

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 August 2015 to 30 June 2016.

The frequency and timing of Council meetings this year returned to a more normal pattern with one held in September 2015 in Kuala Lumpur and one in March 2016 in London. Council meetings continue to be conducted in a spirit of goodwill and friendly cooperation. With the Council now 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 is as follows:

Australia	Mr Peter Turnbull (elected Vice-President with effect from 1 July 2016)
	Mr Frank Bush (President until 30 June 2016 and Past President with effect from 1 July 2016)
Canada	Mr Bruce Murray
Hong Kong/China	Ms Edith Shih (re-elected as Vice-President with effect from 1 July 2016)
	Mr Paul Stafford
Malaysia	Dato' Muhammad Hafidz Nuruddin
New Zealand	Ms Kerry Heath
Singapore	Prof Tan Wee Liang
Southern Africa	Ms Jill Parratt
Zimbabwe	Mr Lovemore Kadenge (with effect from 20 July 2015 and until 25 January 2016)
	Ms Loice Kunyongana (with effect from 26 January 2016)
UKRIAT	Mr David Venus (Vice-President and elected President with effect from 1 July 2016)
	Alison Dillon Kibirige (elected with effect from 1 April 2016)
	Mr John Heaton
	Mr Ron Rosenhead (resigned with effect from 31 March 2016)
	Miss Angela Squire
Past Presidents	Mr Andy Cowe (UKRIAT) (resigned with effect from 30 June 2016)
	Mr Michael Ashford (Canada)

As reported to you in the 2014/2015 Report of the Council, at the October 2014 meeting in Hong Kong a new strategic framework, mission statement and five principal elements were adopted. It gives me great pleasure to outline the substantial progress that had been made during this last year.



As a reminder, the new mission statement is:

*‘To be the leading global professional
institute in governance’*

The five elements are:

- To update the administrative structures of the Institute
- To raise the profile of the Institute to ensure that its skills, knowledge and experience in governance are recognised internationally
- To update the international standard
- To promote the benefits of membership and the qualification
- To improve communications with the membership

Update administration

This year was the second year in which administrative support to the Council was independent of the UK, Republic of Ireland and Associated Territories (UKRIAT). I am pleased to say that administrative arrangements are now operating effectively and efficiently.

The Executive Committee structure has proved to be a successful introduction. 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 (see below) the need for a decision making body to meet regularly has been imperative.

The next part of the administrative support has been the successful introduction of MCI UK Limited, to take responsibility for the administration of the Council’s business, so relieving UKRIAT of that obligation. MCI is now in its second year of supporting the Council and has been instrumental in not only providing secretarial support but also design and build of a new website, brand identity, communication channels and finance and accounting. The Council is very pleased with how this has progressed.

Finally, Tim Sheehy took up full responsibilities as Director General of the Institute on 1 October 2015. The addition of a dedicated senior executive of the Institute to represent the organisation externally, progress strategic initiatives as agreed by Council and ensure effective administration has been invaluable. Tim Sheehy was previously the Chief Executive of Governance Institute of Australia (the Australian Division) and so was able to bring considerable knowledge and experience to the role.

Raise the profile

There is still much work to do to substantially raise the profile of the Institute across the globe but some progress has been made. Naturally much work is undertaken within the Divisions. Some has also been undertaken on behalf of the Council. During the year meetings were held with the OECD in Paris and with company secretary associations in Italy and in Russia. It is clear that smaller associations or networks of company secretaries look to the ICSA for guidance on how they might progress their interests. ICSA will continue to work with these and other organisations as the practice of good governance is in everyone’s interest.

For a longer term impact the Institute will need to generate thought leadership and research in areas that are important to our membership. At the current time the Institute is in the process of negotiating arrangements for a substantial research project with the OECD on shareholder engagement that will evolve over the next twelve to eighteen months.

