

RICS REGULATIONS

# Regulations as approved by Governing Council

Updated January 2023



# Regulation 1 – Definitions

**R1.1** Regulations shall:

- a use the definitions set out in B1 wherever possible and
- b set out any additional definitions which shall apply to the Regulations.

**R1.2** In the event of any variation in a Regulation of a definition contained in B1, the definition in the Regulation shall apply provided that the variation has been:

- a specifically notified to the Management Board and
- b approved by Governing Council.

**R1.3** Definitions

**R1.3.1** Unless the context otherwise requires:

- a references to the singular shall include the plural and vice versa; and
- b words denoting one gender shall encompass all genders.

**R1.3.2** The following definitions apply to these Regulations:

Term	Definition
Global Appointments Model	The model detailing the key principles and process for appointments to RICS Governance Bodies as overseen by the Nominations Committee pursuant to R7.6.5.

# Regulation 2 – Membership and registration

## R2.1 Classes

**R2.1.1** The class of Non-Chartered Member in B2.1.1(b) shall include the class of Associate and such other classes as Governing Council shall determine.

**R2.1.2** In accordance with B2.1.2, there shall be the following Attached Classes:

- a Trainee Surveyor/Candidate for Membership
- b Trainee Associate and
- c Student.

**R2.1.3** Before taking any action under B2.1.4, Governing Council shall:

- a publish its proposals, together with a brief explanation about why it considers the proposals to be necessary and/or appropriate
- b allow Members twelve weeks to submit comments to the Chair of Governing Council regarding the proposals and
- c take any comments submitted into account.

## R2.2 Eligibility

### R2.2.1 Professional Competence and other eligibility requirements

Criteria relating to the appropriate Professional Competence required under B2.2.1 or any eligibility requirements under B2.2.3 shall be:

- a approved from time to time by the Standards and Regulation Board, following consultation with any RICS stakeholders it considers appropriate and
- b published from time to time by RICS.

### R2.2.2 Fit and proper

In addition to satisfying any appropriate Professional Competence or other eligibility requirements, a person shall be a fit and proper person in order to be eligible for admission to any class of membership (including the Attached Classes).

### R2.2.3 Restrictions for the Attached Classes

- a A person may only be admitted or transferred to an Attached Class for a maximum period which shall be in the case of a:
  - i Trainee Surveyor/Candidate for Membership and Trainee Associate: 6 years in aggregate, from either the date of first admission and/or transfer or until he or she is eligible for chartered membership, whichever is the sooner.
  - ii Student: 8 years from the date of first admission, provided that RICS may shorten or extend such periods in an individual case in accordance with any process or policy made by the Standards and Regulation Board.
- b A person shall not be eligible for admission as a Student if he or she is eligible to be a Member, a Trainee Surveyor/Candidate for Membership or a Trainee Associate.
- c Where a person has previously been a member of an Attached Class, he or she may be eligible for admission as a Student provided that RICS considers his/her admission as a Student to be in accordance with any process or policy made by the Standards and Regulation Board.

### R2.2.4 Dispensation

- a In accordance with B2.2.5, Governing Council may grant dispensation from any criteria under B2.2.1 or requirements under B2.2.3 in favour of any person or group of persons:
  - i of exceptional standing and experience as a surveyor, whose admission would promote the Objects of RICS
  - ii who has acquired an appropriate professional qualification in an EEA country, and satisfied the criteria prescribed by any relevant directive of the European Union as may be in force at the time or
  - iii pursuant to the terms of an agreement for amalgamation approved and allowed as provided in the Charter,
  - iv who is a member or are members of a body with which RICS has a direct entry arrangement as published by RICS or of a professional body whose eligibility criteria have been approved as being acceptable to RICS by the Standards and Regulation Board
  - v who is a member of a body with which RICS has an approved Reciprocity Agreement provided that any dispensation to a group of persons which would increase the total number of Members by more than 7.5% (as computed on the last day of the previous Session) shall be approved by Ordinary Resolution.
- b For the avoidance of doubt, no dispensation shall be granted from R2.2.2.

