation of Chartered Secretary or, if approved by members in October 2017, to earn a new designation called Chartered Governance Professional.

The new Qualifying Programme to be Chartered (in either designation) will be at the same professional level as the current IQS and will have a common core that will provide a firm knowledge base in governance, law, finance and risk management. From that point, those studying for the Chartered Secretary designation will progress to study Corporate Secretarial Practice and Development of Strategy. Those seeking the Chartered Governance Professional designation will study Enterprise Risk Management, as well as sector-specific governance in areas such as health, sport or public sector governance.

The final timetable for implementation of the new Qualifying Programme for most Divisions will be from January 2019. In conjunction with the new Qualifying Programme, UKRIAT is also updating its Chartered Secretary Qualifying Scheme. The transition to the new Qualifying Programme will not

disadvantage or affect the studies of any current student. Details of the transitional arrangements will be advised in the coming months.

Promote membership: new strategic initiatives

I am also pleased to report that during this year your Council agreed on two important strategic initiatives that will be put before you as members for approval this October. The first is the proposed introduction of the second designation of Chartered Governance Professional and the second is the proposed introduction of an intermediate grade of membership to be called Affiliated Member.

Many of our students and members work in a variety of roles in both the private and public sectors but for them the designation of Chartered Secretary is not necessarily descriptive of the work they do. At the same time, we are all aware of the growing emphasis placed on 'governance' worldwide, in all areas of business and public life. Accordingly, your Council is asking for your approval to introduce this new designation of Chartered Governance Professional to give a home to a wide range of individuals that have a role in delivering good governance - whatever their organisation.

Your Council has also agreed to seek your approval to introduce an intermediate grade of membership which will not be Chartered but will allow graduates of approved courses to call themselves Affiliated Members. The Institute recognises that there are many potential students who, for various reasons, do not wish to complete the full suite of Chartered examinations, but do nevertheless wish to benefit from membership of the professional body that will represent them best.

The Institute was very pleased that the Advisors to the Privy Council noted the significance of these two important initiatives. The Advisors acknowledged that the importance of Governance has grown over time and that there is a good case for saying that its scope is wider than the traditional duties of the company secretary. It was gratifying to receive their endorsement of the logic for a separate Chartered qualification to reflect the qualifying requirements of a developing area of professional expertise.

Raise the profile

There is still much work to do to substantially raise the profile of the Institute across the globe but real progress has been made. As has always been the case, a great deal of work to raise the Institute's profile is undertaken within the Divisions but more recently activities have been undertaken by the International Council as outlined below.

During the year, work continued with the OECD on research into the impact of Stewardship Codes and we expect the results to be released in the second half of 2017. This will be an important piece of research and the first to be produced by the 'international' part of the Institute. It will be made available to all Divisions to underpin presentations at conferences and for the benefit of all members.

There continues to be cooperation with the company secretary associations around the world. For example, contacts made in Italy that were reported to you last year continue to prosper and relationships have also been refreshed with the Society for Corporate Governance in the United States. The Institute will continue to work with these and other organisations as the practice of good governance is of global interest and concern.

Meetings have also been held with the International Integrated Reporting Council (IIRC), the leading proponent of improving reporting. There is an important role that the Institute can play to contribute to the work of the IIRC. As integrated reporting becomes more accepted into the governance framework of an organisation, the role of the Chartered Secretary can become a champion for this improved reporting framework.

Finally, during the year the Thought Leadership Committee (TLC) made substantial progress on a number of initiatives. The TLC was set up by Council toward the end of 2016 to provide a forum for your Institute to develop ideas and thinking on governance issues of global importance. It is made up of members from most Divisions and already is progressing with developing international guidance on minute taking, board evaluation and will in the near future review reform of the AGM and board diversity.

Improve communications with the membership

The Institute's new website went live in September 2016. The site currently outlines the governance framework of the Institute, lists members of Council, holds the annual financial statements and reports to members, outlines the requirements for membership and the history of the Institute. The site provides a notice-board for Divisions to promote major events, a link to each Division and a notice board for important pieces of thought leadership they may have produced. Over time the intention is for the site to be a focal point for international governance thought leadership.

This year also saw the continuation of a report from the President to all members following our face to face Council meetings. Your Council considers it important to keep all members up to date with what the Council is doing and so it is intended that a comprehensive email be provided shortly after each face to face Council meeting. And of course, your local Division is also a point of contact if you wish to understand more of what the International Council is doing.

Update administration

This year was the third year in which administrative support to the Council was independent of the United Kingdom, Republic of Ireland and Associated Territories (UKRIAT), although we are thankful for excellent support received from UKRIAT staff for the proposed changes to the Charter and byelaws.

General administrative support has been provided by our outside service provider MCI for nearly three years now. The range of skills and experience that MCI can bring to the table is extensive and has facilitated administrative support for our meetings, building the website, planning the communication strategy for this year's Annual General Meeting and more. We are grateful to them.

We also have the benefit of a dedicated Director General of the Institute, Tim Sheehy FCIS, who has been in post now for two years. This appointment of a dedicated senior executive to represent the organisation externally, progress strategic initiatives as agreed by Council and ensure effective administration has been invaluable.

Finally, the Executive Committee structure has proved to be a critical component of our governance structure. The Executive Committee meets by video conference the first Monday of each month and has been instrumental in maintaining a momentum between Council meetings. As initiatives within the strategic plan have been progressing at pace the need for a decision making body to meet regularly has been imperative.

Honorary Officers

As I close I would like to take this opportunity to acknowledge the substantial contributions that have been made to the Institute by the Executive Committee made up of the two Vice-Presidents, Edith Shih (HK/China) and Peter Turnbull (Australia), as well as Jill Parratt (Southern Africa) and Frank Bush (Australia) in his capacity as Chair of the Professional Standards Committee. In addition, I would like to thank all members of Council for their support, commitment and hard work. As mentioned, we had five meetings this year and a great deal to consider and all Council members played their part in progressing the work of the Institute.

I was elected as President to serve for the two years to 30 June 2018. It continues to be an honour to work with the talented and experienced professionals that make up your Council and, in particular, to serve as your President.

Annual General Meeting and October Council meeting

The Annual General Meeting will be held in London this year on 4 October 2017 to coincide with the Council meeting on 5 and 6 October 2017. You can read more about the business of the meeting on the Institute's website.

On behalf of the Council

A handwritten signature in black ink, appearing to read 'David Venus', with a long horizontal flourish extending to the right.

David Venus
President
10 August 2017