Strategic initiatives

The most important issue before the Council at its September 2015 and March 2016 meetings was the ongoing work to formulate a new International Qualifying Scheme (IQS). The current 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 Council has the very able assistance of Dr Jenny Rees, an educational consultant, and to work with her, the Council also appointed a working group comprising the Chair of the Professional Standards Committee (PSC) Andy Cowe, Tim Sheehy (The Director-General), Stephen Sadie, The CEO of the Southern African Division and Frank Bush.

The recent work by Dr Rees and the Working Group had led to a recommendation that for many reasons, provision should be made for two possible professional designations for members of the Institute. It is clear that there have been significant changes to the role of the secretary over the past decade or so, including, for example, a greater role in governance and risk management. In addition, there are now a wider range of roles being played within organisations by our members; less than one- third of our members now call themselves company secretaries. This second professional designation will provide a home for a wider group of governance professionals and work toward increasing participation in the Institute by these individuals.

The implication of this is that there could be two different qualifying routes, with a number of subjects in common but allowing candidates a choice between courses focussed on secretaryship and administration and a course more focussed on strategy and risk management.

The two professional designations would be the traditional Chartered Secretary, which would continue unchanged in its status, and an alternative focussed more on a broader governance qualification, which might be called, for example, Chartered Governance Professional.

The second major recommendation from Dr Rees and the Working Group was that there should be provision in the IQS for an early exit point for students who did not wish to complete the full course. Provided that they had completed the required core subjects, they should be offered a limited level of membership in the Institute. The new level will not have all of the entitlements of Associate or Fellow membership. They will not be entitled to call themselves “Chartered” or use the post-nominals “ACIS” or “FCIS” but will have an obligation to uphold the ethical standards of the Institute.

This again is an “enabling” recommendation – no Division will be required to offer this option. Both these recommendations followed consultations with the Divisions.

After lengthy debate, the Council resolved to adopt these recommendations unanimously.

Improve communications with the membership

With the divisionalisation of UKRIAT, the visual identity, communication channels (website) and other brand matters needed to be developed separately for the Institute. First, a decision was made by Council at the March 2016 meeting to adopt a logo, which you will see above. It is the Institute’s traditional crest, slightly simplified for ease of reproduction and it will appear on all documentation emanating from the Council. It will not replace each Division’s own logo but it is hoped that the Divisions will also find ways of using it. A new website is nearly complete and should be live by the time of the Annual General Meeting in September 2016. The website does not

replicate what each Division's website achieves but rather clearly outlines what the Institute stands for, how to become a member and then points the visitor to the Division that best suits their geographic location.

One of the medium term objectives of the Council is the setting up of a central member's registry. This would enable the Council to be in direct communication with the membership on a limited number of occasions each year – to give notice of the AGM and to report on its result and to report to the membership after each of the two Council meetings each year. The collection of the necessary personal information would be carried out in accordance with the privacy legislation applicable in each Division. We will keep you advised of progress.

Finally, there will now be regular communications from the President to all members. The first was in April of this year and it is expected there would be at least one following each Council meeting and one leading up to the Annual General Meeting.

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 outgoing President Mr Frank Bush and the outgoing Chair of the PSC Mr Andy Cowe.

Frank Bush was President for the second time, with this term being for two years to 30 June 2016. Frank was instrumental in steering the Institute through the transition with a new composition of Council and I would like to thank Frank on behalf of the membership for his dedication, wise counsel and statesmanship.

Andy Cowe has been the Chair of PSC for the past 6 years and has done a most valuable and skilful job in ensuring that the high standards of the Institute's qualifying programme have been maintained around the world. We are very grateful to him.

Finally, the two Vice-Presidents recently elected are Edith Shih and Peter Turnbull. Jill Parratt has joined the Executive Committee. I have the honour of being elected as President for the two years to 30 June 2018.

Annual General Meeting and September Council meeting

The Annual General Meeting will be held in Sydney this year on 14 September 2016 to coincide with the Council meeting on 15/16 September 2016.

On behalf of the Council



David Venus

President

16 August 2016