

## Excellence in leadership:

Governance for the next 30 years and beyond



## Introduction

The Equity Release Council is proposing changes to its governance structures.

The proposals are designed to ensure the Council aligns with recognised best practice in non-profit corporate governance. Most of the proposed changes would take place in 2022, as the Council celebrates the 30th anniversary of its standards.

The following information sets out the plans, how members can get involved and what happens next.

## The proposed governance structure

Following an independent review of the Council's governance structures, processes and culture, detailed recommendations were presented to the Council's executive and board.

After full consideration, the board has agreed that the most appropriate model for the Council to adopt is a simple but efficient structure, led by a board of three independent non-executive directors, whose practice and decision-making is guided by the principles of governance as leadership.

The board's primary role is to combine responsible stewardship of Council assets with medium-term business development, and long-term strategic planning, ensuring a winning strategy for the Council and its members.



“ We plan to create a leadership structure and culture that reflects modern governance practice. This will ensure all our members' voices are heard and represented at the heart of the Council. By adopting and aligning our practices with internationally recognised standards of corporate governance, we will continue to add value to our members, while supporting the Council's ambitions for the continual safe growth of the sector. ”

**David Burrowes,**  
Chair of the Equity Release Council

## Standing committees and executive support to the board

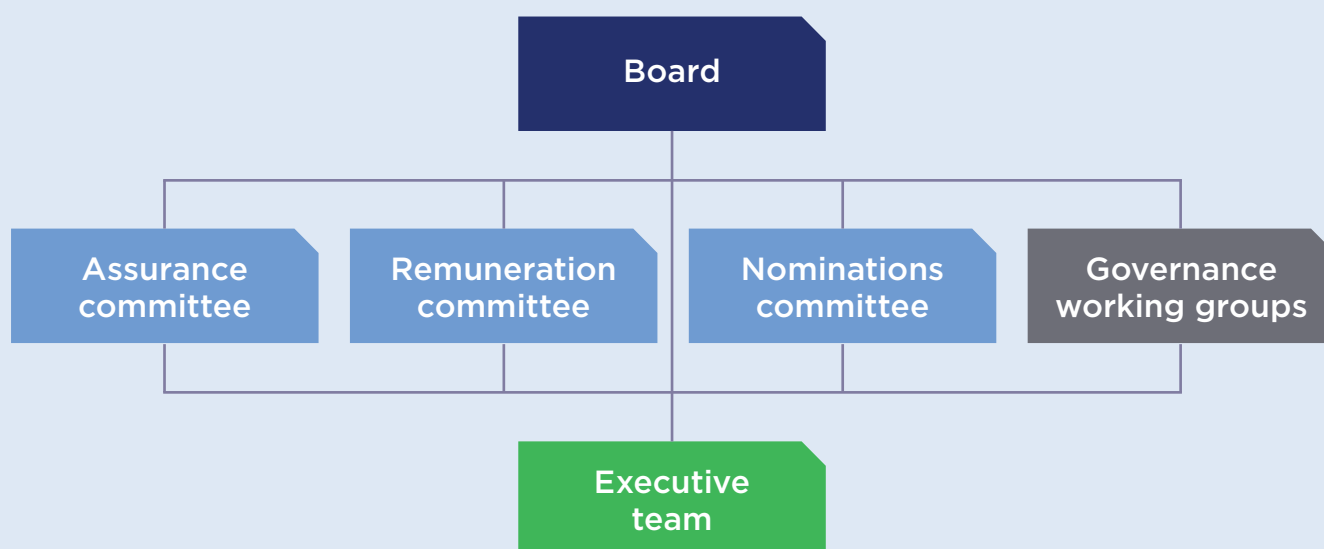
The board will be supported by three standing committees, the purpose of which will be to directly underpin the integrity of the governance function:

- 1. Assurance** - responsible for advising the board on matters relating to financial regulations, annual accounts, audit, risk management and general governance issues.
- 2. Nominations** - responsible for approving the board and committee appointment and appraisal processes, succession planning, and as the selection panel for the chief executive officer and the board itself, when required.
- 3. Remuneration** - responsible for advising the board on the remuneration packages of the chief executive officer, chief operating officer and other senior colleagues.

Each committee will be chaired by a member of the board with volunteers drawn from the membership.

The board will retain the authority to form working groups to inform good governance and strategic business development.

The board and its constituent committees and working groups will be directly supported by the Council's staff who, in their capacities as specialist membership professionals, will provide expert advice and guidance on membership matters as well providing the necessary secretariat support.



