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Changes to our Articles - an explanation

What changes are proposed and why?

Annual General Meeting (AGM)

- This year's AGM is being held on 27th June 2017 at the Snowdome in Tamworth, Staffordshire, UK

- It's an opportunity for members to
  - review the performance of the Institute
  - vote in new Trustees*
  - decide on future policies

- This year, there are some changes to the Institute's rules, that you're being asked to decide upon:

* Trustees are also non-executive directors of the Institute, as it's a Company Limited by Guarantee. We're using the term 'Trustee' here for simplicity and to emphasise the important nature of the role in governing the Institute as a charity.

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Changing the rules

- Our rules are contained in 2 documents:
  - **Articles of Association**
    - These contain the over-arching rules that only members can change at a General Meeting

  - **Bye-Laws**
    - More detailed rules and processes that the Board of Trustees can amend

- At this year's AGM, you're being asked to accept a new set of **Articles of Association**

- This is to bring about changes in how the Board of Trustees works. Here's a brief explanation – we promise this won't be too boring!

Why change the rules?

- To be more open, engaged and in touch with members:

- Change 1: Have an **open election** so that members vote for whom they want to be Trustees of the Institute. Currently, new Trustees are voted in at the AGM, by those that are able to attend.

- This year, you'll have already seen we are holding an open election. This is in anticipation that the new rules are accepted at the AGM. To comply with the current rules, however, the election results will have to be presented as *recommendations* to the AGM and those that are present will be asked to accept the result: A bit complicated, but a necessary detail to make sure we're doing everything in line with the our current set of rules.

Why change the rules?

- Change 2: Create an actual **role of Chair** person for the Institute, and have that role fulfilled by someone who is voted in by all members. More on that in a moment.

- Change 3: Have a **fixed length of service** for all Board Trustees of 2 years. This ensures that the Board is regularly refreshed and that there are regular opportunities for new members to join the Board as Trustees.

- Change 4: allow for Trustees to be re-elected, but **limit** the amount of time that any one person is able to serve on the Board to 8 years in total.

Why change the rules?

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- Change 5: Restrict Trustee positions to **Members, Fellows and Companions** of the Institute, so that Trustees are those who are most highly qualified by the Institute's own standards.

- Change 6: Give the Board the opportunity to bring on additional members (**co-opted members**) from time to time to address specific strategic needs that the Institute has (e.g someone with international growth experience, if we need to pursue that goal).

- Change 7: Rather than having an "Advisory Council" (that has never been in place in recent times) allow the Board to set up "**Advisory Groups**" - more opportunities for members to get involved in a strategic or advisory capacity.

How will this make a difference?

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- The changes will mean there's much more opportunity for members to get involved with the running of the Institute, by enabling:

  - Annual vacancies for Trustee positions
  - Openly and widely advertised vacancies
  - More people voting for Trustees
  - More people voting for the Chair of the Institute
  - Regular turnover in Board Trustees, in line with good charity practice
  - Putting advisory groups in place for members to get involved in

So, how will things work?

- The Board will have 7 people on it, with a regular succession pattern that balances continuity with opportunity for new Trustees.

- Members will vote for a new Deputy Chair, every 2 years, and that person will serve in that role for 2 years, before becoming Chair for 2 years.

- All other Trustees will be voted in for a 2-year term

- This will create a pattern where, every year, 3 new people are voted onto the Board:
  - One year, this will be 2 Trustees and a Deputy Chair;
  - The next, this will be 3 Trustees
  - And this continues...

- The following table shows how this will work over time:

Succession Plan

	Year 1	Year 2	Year 3	Year 4	Year 5
Chair	Bert	Carol	Carol	Dave	Dave
Deputy Chair	Carol	**Dave (new)**	Dave	**Ella (new)**	Ella
Trustee 3	**Fred (new)**	Fred	**Georgia (new)**	Georgia	**Hari (new)**
Trustee 4	**Isla (new)**	Isla	**Isla (re-elected)**	Isla	**Jas (new)**
Trustee 5	Kerry	**Liam (new)**	Liam	**Mary (new)**	Mary
Trustee 6	Neil	**Olive (new)**	Olive	**Olive (re-elected)**	Olive
Trustee 7	**Pete (new)**	Pete	**Rose (new)**	Rose	**Saiid (new)**

How will things work - continued

- So, every year, you should see an advertisement from us for new vacancies for Trustees to join the Board

- All Members, Fellows and Companions will have the opportunity to apply for a position

- After a shortlisting process, there will be an election for our new Trustees – you get to vote for who you want to be on the Board

- As well as that, we'll also advertise opportunities to get involved in advisory Groups, as they emerge.

What if it doesn't work?

- We're confident that the new system is a good one and will work.

- If not, changes can be made at a future AGM if things aren't working well.

- In any case, it's a really good idea to review these sorts of governance arrangements from time to time, as the Institute develops and as good governance practice evolves.

What do I need to do?

- Think about the proposed changes and decide whether you want to support them

- Come along to the AGM on 27th June in Tamworth to cast your vote

- Or, submit your vote 'by proxy' – further details will be on our website from 9 May 2017

- Feel free to ask questions or make comments in the meantime by emailing board@InstituteLM.com

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Thank you.