



Position Specification

Institute of Chartered Accountants in England & Wales (ICAEW)
Non-Executive Directors



Foreword



I have been a passionate advocate for my profession and my professional body, the ICAEW, all my working life. After a gap of some 14 years, it is great to be involved again as the ICAEW's first Independent Chair and to be able to contribute to this important new development in the governance of the Institute.

This is an exceptional opportunity to join the board of your Institute, a professional membership body founded by Royal Charter in 1880, with the explicit objective of serving the public interest. 143 years later we continue with that objective in mind, and take great pride as chartered accountants in our obligation to society as trustworthy professionals providing trusted information.

Our profession is influential across the economy, in the public, private and charitable sectors and in every industry imaginable. Our 200,000 members in the UK and around the world provide a critical service to their clients, advising a wide range of businesses who depend upon the provision of that service and the quality of their advice. ICAEW exists to attract, educate and train members, support them, and build and promote our and their reputation and influence.

Our three core foundations: education and training; belonging and supporting; and reputation and influence, each play an important part and are underpinned by the exacting rigour of our qualifications, training and continuing professional development, which is recognised and respected across the world.

Our strategic themes are what set out our relevance for today and for the future. The themes highlight that ICAEW recognises its key role in a sustainable future and the changes needed to ensure continued relevance. In brief, they cover trust in the profession, helping to achieve the Sustainable Development Goals, supporting the transformation of trade and the economy, mastering technology and data, and strengthening the profession by attracting talent and building diversity. This strategy is built around "a decade of transition". The forces shaping the future of business, and our ways of living and working are shifting, and serious long-term thinking and planning is required to adapt and to deal with the challenges and threats, and to embrace the opportunities.

This is an exciting time for ICAEW as we continue to evolve our governance model. We are now inviting applications to fill six posts as independent non-executive directors of the board. We are looking for a blend of skills and experiences across several critical board leadership roles, but common across them is the need for people with the drive to step up to the challenge and enormous opportunity of leading the global accountancy profession over the next decade. These roles will be filled by chartered accountants who are energised by the possibilities of leading our globally renowned brand, bold ideas generators with imagination and enthusiasm, and with the experience and character to support and constructively challenge the executive leadership of the ICAEW. They will relish the diversity of our society and our membership, and will bring an instinctively inclusive style that ensures that others are brought along as they chart an ambitious vision for ICAEW's future beyond 2030. Our new board members will be responsible for leading our profession forward and helping our leadership to create the conditions whereby we can continue to justify the deep trust that society places in our profession.

If you are excited by the prospect of leading the ICAEW in the pursuit of its vision – a world of sustainable economies – and the above description of the kind of leader we are seeking appeals to you, we would love to hear from you.

Peter Wyman CBE

Chair, Institute of Chartered Accountants in England & Wales (ICAEW)

Introduction

There are more than 1.8m Chartered Accountants and students around the world and 202,000 of them are members and students of ICAEW. They are talented, ethical and committed professionals, which is why all of the top 100 Global Brands employ Chartered Accountants.

ICAEW promotes inclusivity, diversity and fairness and gives talented professionals the skills and values they need to build resilient businesses, economies and societies, while ensuring the planet's resources are managed sustainably. ICAEW is the first major professional body to be carbon neutral, demonstrating its commitment to tackle climate change and supporting UN Sustainable Development Goal 13.

Founded in 1880, ICAEW has a long history of serving the public interest and continues to work with governments, regulators and business leaders globally. And, as a world-leading improvement regulator, ICAEW supervises and monitors around 11,000 firms, holding them, and all ICAEW members and students, to the highest standards of professional competency and conduct.

ICAEW is a founding member of Chartered Accountants Worldwide (CAW), a global family that connects over 1.8m chartered accountants and students in more than 190 countries. Together, ICAEW supports, develops and promotes the role of chartered accountants as trusted business leaders, difference makers and advisers.

Chartered accountancy can be a force for positive change. By sharing ICAEW's insight, expertise and understanding, strong economies and a sustainable future can help to be created for all.