## Giving members voice and influence

Seven new member-led forums will be created to ensure that all members have opportunity to discuss topics of common interest and consider issues affecting them in distinct groups.

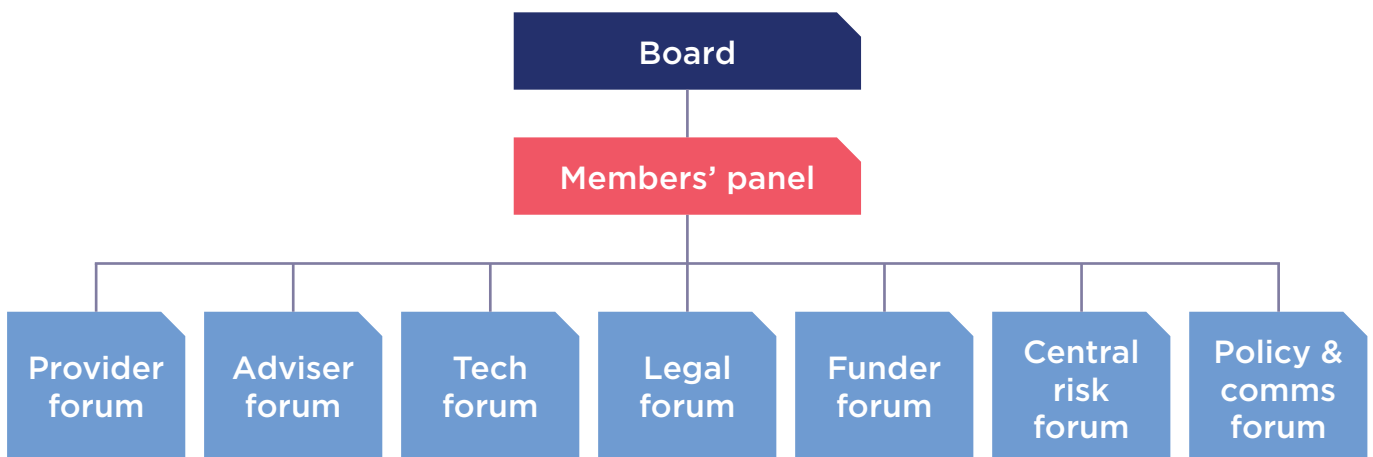
Some of these forums will represent a natural evolution of the Council's existing networks, committees and working groups, while others will be entirely new entities.

In addition to the members' forums, as part of the formal governance structure, the Council plans to establish a members' panel. The individuals on the members' panel will be drawn from the members' forums.

The members' panel will be a formal collective whose membership will span and reflect the Council's membership. It will engage with the board and executive on matters relating to the Council's value proposition.

This group will be a major asset to the Council, helping to inform the focus and value of the Council's membership resources as well as the organisation's positions on various legislative, regulatory and market issues.

This new engagement structure will be designed to ensure the needs and wishes of all members are heard, understood and where appropriate reflected in the board's planning and decision making.



The board recognise the powerful potential of regular engagement with the membership. Not only with regards to business development and service provision but in terms of the value that sustained dialogue between the Council and its membership has on the Council's credibility as the representative body of choice for the equity release sector.

The board and Council's staff are therefore fully committed to using the members' panel as a knowledge bank and a vehicle for detailed member consultation, market research, policy development, and business ideation.

That commitment will be enshrined in the panel's terms of reference, ensuring the Council's accountability for regular, meaningful engagement with the membership.

## The standards committee

Given the central role of the Council's standards in enhancing the profile, reputation, integrity and application of equity release, there will be a separate consultation that will determine the structure, function, and make-up of the standards committee within the planned governance framework.

The consultation will consider the views of the membership and the Council's wider stakeholder network. The Council's industry standards - which are widely credited for transforming the quality of products, the reputation of the sector, and underpinning the industry's growth - must remain fit for purpose.

## Next steps

The Council's board of directors has agreed the proposed changes and recommends them for approval at the forthcoming annual general meeting which will take place on June 22, 2022.

During the meeting members will be invited to formally adopt the proposals, which will be set out in a special resolution. The resolution will be issued to all members ahead of the meeting by email. Members who are unable to attend the annual general meeting (AGM) in person will be able to vote via proxy.

The overall timeline and anticipated implementation plan is below, albeit this is subject to change.



## More information

For more information please visit [www.equityreleasecouncil.com/governance](http://www.equityreleasecouncil.com/governance) or for any questions email: [communications@equityreleasecouncil.com](mailto:communications@equityreleasecouncil.com)

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