## R2.3 Procedure for admission and transfer

### R2.3.1 Chartered Member, Non-Chartered Member, or member of the Attached Classes

- a In accordance with B2.3.1 and B2.3.3, the procedure for admission or transfer to any class except Honorary Member shall be as follows:
  - i An application shall be made in writing in the form prescribed, and shall be supported by references and such other information as required by RICS in accordance with any process or policy made by the Standards and Regulation Board.
  - ii In the case of an application for membership as a Chartered Member or a Non-Chartered Member, RICS shall refer the application to a panel appointed by the Standards and Regulation Board to assess applications for the relevant class. The panel shall then determine whether an applicant meets the appropriate criteria under R2.2.1, and then shall accept or reject the application provided it is satisfied the applicant also complies with R2.2.2.
  - iii In the case of an application for membership of the Attached Classes, where a panel convened by RICS in accordance with any process or policy made by the Standards and Regulation Board is satisfied that the applicant meets the appropriate criteria under R2.2.1, it shall admit the applicant to the appropriate class provided he or she is satisfied the applicant also complies with R2.2.2.
  - iv In any case where a panel convened by RICS in accordance with any process or policy made by the Standards and Regulation Board is not satisfied that any applicant for membership of any class (including an Attached Class) is not a fit and proper person, the application shall be referred to the Registration Panel which shall be responsible in accordance with the Disciplinary Panel, Registration Panel and Appeal Panel Rules for determining whether the applicant complies with R2.2.2 and shall accept or reject the application accordingly.
  - v If a previous application by an applicant has been rejected, no application for admission to the same class of membership shall be considered unless the applicant demonstrates to the satisfaction of RICS that any deficiencies in his/her previous application have been remedied.

#### b Honorary Members

The procedure for admission to the class of Honorary Member is as follows:

- i The Officers shall make a recommendation to Governing Council putting forward any person they consider eligible and suitable and
- ii Governing Council may appoint as an Honorary Member any person recommended by the Officers.

#### c Assessments

In relation to any criteria for Professional Competence or other eligibility requirements under B2.2 which require an assessment, the Standards and Regulation Board shall:



- i publish procedures for those assessments, including any time limits
  - ii be responsible for publishing procedures for the appointment and removal of assessors and the appointment of assessment panels.
- d An application for admission or transfer shall be considered by a Panel appointed by RICS in accordance with R2.3.1(c)(ii) above.
- e An application may be:
- i granted unconditionally
  - ii granted conditionally or
  - iii rejected.

### R2.3.2 Re-admission (excluding disciplinary cases)

- a Following removal or resignation from membership except in a disciplinary case, a former member (including a member of an Attached Class) may apply for re-admission to RICS.
- b An application for re-admission must be made in writing in the form prescribed, and shall be supported by such information as required by any process or policy made by the Standards and Regulation Board.
- c RICS shall re-admit the applicant if it:
- i is satisfied the applicant complies with all relevant eligibility requirements in B2.3 and R2.2
  - ii has received any information or material required under R2.3.2(b) and
  - iii considers the applicant's re-admission to be in the best interests of RICS.
- d In the case of an application for re-admission to an Attached Class where the applicant has previously been admitted to an Attached Class, RICS may admit him/her for a different period of membership than is specified in R2.2.3(a).
- e An application for re-admission may be:
- i granted unconditionally
  - ii granted conditionally
  - iii granted to a different membership class than that last held by the applicant, or
  - iv rejected.

### R2.3.3 Re-admission (in disciplinary cases)

The procedure for re-admission in a disciplinary case shall be set out in Rules made by the Standards and Regulation Board.

### R2.3.4 Successful applications

- a A successful application for admission or transfer to any class of membership shall only be effective upon payment (within no more than 30 days of notification of admission) to RICS of any fee, subscription, levy, arrears, fine or other penalty payable in accordance with B4, and additionally on admission upon receipt of the Undertaking on Admission required by B2.3.5, which shall be in the form set out in R2.3.4(b)(i).
- b Undertaking on Admission
  - i In addition to the requirements of B2.3.5, the Undertaking on Admission shall include the following text:
 

“I have read and undertake:

    - i) to comply and act in accordance with the Charter, Bye-Laws, Regulations and Rules of RICS as they now exist, or as they may in the future be amended, and also comply with such other requirements as Governing Council shall determine
    - ii) to promote the Objects of RICS as far as in my power
    - iii) to pay promptly any monies due to RICS, including but not limited to any fee, subscription, levy, arrears, fine or other penalty, or reimbursement in accordance with any scheme of compensation
    - iv) to declare any criminal convictions within 30 days
    - v) that should I wish to terminate my membership, to notify the Chief Executive in writing and
    - vi) not at any time after ceasing to be a member to use or permit to be used in conjunction with my name, or name of any organisation with which I may at any time be associated, any designation or expression denoting or suggesting membership or any connection with RICS.”
  - ii An Undertaking on Admission shall continue to be effective in the event of transfer to another class of membership and expiry of any period of suspension from membership, but shall be required afresh on any re- admission to membership.