Key Facts about ICAEW

- Founded: 1880.
- Headquarters: Chartered Accountants' Hall, Moorgate Place, London EC2R 6EA.
- Offices: UK, Beijing, Brussels, Dubai, Hong Kong, Jakarta, Kuala Lumpur, Shanghai, Singapore and Vietnam.
- 166,000+ members in 146 countries.
- 138,560 (83%) are based in the UK.
- 27,837 (17%) are based outside the UK.
- 95% of ICAEW's membership is located in 10 countries: the UK, Australia, Canada, China (including Hong Kong SAR), Cyprus, Malaysia, Singapore, UAE and the US.
- 36,000+ students, with 27% of these being outside the UK.
- 202,000 members and students around the world.
- The largest recognised supervisor body (RSB) and recognised qualifying body (RQB) for statutory audit in the UK.
- Also regulates in a number of other key areas including anti-money laundering.
- Signatories to the Charter for Black Talent in Finance and the Professions.
- Created a number of innovative training films including the award winning *All Too Familiar*TM, launched in March 2022.
- The first major professional body to go carbon neutral, demonstrating its commitment to tackling climate change.

ICAEW's vision is to enable a world of sustainable economics. Its current strategy in the years up to 2030 has three strategic foundations and five themes:

Strategic Foundations

- Belonging and Supporting
- Education and Training
- Reputation and Influence

Strategic Themes

- Helping to achieve the Sustainable Development Goals
- Supporting the transformation of trade and economy
- Strengthening the profession by attracting talent and building diversity
- Mastering technology and data
- Strengthening trust in ICAEW and Chartered Accountants and the wider profession.

The 3 i's – Initiative, Insight and Integrity

Initiative, Insight, and Integrity are the three i's which form the basis of ICAEW's culture, and help to drive the organisation's agile, collaborative, and innovative ways of working.

Initiative

- Actively collaborating to identify needs and look for innovative solutions.
- Bring together different groups and communities to work together.
- Empowering people to be agile, so they can take ownership and harness the collective efforts of ICAEW in a flexible and responsive way.

Insight

- Actively gathering insights to develop innovative and considered thought.
- Collaborating with ICAEW's networks to voice different perspectives and insights internally and externally to stimulate discussion and debate.
- Being agile in finding new and timely ways to provide understanding and insight to members, organisations and government.

Integrity

- Acting with transparency, consistency and openness as integrity underpins all activity ICAEW undertakes.
- Standing by your principles to adhere to the highest professional standards even when facing adversity.
- Doing the right thing, even when no one is looking.

ICAEW Governance

Our Council, Board and Committee structure governs us. Council comprises a mixture of elected and appointed members who reflect the diversity shared within the accountancy and financial profession and drive our strategy and member activities forward. Council has delegated the regulatory and disciplinary functions of ICAEW to the ICAEW Regulatory Board, to separate them from the other activities of ICAEW. ICAEW's regulatory role is distinct from its representative role. The Board is the principal decision-making body for the Institute, subject to those matters reserved by Council. The diagram below sets out the vision for governance, the implementation of which is now underway.

ICAEW Council

- The powers of Council are defined in the Charter and Council is ultimately responsible for ensuring that ICAEW meets the objects set out in the Charter. Council delegates many of its functions to the ICAEW Board and other committees to speed up the administration of our governance processes and ensure that there is an effective balance between the time taken to reach decisions and the depth of scrutiny of those decisions. This enables Council to work at a strategic level.
- Council composition is under review as part of governance transition and currently has about 100 members, the majority of whom are elected by ICAEW members, supplemented by co-opted and ex-officio members to ensure that Council represents the main sectors and interests of the whole membership.
- The biographies and declarations of interests of the [ICAEW Council members can be found here](#), grouped by constituency.

