

## **STRATEGY COMMITTEE**

### **Constitution and Terms of Reference**

#### **1. PURPOSE**

- 1.1 The Strategy Committee will lead the development of a high-level purpose, vision, and strategy, covering a time period of a number of years, that aims to achieve the IMechE's charitable purposes, as outlined in Clause 5 of the Royal Charter. The strategy thus developed will then be proposed to the Trustee Board for discussion and agreement. The Trustee Board will then manage its implementation.

The purpose of developing a strategy for the Institution is to provide:

- A sense of purpose and direction, and some guiding principles;
- Clarity of what is expected for all involved in running or supporting the Institution;
- A framework for discussion, debate, amendment and collating individual contributions;
- A means of measuring achievement of the Institution's goals;
- A mechanism for allocating resources where they will achieve these aims.

But it is also important to note that the strategy is not a lengthy action plan or an answer to every problem.

#### **2. DUTIES OF STRATEGY COMMITTEE**

- 2.1 The duties of the Strategy Committee are:
- Develop the long-term vision and lead the strategic planning in relation to the Institution's primary purposes as reflected in the work of the Institution's main boards.
  - Consider the implications of external trends and influences and any other issues which are considered to be of strategic importance to the Institution's primary purposes.
  - Consider the long-term structure and the balance of member needs and activities.
  - Work with and take input from all the relevant boards and committees of the Institution, from staff work and from external sources.
  - Review the IMechE's charitable purposes, and the external environment in which it works, to make sure that the charity, and its purposes, stay relevant and valid.

- Consider how to build and maintain the reputation of the Institution with such organisations as Government, the Charity Commission, Royal Academy of Engineering and Engineering Council.
- In conjunction with the Finance Board, regularly review the sustainability of the IMechE's income sources, costs, capital expenditure, asset sale or retention, free reserves and business models and their impact on achieving the charitable purposes in the short, medium, and longer term.
- In conjunction with the Audit & Risk Committee and Finance Board, review how to manage and reduce major risks such as OBW maintenance costs, closed pension fund deficit and trading company failure.
- Define the short, medium, and long-term objectives and associated KPI's. Responsibility for monitoring the delivery of the strategy by the exec and for evaluating the IMechE's impact by measuring and assessing results, outputs, and outcomes. This shall include an annual meeting with the CEO to receive progress updates.

### **3 MEMBERSHIP**

#### **3.1 Composition**

3.1.1 The committee shall comprise of at least ten members including the Chair who shall be a Deputy/Vice-President. The CEO and the Finance & Commercial Director shall be members and then at least eight member-volunteers, also selected on skills and ideally covering a range of experiences and backgrounds within the Institution such as qualifications, divisions and groups, international, young members or as a Past President. The Nominations Committee will recruit the committee members and have the membership approved by the Trustee Board.

#### **3.2 Elections & Appointments**

3.2.1 Committee members (other than employees) will be appointed for a three-year term with the potential to be re-appointed for a second three-year term, so as to ensure some continuity between consecutive significant strategy formulation periods. The initial terms of the original members will be set between 1 and 3 years to ensure that there is a steady renewal of the committee membership rather than a large change every three years.

3.2.2 Members are required to attend no less than 50 per cent of meetings in any calendar year.

#### **3.3 Additional advice**

3.3.1 The Committee may seek appropriate expert advice where necessary.

#### **3.4 Conduct**

3.4.1 Strategy Committee members are required to commit to the following conduct:

- Upholding the Institution's Values, Behaviours, and Code of Conduct.
- Acting with integrity.
- Acting without vested interest and self-reporting any conflicts of interest or

loyalty.

- Supporting the Institution's Diversity and Inclusion strategy.
- Exercising independent judgement and challenging colleagues appropriately.
- Opening up volunteering opportunities to all eligible members.
- Creating transparent and inclusive processes and procedures that treat staff and volunteers objectively and fairly.
- Maintaining high levels of confidentiality where necessary and ensuring GDPR compliance is upheld.

### 3.5 Training

- 3.5.1 Members will undertake inductions, training, or refreshers to maintain their skills, knowledge and effectiveness in their roles.

## **4 SECRETARIAL SUPPORT**

- 4.1 The Chief Governance Officer or their nominee will act as secretary and ensure that the committee receives professional secretariat support. This shall include, but not be limited to, the provision of information and papers in a timely manner, the minuting of meetings, and the recording of decisions.

## **5 MEETINGS**

### 5.1 Work Method

- 5.1.1 The essential *modus operandi* for the committee will be via a 'facilitated network' or 'hub & spoke' model, where the central team acts as a focal point for development and coordination – the lead participant of an Institution-wide activity, including Council, boards, divisions and groups, and commissioning policy studies, as a continuous background activity.

- 5.1.2 The role therefore is to take inputs from different constituencies and meld them into a coherent whole. From this standpoint, committee members would be expected to do the work themselves and not just oversee a staff activity. Having said that, the volume of output would not be large.

### 5.2 Quorum

- 5.2.1 The quorum for meetings is five ordinary members including the Chair and either the Chief Executive or the Finance Director.

- 5.2.2 Should the Chair be unable to attend a meeting they shall delegate their authority to another member of the committee.

### 5.3 Voting

In the event of a tied vote, the Chair shall have an additional casting vote. The vote shall be recorded in the minutes.

### 5.4 Frequency

- 5.4.1 The Strategy Committee would normally be expected meet in person twice a year (with the option to attend virtually) with further meetings held virtually at such

other times as shall be required. The Chair shall have the right to amend the frequency of meetings dependent upon requirements.

## **6 REPORTING & INTERFACES**

- 6.1 The Strategy Committee is formally accountable to the Trustee Board. The Committee Chair shall provide updates to the Trustee Board as and when required. It will maintain continuous dialogue with the Trustee Board, as it will with the Finance Board and Audit & Risk Committee, during the process of strategy preparation and development to ensure that there is understanding of and support for the direction being taken.

## **7 AUTHORITY**

- 7.1 Strategy development is a core governance activity which the Trustee Board has chosen to delegate to the Strategy Committee. The Committee has the full authority to develop the Institution's Strategy which it will then present to the Trustee Board for approval and subsequent implementation.

## **8 APPROVAL**

- 8.1 These Terms of Reference were approved by the Trustee Board on 19 October 2022. It is subject to review and re-approval every two years and, by exception, at other times as required by StratCom or the Trustee Board.