### R2.3.5 Notification

- a RICS shall notify an applicant of:
  - i the outcome of any application for admission, transfer or re-admission and
  - ii any further steps required under R2.3.1(a)(v) or R2.3.4.
- b Where any application for admission, transfer or re-admission is granted conditionally, to a different class of membership or rejected, RICS shall:
  - i give the applicant brief written reasons for its decision
  - ii inform him/her of any available right to appeal and

- iii provide a brief summary of the appeal processes.

### R2.3.6 Appeals

- a Where an application for admission, transfer or re-admission (except in disciplinary cases) to any class is rejected, granted conditionally, or granted to a lower class of membership, the applicant may appeal by submitting a request in writing which specifies:
  - i the grounds on which the review is sought and/or
  - ii any representations upon which the applicant wishes to rely.
- b Where an appeal concerns:
  - i R2.2.1, it shall be considered by a Competency Panel or an individual member of that Competency Panel appointed by RICS in accordance with any process or policy made by the Standards and Regulation Board or
  - ii R2.2.2, it shall be considered by the Appeal Panel in accordance with the provisions of the Disciplinary Panel, Registration Panel and Appeal Panel Rules, provided that no person involved in the decision being challenged shall be involved in any consideration of the appeal.
- c Any review or appeal must be lodged within 28 days of the date of the decision being challenged, unless specific alternative provisions exist in established procedures.

### R2.3.7 The Register of Members

The Register of Members kept in accordance with B2.3.4 shall include the following information in respect of each member:

- a name
- b address
- c date of admission
- d any Designation which he or she is entitled to use and
- e date of any suspension, expulsion or resignation.

## R2.4 Privileges and obligations of membership

### R2.4.1 Diplomas and membership cards

- a Following admission or transfer, RICS shall issue:
  - i a diploma to each Chartered and Non-Chartered Member and
  - ii a membership card to each person (including a member of an Attached Class).



- b Each diploma and membership card shall be in such form as Governing Council may from time to time determine and shall remain the property of RICS.
- c In the event a person ceases to be a member (including a member of the Attached Classes), he or she:
  - i may retain his/her diploma, unless RICS requires them to return it
  - ii shall have his/her membership card withdrawn and
  - iii shall not (and shall not permit someone else to) display, use, or dispose of his/her diploma or membership card or any copy in any manner which may give the impression that the person named remains a Member.

### R2.4.2 Fees

A member (including a member of an Attached Class) shall pay any fees, subscriptions, or other amounts owed to RICS in accordance with B4 and R4.

### R2.4.3 Other bodies or organisations

A member (including a member of an Attached Class) shall not associate with or in any way support any body or organisation that:

- a has previously merged with RICS or
- b is contrary to the interests of RICS.

# Regulation 3 – Designations

## R3.1 Use of Designations

**R3.1.1** A Chartered Member may use more than one Designation (including alternative Designations) provided he or she has attained the appropriate Professional Competence.

**R3.1.2** In accordance with B3.1.3:

- a a Non-Chartered Member known as an Associate shall be entitled to use after his/her name only the Designatory Initials 'AssocRICS' and
- b an Honorary Member shall be entitled to use after his/her name only the Designatory Initials 'HonRICS', but neither shall be entitled to use the Designatory Initials 'FRICS' or 'MRICS', or the Designation 'Chartered Surveyor'.

**R3.1.3** A Partnership or company entitled to use the Designation 'Chartered Surveyors' (or any alternative Designation) pursuant to B3.1.4 shall:

- a notify RICS of any Designation or alternative Designation to be used prior to first use
- b submit to RICS a copy of its Stationery or list of names of all Partners within 28 days of first use of any Designation or alternative Designation and whenever subsequently requested by RICS and
- c in the event of any change or alteration affecting Designations (including alternative Designations), notify RICS of that change or alteration within 7 days of it coming into effect.

## R3.2 Use of Alternative Designations

**R3.2.1** Where Governing Council intends to create or amend any alternative Designation pursuant to B3.2.1, it will publish any proposals on the RICS website at least twelve weeks in advance of any change taking effect and will take account of any comments from Members.