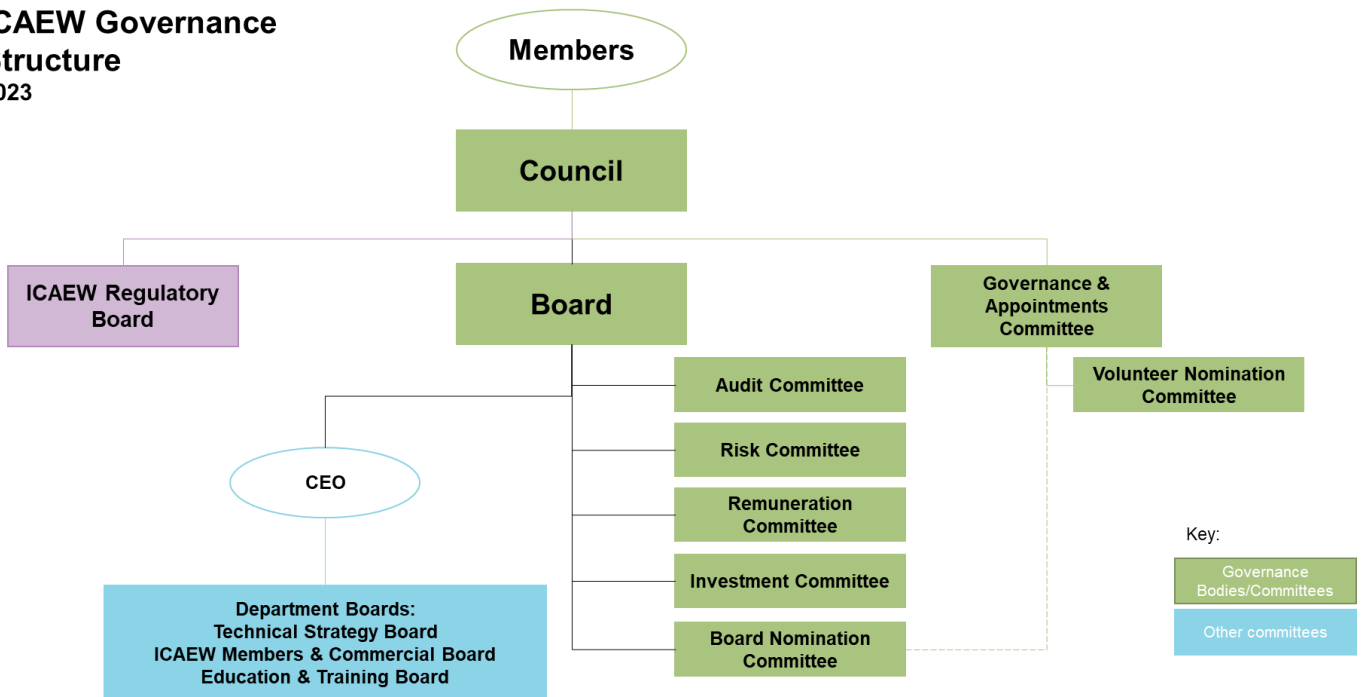
ICAEW Board

- The Board is the principal decision-making body of the ICAEW. It is responsible for the leadership, management, and operations of the ICAEW, subject to the Reserved Powers of the ICAEW Council. The Board is accountable to the ICAEW Council and therefore discharges its duties in line with the strategy approved by Council.