**R3.2.2** There shall be the following alternative Designations:

- a Chartered Arts and Antiques Surveyor
- b Chartered Building Surveyor
- c Chartered Building Control Surveyor
- d Chartered Commercial Property Surveyor

- e Chartered Construction Surveyor
- f Chartered Engineering Surveyor
- g Chartered Environmental Surveyor
- h Chartered Facilities Management Surveyor
- i Chartered Forestry Surveyor
- j Chartered Hydrographic Surveyor
- k Chartered Land Surveyor
- l Chartered Machinery Valuation Surveyor
- m Chartered Management Consultancy Surveyor
- n Chartered Minerals Surveyor
- o Chartered Planning and Development Surveyor
- p Chartered Project Management Surveyor
- q Chartered Quantity Surveyor
- r Chartered Valuation Surveyor
- s Chartered Civil Engineering Surveyor

and RICS shall publish the criteria for eligibility to use each alternative Designation.

**R3.2.3** A Chartered Member shall be entitled to use any alternative Designation, provided he or she satisfies one of the criteria published by RICS in accordance with R3.2.2.

**R3.2.4** An alternative Designation in R3.2.2 may be used in conjunction with a corporate name or title by:

- a a Chartered Member acting as a sole practitioner or
- b a Partnership or company,

provided the requirements of B3.1.4 and any other criteria published by RICS from time to time are met.

**R3.2.5** Where satisfaction of published criteria relating to alternative Designations involves an assessment or consideration of a declaration or other application, the Standards and Regulation Board shall publish the procedure for that assessment or consideration, including the payment of any fee that is set by and reviewed by RICS from time to time, time limits and appeals.

### R3.3 Use of designatory letters of previously merged bodies

In accordance with B3.4, the designatory letters of the following previously merged bodies (and designations) shall not to be used by Members:

- a the Chartered Auctioneers and Estate Agents' Institute (including 'FAI' and 'AAI')
- b the Chartered Land Agents' Society (including 'FLAS' and 'QALAS')
- c the Incorporated Society of Valuers and Auctioneers (including 'FSVA' and 'ASVA')
- d the Institute of Quantity Surveyors (including 'FIQS' and 'AIQS')
- e the Society of Surveying Technicians (including 'FSST', 'MSST' and 'AMSST'), together with such other bodies that may in the future amalgamate or enter into a scheme of unification with RICS.

# Regulation 4 – Contribution to funds

## R4.1 Fees, subscriptions and other payments

The Annual, Quarterly or Monthly Subscription payable by a Chartered Member and a Non-Chartered Member shall be:

- a recommended by the Management Board and
- b approved by Governing Council,

provided that it shall be within the framework agreed by Members at a General Meeting as required by B4.1.1.

The Annual, Quarterly or Monthly Subscription payable by a person in any of the Attached Classes shall be set by the Management Board from time to time.

Each Chartered Member, Non-Chartered Member or member of an Attached Class shall pay an Entrance Fee, which shall be set by the Management Board.

### R4.1.1 Re-admission Fee

- a payable by a former member re-admitted for any reason except in a disciplinary case shall be set by the Management Board
- b payable for a former member re-admitted after a disciplinary case shall be the Entrance Fee payable by a person admitted for the first time to RICS to the same class of membership and
- c under R4.1.1(a) may be waived or reduced by RICS in any individual case if this is considered appropriate and fair in accordance with any process or policy made by Management Board.

The fees payable on transfer between any membership classes shall be set by the Management Board and published from time to time by RICS.

The Standards and Regulation Board shall publish fees or subscriptions to be paid by Firms registered with RICS.

A Special Levy shall be payable by a Chartered Member or Non-Chartered Member (or any one class of those Members), provided it is approved in advance by a resolution passed by a simple majority of those on whom it would be imposed either:

- a at a General Meeting or

b by postal or electronic voting,

and Governing Council shall determine which method shall apply.

A Member or a member of an Attached Class may be required to make payments towards schemes of compensation and redress in accordance with any published policies.

#### R4.1.2 Other payments

A Member or a member of an Attached Class may be liable to pay other fees or subscriptions set by the Management Board.

### R4.2 Discounts and reductions

Any discount (or criteria for a discount) from subscriptions or fees payable to RICS for a subscription year shall be:

- a determined and published by the Management Board and
- b administered by staff.

Any discount may be withdrawn where RICS concludes that a member did or does not satisfy the relevant criteria determined by the Management Board.

Where any discount is withdrawn, RICS shall notify the member in writing of:

- a the reason for the withdrawal and
- b the full amount to be paid,

and the member shall pay that amount to RICS within 30 days of notification.

Where during a subscription year a person is admitted to any class of membership (including the Attached Classes) or transfers between classes, RICS may reduce the Annual Subscription on a pro-rata basis in accordance with the date of admission or transfer.