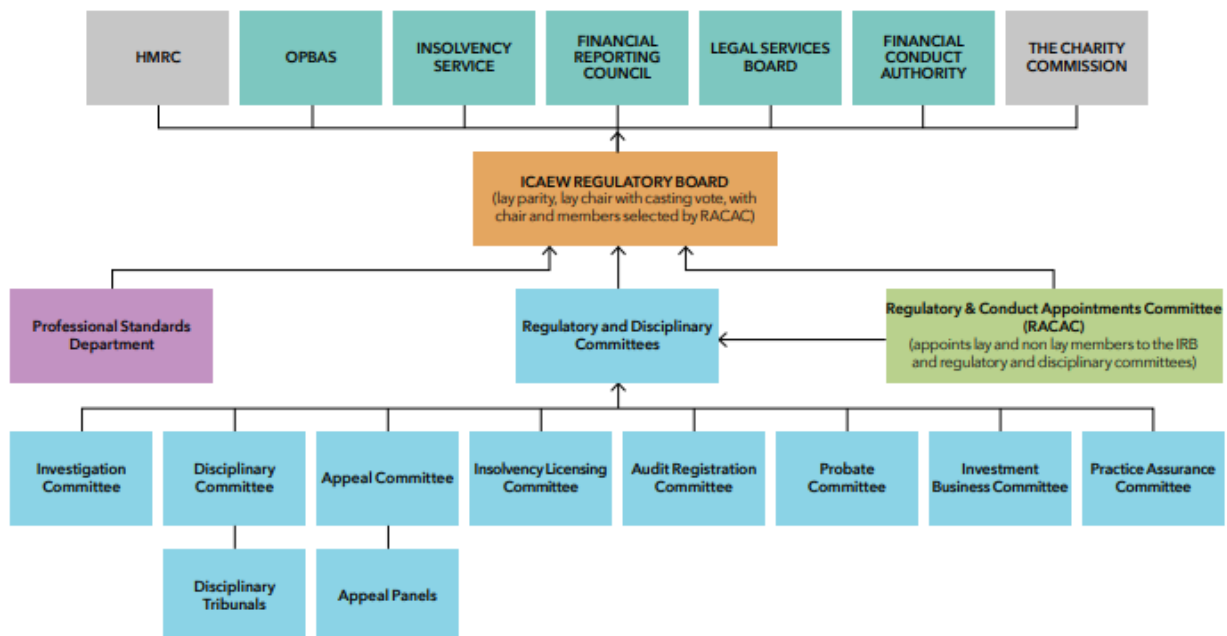
ICAEW Regulatory Board

- The ICAEW Regulatory Board (IRB) is an independent board that is responsible for ensuring ICAEW's regulatory and disciplinary work, undertaken by the Professional Standards Department and is carried out in the public interest. It also provides assurance to government, oversight regulators and the public that these tasks are carried out independently and objectively.

ICAEW Governance Structure 2023



ICAEW is overseen by several regulators. The diagram below sets out these key relationships and how they relate to the ICAEW Regulatory Board.



The Role(s)

ICAEW has recently undertaken a review of its governance and is in the process of defining and implementing actions to ensure best practice for a member-based organisation with a public interest responsibility. Following the appointment of Peter Wyman as the first Independent Board Chair, the Board Nominations Committee has agreed a process for the appointment of the lay members of the board. In addition, six appointments to the Board of ICAEW members, including Chairs of the Risk, Audit and Investment Committees will be filled via open competition, and the committee would like to have these new board members appointed in time for the June 2024 AGM. Each of these six must be ICAEW members.

The ICAEW's values of initiative, insight and integrity will be integral in these appointments, as will the Institute's commitment to diversity.

Board Composition

The Board comprises 14 members as follows:

- Independently appointed Chair
- Non-executive members of the Board:
 - ICAEW President
 - Six ICAEW Chartered Accountants (**current vacancies**)
 - Three non-Chartered Accountants (lay members)
- Executive members of the Board:
 - Chief Executive
 - Chief Operating Officer
 - Chief Financial Officer

One of the non-executive members of the Board is designated as the Senior Independent Director with duties as set out in The Code. No members of the Board may also be members of ICAEW Council concurrently, except for the President. Board members shall be remunerated for the skills, knowledge and experience they bring, in accordance with Remuneration Committee decisions.

Powers and Authorities

The Board has the following specific powers, responsibilities and authorities.

Strategy and Operations

- Lead on Strategy that is submitted to the Council for approval. Review draft ICAEW Strategy, drawing on the experience and feedback of the Leadership Team and Council, recommend ICAEW Strategy to Council for approval and oversee the implementation and periodic review of the approved Strategy.
- Establish and maintain a culture, values and behaviours in ICAEW consistent with ICAEW's commitment to the public interest.
- Consider significant matters affecting ICAEW's reputation and oversee any relevant actions arising from such matters.
- Approve operational plans (including budgets) in support of the Strategy, reporting to Council on a regular basis.
- Review key performance indicators and progress against Strategy and operational plan, reporting to Council on a regular basis.
- Approve major contracts and expenditure in line with the Delegated authority limits and contractual approval policy.
- Approve and regularly review ICAEW's regulatory strategy.
- Consider ICAEW fees and subscriptions for recommendation to Council and approval at AGM.
- Approve public policy positions on key, higher risk matters.

Financial Reporting, Risk and Internal Controls

- Review ICAEW's Annual Report & Financial Statements and recommend to Council for approval.
- Consider the nature and extent of the key risks to ICAEW Strategy.
- Monitor ICAEW risk register and emerging risks.
- Ensure the maintenance of a sound system of internal control and risk management including financial controls.

People and succession

- The Board has responsibility for oversight of the effective use of ICAEW resources, including:
 - Approving ICAEW's staff salary and remuneration policies on the recommendation of the Remuneration Committee.
 - Approving annually ICAEW's published Modern Slavery Statement.
 - Approving significant changes to ICAEW's pension arrangements.
 - Approving appointments to the Board, upon recommendation of the Board Nomination Committee and ICAEW Governance and Appointments Committee and prior to ratification by Council.
 - Approving removal from office of a Board member before the expiration of their term of office, upon the recommendation of the Board Nomination Committee and Governance and Appointments Committee

Accountability

- Holding the Leadership Team, via the Chief Executive, accountable for the implementation of ICAEW Strategy and delivery of the Operational Plan.