Where an application for membership is unsuccessful, but the applicant has paid any entrance fee, subscription or other amount in advance (except any fee relating to the processing of his/her application), the sums paid shall be reimbursed by RICS.

### R4.3 Payment

Prior to issuing any demand or invoice for payment, RICS shall publish:

- a the dates of a subscription year and
- b details of any fees or subscriptions payable pursuant to B4.1.1-B4.1.5.

Liability for a Subscription arises in accordance with the payment structure (annually, quarterly or monthly) chosen by a Member or member of an Attached Class whether demanded or not.



Payment of any fees, subscriptions, levies or other sums may be made to RICS by such methods as may be approved by RICS.

Where any payment received in relation to fees, subscriptions, levies or other sums is less than the total amount owed to RICS, that payment will be used to discharge sums due in the following order:

- a subscriptions for previous subscription years
- b levies (including any Special Levy) for previous subscription years
- c any other sums due to RICS in respect of previous subscription years
- d subscriptions for the current subscription year
- e any other sums due to the RICS in the current subscription year and
- f voluntary contributions to the Benevolent Fund, if the intention to make one has been identified by the member.

A member may make representations to RICS concerning the application of any part of R4 to his/her individual case.

#### R4.4 Failure to Pay

Where a member fails to pay any fees, subscriptions, levies or other sums by the due date, RICS may:

- a impose a fee for late payment
- b enter into a written agreement with the member for payment by instalments or by a specified date and/or
- c with the approval of the Management Board in a case of exceptional hardship, grant a discount (up to a maximum of 100%) in respect of any fee, subscription, levy or other sum.

Where a member does not comply with any requirement imposed upon him/her under R4.4 and with the approval in advance of the Management Board, RICS may:

- a pursue court action for payment of the sums owed to RICS and/or
- b remove the member from membership of RICS.

# Regulation 5 – Conduct

**Note:** At present, there are no regulations concerning conduct. Please see the relevant Rules made by the Standards and Regulation Board.

# Regulation 6 – Governing Council, officers and staff

## R6.1 Governing Council

### R6.1.1 Composition

- a Governing Council shall be comprised of 28 members, including:
  - i the President, President-Elect and Senior Vice-President as of right
  - ii six elected professional group representatives
  - iii 13 elected geographical representatives
  - iv one representative from the community of younger members
  - v up to three co-opted representatives with relevant expertise or interests
  - vi one appointed senior independent governor
  - vii one independent member
- b Of those members of Governing Council pursuant to:
  - i R6.1.1(a)(i), all shall be appointed ex officio
  - ii R6.1.1(a) (v) to (vii), shall be appointed in accordance with the Global Appointments Model for a period of up to three years
  - iii R6.1.1(a)(ii) to (iv), all shall be elected for a period of up to three years, following which they may be elected for further periods up to a maximum of six years in total, or on flexible terms as set out in R6.1.1(j) subject to Governing Council's discretion to extend the terms as set out in R.6.1.1(h).
- c Additional members of Governing Council may be appointed by nomination as required.
- d All members of Governing Council will be elected or appointed in accordance with any procedure set out in Standing Orders.
- e A member shall not:
  - i hold or stand for election for more than one permanent place on Governing Council or
  - ii serve for longer than six years in total on Governing Council except where a member is subsequently elected to serve as an Officer, but for the avoidance of doubt, if a person serves as an Officer before standing for election, their period of service as an Officer shall count for the purposes of calculating the total period of service.

- f In exceptional circumstances the Chair of Governing Council may extend the maximum period of service specified in R6.1.1(e)(ii) to a maximum of eight years.
- g A Member shall not be eligible to serve on Governing Council (including as an alternate member):
  - i while suspended
  - ii having been expelled from membership
  - iii until any outstanding monies due to RICS from them are paid
  - iv where a criminal offence or a breach of a Bye-Law, Regulation or Rule (whether of RICS or any other professional body) is under investigation or has been found proved, provided that where the matter is under investigation but not proved they are given reasonable opportunity to make written representations concerning why this provision should not apply to the Nominations Committee and it shall decide whether the Member is eligible
  - v if completion of the term associated with that role would lead to a contravention of R6.1.1(e)(ii).
- h Governing Council, if it considers necessary, may determine to extend the period set out in, R6.1.1(b)(iii) and R6.1.1(b)(iv) by a maximum of six months.
- i Pursuant to R6.1.1(b)(iii), Governing Council, if it considers necessary, may determine to elect members on a rolling 12-month basis. The period shall renew automatically so that members serve up to a maximum of three periods of 12 months each unless Governing Council either gives one month's notice before the end of a 12-month period; or at the end of the third renewal, Governing Council considers it necessary to extend it by one further six-month period.
- j Pursuant to R6.1.1(b)(iv), Governing Council, if it considers necessary, may determine to elect members on a rolling 12-month basis. The period shall renew automatically so that members serve up to a maximum of three periods of 12 months each unless Governing Council either gives one month's notice before the end of a 12-month period; or at the end of the fourth renewal, Governing Council considers it necessary to extend it by one further six-month period.

## R6.1.2 Duties

In carrying out their duties, each member of Governing Council shall:

- a act in accordance with the Charter, Bye-Laws, Regulations, strategy and policies of RICS, and any relevant terms of reference or Standing Orders published from time to time
- b only exercise the powers set out in the Charter, Bye-Laws, Regulations and any relevant Standing Orders of RICS for the purposes for which they are conferred
- c act in good faith in the way most likely to promote the success of RICS for the benefit of its members as a whole

- d exercise independent judgement
- e exercise reasonable care, skill and diligence
- f avoid a situation in which they have or could have a direct or indirect interest that conflicts or possibly could conflict with the interests of RICS
- g declare in advance by notice in writing or at any relevant RICS meeting the nature and extent of any direct or indirect interest in any proposed or existing transaction or arrangement with RICS and any change in that interest
- h not restrict or agree to restrict their powers to exercise independent judgement and
- i not accept a benefit from a third party conferred by reason of their membership of Governing Council or their doing (or not doing) anything as a member of Governing Council.

### R6.1.3 Delegation

- a Except those duties set out in B6.1.2(b), Governing Council may delegate a duty or power to:
  - i the Management Board
  - ii the Standards and Regulation Board
  - iii any Governance Body, certain powers to implement Regulations and Standing Orders within their respective remits
  - iv any Officer and
  - v the Chief Executive.
- b Any person or body to whom power has been delegated by Governing Council may sub-delegate that power, save where it is expressly prohibited.
- c When a decision has been taken under a delegated or sub-delegated power, it shall not be overturned by the delegating person or body unless there has been a material error or the terms of the delegation have been exceeded.
- d A list of current delegations (including sub-delegations) shall be kept and maintained by RICS.
- e Governing Council may delegate the determining of duties, terms of reference and other responsibilities for bodies other than the Governance Bodies established under B7.1.1(a)–(c).
- f Governing Council may delegate the making of appointments for all Governance Bodies.

### R6.1.4 Conduct of business

- a A meeting of Governing Council may be in such form as the Chair of Governing Council considers appropriate and may include meeting in person or virtually (including by

email, correspondence or telephone conference), provided that if 10% of members of Governing Council or the President require a matter to be discussed in person it shall be adjourned to the next meeting in person.

- b Where a meeting is held virtually under R6.1.4(a), all participating members shall count as part of the quorum and may take part in any voting.
- c The notice and any papers for a meeting of Governing Council may be served in accordance with R10.5.4.
- d Any Nominated Subject Matter Expert appointed by Governing Council shall have the right to attend meetings of Governing Council but shall not count as part of the quorum and may not take part in any voting.

## R6.2 Officers

### R6.2.1 Composition

- a In accordance with B6.2.1, there shall be the following Officers: a President, a President-Elect, a Senior Vice-President and a Chair of Governing Council.
- b The requirements for each Officer shall be as follows:
  - i each Officer (other than the Chair of Governing Council) shall be a Fellow
  - ii RICS shall publish details of the role of each Officer
  - iii no Officer shall hold more than one position, except on a temporary basis where another Officer is unable to act or where there is a vacancy
  - iv no person shall be elected to the office of President for more than two terms
  - v Officers may remain on lists of those available to serve in positions under the Standards and Regulation Board but they shall not be selected to serve while they are Officers
  - vi no person shall be appointed to the office of Chair of Governing Council for more than two terms.

### R6.2.2 Appointment

- a The Officers shall be elected before the Annual General Meeting and shall hold office from the Annual General Meeting.
- b If, prior to their appointment, an Officer is a member of Governing Council, they shall vacate that position upon appointment as an Officer.
- c If an Officer is unable to act, is removed or resigns, Governing Council may appoint another person to hold office until the next election under R6.2.2(a).
- d The methods for election, appointment and removal of Officers by Governing Council, and for dealing with temporary vacancies, shall be set out in Standing Orders



- e Parts (a), (c) and (d) of this Regulation shall not apply to the Chair of Governing Council.
- f The Chair of Governing Council shall be appointed in accordance with the Global Appointments Model. The methods for removal of the Chair of Governing Council, and for dealing with temporary vacancies, shall be set out in Standing Orders.