Governance Matters and Delegations by the Board.

- The Board has established committees, all accountable to the Board, to support the Board in the performance of its responsibilities:
 - **Remuneration Committee** is responsible for matters relating to remuneration of the Chair and members of the Board, its committees and for staff remuneration.
 - **Risk Committee** is responsible for the management of risk relating to the strategy and operations of ICAEW.
 - **Audit Committee** is responsible for monitoring the integrity of the ICAEW annual report and accounts; reviewing internal financial controls and the internal control management systems; monitoring the effectiveness of the internal audit function; and making recommendations in relation to the appointment of the external auditor and to monitor their independence and objectivity.
 - **Investment Committee** is responsible for ensuring the appropriate investment of ICAEW's assets, to meet budgets, capital requirements and to generate an appropriate risk-adjusted return.
- The Board Nominating Committee acts on matters related to the appointment to, and succession planning of membership of, Board, its committees, and of the senior management of ICAEW and reports to the Governance and Appointments Committee via the Board.
- Board Terms of Reference and those of its committees, and any subsequent changes, are developed, reviewed and approved by the Board and committee, and reported to the Governance and Appointments Committee. Any changes that deviate from the remit agreed by Council requires Council approval, via the Governance and Appointments Committee.
- The Board regularly evaluates its own performance, including periodic external review, and that of the Board committees, with Board committees reporting to the Board annually.

Candidate Profile

The successful candidate(s) will be experienced leaders and have excellent strategic and communication skills. They will be accustomed to situations of complex governance and possess the analytical capability to navigate complex issues, bringing together a broad range of stakeholders. They will balance a natural low-ego approach with resilience in driving collaboration and moving the Board agenda forward decisively.

The successful candidate(s) will have the following attributes:

- Commitment to ICAEW's charter objectives and public interest responsibility.
- Strong personal values of integrity and trust, together with a passion for the organisation and its values. Someone who fully supports all aspects of the ICAEW culture.
- Low ego: happy to support the success of, and give credit to, the executive team and the organisation, rather than seeking personal acclaim.
- Ability to make the right decisions rigorously and at pace, balancing the long-term interests of the organisation and its members. Able to push and constructively challenge the executive team.
- Ability to promote effective relationships and open communication, both inside and outside the boardroom.
- Collaborative, while encouraging open discussion, constructive challenge and debate.
- Ability to think topics through and examine them from all sides, assessing the evidence and being able to flex and adapt positions and approaches.
- High credibility as a board member.
- Candidates must be chartered accountants.

In addition to the personal characteristics and accountabilities above the board requires the following key skills and experience to ensure that the board possesses appropriate relevant experience and skills and that key board leadership roles may be filled. Please note, the list below represents the range of skills required across all six new board appointments: it is not expected that any one candidate will bring all of the below skills, but may possess several.

- Digital, Cyber-security & AI
- Auditing & Finance
- Risk
- Regulatory & Government
- People, Culture and Remuneration
- Major Project & Change Management
- Investment & Asset Management
- Commercial
- ESG/Sustainability
- Education & Training
- Reputational Risk Management
- Corporate Governance
- International Mindset/Experience

It is expected that candidates interested to be considered for the Audit, Risk and Investment Committee Chair roles should bring appropriate experience in those specific domains to discharge their responsibilities successfully. For each of the Committee Chair roles, candidates should demonstrate evidence of prior experience in comparable board or committee member or chair roles.

Time Commitment and Compensation

The Board meets ten times a year and we anticipate the time commitment being c25 days per year. Board members will receive an annual fee of £45k, with committee chairs receiving an additional £10k.

Selection Process

How to Apply

The recruitment process is being undertaken by Russell Reynolds Associates on behalf of ICAEW. Please submit your full application by email to responses@russellreynolds.com. Please quote the role title and assignment code **2401-035L** in the subject heading of the email. All applications will be acknowledged.

Your submission should include:

- A short **covering letter** of not more than two A4 sized pages succinctly highlighting your motivation, experience and skills against the requirements of the role.
- Your **current CV** with educational and professional qualifications and full employment history, explaining any gaps, giving details where applicable.
- A completed [Recruitment Monitoring Form](#). Diversity and inclusion is a key pillar of ICAEW's strategy. Data will be reported anonymously, in an aggregate format and will not be seen by anyone assessing your application.

The closing date for applications is Friday 16th February 2024.

Indicative Timetable

The proposed timetable is shown below, but timings and stages may be subject to change.

Milestone	Date
Closing Date	16th February 2024
<i>Longlist Meeting with Selection Panel</i>	<i>w/c 19th February</i>
Longlisted Candidate Interviews	26th February-15th March
<i>Shortlist Meeting with Selection Panel</i>	<i>w/c 18th March</i>
Informal Meetings with relevant stakeholders	w/c 25th March and 1st April
Final Panel Interviews	w/c 8th April
<i>Mid-May</i>	<i>Appointments ratified by Council</i>
June	Successful Candidates attend 2024 AGM

Appendix I: Board Committee Terms of Reference¹

Risk Committee

The Risk Committee is a sub-committee of the Board and its purpose is to assist the Board in discharging its responsibility for the management of risk relating to the strategy and operations of ICAEW.

Composition

The Committee shall comprise of at least three members and shall be chaired by an Office Holder. In the temporary absence of the Chair, the remaining members of the Committee shall elect one of themselves to chair the meeting.

Members shall as far as possible have appropriate knowledge, skills and expertise to fully understand risk appetite and strategy, in order to achieve the purpose of the Committee. Advice from the executive, including the Risk Officer and other members of staff, and external advice, can be sought to augment this knowledge, skills and expertise.

Powers and Authorities

The Board has responsibility for the management of risk relating to ICAEW strategy and operations, this includes:

- setting and articulating ICAEW's risk appetites.
- considering the resources devoted to risk management.
- considering the appropriateness of the risk management process.

The Committee will oversee, on a continuing basis, the process of enhancing the risk management framework and reporting of risk at ICAEW and will report on these matters to the Board.

Operation of the Committee

The Committee shall meet as often as required to fulfil its duties. As a minimum this will be two times a year.

- The Committee will liaise with the Audit Committee in matters related to risk.
- The Governance Office shall provide committee secretarial support to the Committee.
- The Risk Committee shall be consulted on changes in the Risk Officer appointment.
- The Committee will take account of inclusion and diversity in relation to its activities.
- The Committee shall carry out, at least annually, an evaluation of its performance and review its terms of reference and shall make any appropriate recommendations for change to the board for approval.

Audit Committee

Composition

The Committee comprises not less than three and not more than 10 members appointed by the Council on the recommendation of the Nominating Committee. The Committee may comprise members of Council, non-Council members and non-members, provided always that there is a majority of ICAEW members. At least one member must have recent and relevant financial experience. At least one member will be a non-executive member of the Board.

Members of the Committee will normally serve for a term of two years, renewable no more than twice unless there is a business case for longer service.

The Council appoints the Chair and Vice-Chair of the Committee who will normally serve for a term of two years, renewable no more than twice unless there is a business case for longer service. The Council will normally take into account previous service as a member of the Committee in determining the overall term of office of the Chair and Vice-Chair. ICAEW Past-Presidents serving on Council and ICAEW Office-Holders cannot serve as Chair.

The Committee will take account of inclusion and diversity in relation to its activities.

¹ All committee Terms of Reference are currently under review, including membership requirements.

Powers and Authorities

The main role and responsibilities of the Committee include:

- monitoring the integrity of the ICAEW annual report and accounts, and reviewing significant financial reporting judgements contained in them
- reviewing ICAEW's internal financial controls and its internal control and risk management systems
- monitoring and reviewing the effectiveness of the ICAEW internal audit function
- making recommendations to the Council in relation to the appointment of the external auditor for it to put to members for approval at the ICAEW annual meeting, and in relation to the remuneration and terms of engagement of the external auditor
- reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements
- developing and implementing policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm, and report to the Council, identifying any matters in respect of which it considers that action or improvement is needed, and making recommendations as to the steps to be taken, and
- reporting to the Council on how it has discharged its responsibilities.

The Committee will carry out its responsibilities within the framework of general duties contained within the Governance Handbook.

Reports

The Committee reports annually to Council on how it has discharged its responsibilities including:

- the significant issues that it considered in relation to the financial statements and how these issues were addressed;
- its assessment of the effectiveness of the external audit process and its recommendation on the appointment or reappointment of the external auditor, and
- any other issues on which the Council has requested the committee's opinion.