### R6.2.3 Chair of Governing Council

- a The responsibilities of the Chair of Governing Council may include:
  - i to agree agendas for, and the format of, Governing Council meetings and the location of meetings in person in consultation with the Chief Executive
  - ii to be present and chair meetings in person of Governing Council and conduct Governing Council business between meetings in person, including on the Virtual Community
  - iii to provide oversight and assurance that Governing Council remains independent of bias in its decision-making and is properly pursuing the aims and objectives of RICS
  - iv to provide an effective link between Governing Council and other RICS Governance Bodies
  - v to ensure continuity for Governing Council in its decision making and clarification to Governing Council on its roles and responsibilities where required.

## R6.3 Chief Executive and staff

### R6.3.1 Appointment and dismissal

When making recommendations concerning the appointment of the Chief Executive to Governing Council under B6.3.1, the Officers shall act under the chairship of the Chair of Governing Council and in accordance with any procedures set by the Management Board.

For the avoidance of doubt, the appointment of the Chief Executive may be terminated by Governing Council on the recommendation of the Officers who shall act under the chairship of the Chair of Governing Council and in accordance with any procedures set by the Management Board.

### R6.3.2 Responsibilities of Chief Executive

The Chief Executive shall:

- a be accountable to Governing Council for the management of RICS business, staff and resources in accordance with RICS strategy, business plans, budget, policies, procedures for corporate governance, and any delegated powers and
- b represent and act as a spokesman for RICS and the profession as required.

The Chief Executive's power to delegate under B6.3.3 shall include the ability to delegate to any RICS companies as he or she considers appropriate.

### R6.3.3 Staff

All RICS staff, servants and agents shall be responsible to the Chief Executive and his/her nominated senior staff, and shall follow the instructions of the Chief Executive (and his/her senior staff) not those of Governance Bodies or any individual Member.

In giving instructions to servants, agents or staff, regard shall be had by the Chief Executive (and his/her senior staff) to the Charter, Bye-Laws, Regulations and the strategy of RICS.

## R6.4 Indemnity

In addition to B6.4.2, B6.4.1 shall not apply:

- a where, having made any appropriate enquiries and considered any representations from the person concerned, the Chief Executive (or the Management Board where a claim concerns the Chief Executive) believes the person has acted fraudulently or recklessly
- b where RICS or the relevant Governance Body is not insured against a particular liability, provided that those potentially affected have been notified of the lack of an indemnity or
- c except to the extent of any maximum limit specified by RICS or the relevant Governance Body, provided that those potentially affected have been notified that the indemnity is limited to specified sums.

In the event that the indemnity in B6.4.1 does not apply, the Management Board with the approval of Governing Council may make an ex-gratia payment to a person against whom an allegation or claim is made if it considers this to be fair in all the circumstances.

## Regulation 6A [Revoked]

## Regulation 6B – Transitional Regulation

### R6B.1 Appointment process for contingent positions

**R6B.1.1** Governing Council may approve the commencement of processes to recruit and make provisional appointments to new positions which are contingent on Privy Council approval of changes to the Charter and Bye-Laws.

**R6B.1.2** Pursuant to R6B.1.1, Governing Council has determined that Chris Brooke shall be appointed to the role of Chair of Governing Council referred to at R6.1.1(a)(ii) on a transitional and temporary basis for a period of no longer than one year and R6.2.2(f) shall not apply to this appointment. If a substantive appointment to the role of Chair of Governing Council has not been made at the end of the period of one year, the transitional and temporary appointment to the role of Chair of Governing Council shall be reviewed by Governing Council, which shall determine whether it shall come to an end or be extended for a prescribed term.

## Regulation 6C – Transitional Regulation (commencement provision)

**R6C.1** The following Orders in Council:

- a Amendments to the Charter of the Royal Institution of Chartered Surveyors allowed by Her Majesty in Council on 13 March 2019 and
- b Alterations to the Bye-Laws of the Royal Institution of Chartered Surveyors approved by the Lords of Her Majesty's Most Honourable Privy Council on 13 March 2019,

shall come into force in the manner prescribed by and on the dates specified in the Schedule annexed to this Regulation.