Investment Committee

Composition

The Investment Committee comprises up to five members comprising of a maximum four non-executive members and one from the executive (The Chief Financial Officer or senior staff member in similar role). At least one and ideally two non-executive members should have an investment management background or be involved with oversight of significant investment funds in an organisation.

The Committee shall be chaired by a non-executive member of the INC or in his/her absence, another non-executive member as nominated by the Chair. The quorum shall be three including at least two non-executives and one member of the executive. Members of the Committee will normally serve for a term of two years, renewable no more than twice unless there is a business case for longer service.

Powers and Authorities

The principal responsibility of the Committee is to ensure the appropriate investment of ICAEW's assets, to meet budgets, capital requirements and to generate an appropriate risk-adjusted return.

This responsibility includes monitoring performance of the fund managers to ensure that the investment aims and objectives are being met and that the fund managers are adhering to their mandate.

The INC is responsible for overseeing all matters relating to ICAEW Investments as follows:

- Investment Strategy:
 - Recommendation of an appropriate Investment Policy and any amendments to the Board for approval.
 - Recommendation of an appropriate Environmental, Social and Governance (ESG) Policy for Board approval.
 - Recommendation of an additional allocation of cash to existing or additional funds to the Board for approval.
 - Review the strategy for all funds in line with the Investment Policy, risk appetite and risk framework.
- Investment Monitoring:
 - Monitor adherence to the investment policy, ensures the policy remains appropriate and makes comments to the Board as necessary.
 - Monitor investment performance with use of external benchmarks as appropriate.
 - Monitor Investment Manager Performance and the cost effectiveness of investment managers. (The selection, appointment and removal of investment managers is a matter reserved for the Investment Committee).
 - Monitor the target returns and the liquidity of the assets, making recommendations to the Board, as appropriate.
- Investment Governance and Reporting:
 - Consideration of the best interests of ICAEW, in line with ICAEW strategy.
 - Reporting to the Board any issues which impact the interests of ICAEW.
 - Monitor the investment control environment, risk parameters and ensure that the investments are managed in accordance with agreed policy and in accordance with legislation and good practice.

Operation of the Committee

- The INC will carry out its responsibilities within the framework of duties contained within the governance handbook.
- The INC shall meet at least twice a year.
- Each appointed investment manager to attend one meeting per year to present performance.
- The INC may establish working parties as required.
- The INC will take account of inclusion and diversity with respect to activities.

Position Specification

Appendix II: ICAEW Governance Meeting Cycle 2024

	AGM	Pre-Council Briefings	Council	Non-Executive Pre-Board	Board	Board Nominating Committee	Volunteer Nominating Committee	Nominating Committee	Audit Committee	OH-CE	Governance and Appointments Committee	Working Party Review	Volunteer Nominating Committee	Elections Vetting	CAT Ltd (Trustee)	Investment Committee	Leadership Team (long)	Directors Strategy Workshop	Remuneration Committee	Risk Committee	Employee Engagement Forum	ICAEW Regulatory Board
January								17 Jan		18 Jan							11 and 25 Jan		24 Jan			
February				1 and 20 Feb	1 and 20 Feb					15 Feb	14 Feb					28 Feb	15 and 29 Feb		7 Feb			
March		12 Mar V	27 Mar		14 Mar				5 and 13 Mar	12 and 25 Mar		21 Mar V – find new date					7 and 21 Mar	20 Mar				
April					16 Apr					18 Apr		17 Apr (all day)	10 Apr V	25 Apr			4 and 18 Apr			25 April		
May		15 May V		21 May	21 May			1 May		16 and 30 May	14 May					24 May	2, 16 and 30 May					
June	4 June	28 June V	4 and 5 Jun						12 Jun								13 and 27 Jun	20 Jun				
July			4 and 5 Jul		16 Jul					1 and 15 Jul					30 Jul		11 and 25 Jul				24 July	
August											1 Aug			22 Aug V			8 and 22 Aug					
September					26 Sept					23 Sept						5 Sept	5 and 20 Sept	24 Sept	11 Sept			
October		2 Oct V	9 Oct		22 Oct				1 Oct	7 and 21 Oct							3, 17 and 31 Oct				24 Oct	
November					20 Nov					14 Nov	28 Nov				13 Nov	8 Nov	14 and 28 Nov					
December		5 Dec V	10 Dec						4 Dec V	5 Dec							12 Dec					11 Dec

V - Virtual Meeting