**R6C.2** For the purposes of the Schedule annexed to this Regulation:

- a 'Provisionally Appointed' means the point at which RICS receives a countersigned copy of the letter of appointment or letter of provisional appointment and
- b 'Direction for Commencement' means a written direction issued by the Chief Executive, confirming the date on which a particular amendment will come into force and where applicable, certifies that in respect of the particular amendment all requisite:
  - i individuals have been Provisionally Appointed and
  - ii Rules have been made.

**R6C.3** No 'Direction for Commencement' can be issued without the prior authorisation of the President or his/her nominee.

**R6C.4** A Provisional Appointment made for the purposes of amending a particular provision of the Charter or Bye-Laws will cease to be provisional and be deemed to be substantive on the date specified in the Direction for Commencement.

## Regulation 6D – Transitional Regulation

**R6D.1** When calculating a member's period of service on Governing Council pursuant to R6.1.1(e)(ii), their period of service on Transitional Governing Council shall not be counted.

# Regulation 7 – Subordinate boards, committees and groups

## R7.1 General Provisions for any subordinate board, committee or group

### R7.1.1 Power

A board, committee or group established pursuant to the Bye-Laws and Regulations shall act in accordance with:

- a the Charter, Bye-Laws, Regulations and Rules of RICS and
- b any terms of reference or Standing Orders applicable to it.

### R7.1.2 Composition

The appointment and re-appointment of members to all boards, committees and the Regulatory Tribunal (aside from Governing Council) must be done in accordance with the Global Appointments Model. The constitutions and membership of any group shall be approved by the Governance Body establishing it. Where any board, committee or group needs to regulate its own composition, then, unless otherwise specified in Regulations, the following shall apply:

- a A person may be co-opted to a board, committee or group for such period as it decides appropriate, and such a person shall have a vote.
- b A power to appoint (including to co-opt) a person to a position (other than a staff position) includes the power to terminate that appointment at any time.
- c In any case where there is only one valid nomination for any position at the closing date for nominations, that nominee is deemed to be elected as appropriate.
- d Any appointment may be made subject to conditions.
- e Any appointment must be for a specified period of office. There is no restriction on the number of terms of office a person may serve but no person (save for Executive Members for whom there shall be no time limits on periods of service) may serve for longer than six years on any board, committee or group, excluding any period served as an Officer.
- f In exceptional circumstances, the Chair of Governing Council, in consultation with the Chair of the relevant board, committee or group may extend the period of service of any person beyond the period specified in (e) above to a maximum of eight years.

- g Any interim changes in the constitution of a board, committee or group shall be reported by that board, committee or group to the body which established it.
- h Any interim changes in the composition of a board, committee or group shall be reported by that board, committee or group to the body which established it.
- i Where a criminal offence or a breach of a Bye-Law, Regulation or Rule (whether of RICS or any other professional body) is under investigation or has been found proved against any member of a Governance Body or a person who holds any representative position on behalf of RICS, or where a person has failed to carry out their duties under R7.1.4, the Nominations Committee may decide (after giving the person reasonable opportunity to make written representations):
  - i where an offence or breach has been proved, to remove him/her either permanently or for a specified period from his/her position, and/or to impose conditions on his/her membership or the representative position and
  - ii where an offence or breach is under investigation, to suspend him/her for a specified period from his/her position and/or to impose conditions on his/her membership or the representative position.
- j As regards Casual Vacancies:
  - i the procedure to fill Casual Vacancies shall be set out in Standing Orders and
  - ii service to fill a residual term arising from a Casual Vacancy shall not be counted as a period of service for the purpose of limits of continuous service.
- k As regards alternates:
  - i A person elected or appointed to any position within RICS is appointed as an individual and has no power to authorise an alternate to act or attend in their place unless expressly permitted in Regulations or Standing Orders.
  - ii Where an elected or appointed person is unable to attend a meeting or to otherwise act, the Chair of the original appointing body may appoint an alternate in relation to either a particular meeting or for a specified purpose and shall notify the Chair of the relevant body of the alternate.

### R7.1.3 Procedure

Any board, committee or group may regulate its own procedure, provided that unless otherwise specified in Regulations the following shall apply:

- a The terms of reference and/or Standing Orders for any board, committee or group shall be approved in advance by the Governance Body which establishes it, provided that it complies with any framework set by RICS.
- b A meeting of any board, committee or group:
  - i may be conducted in any manner which its Chair considers appropriate, including by electronic means, in correspondence or by telephone conference, and all members



- participating shall count as part of the quorum requirements and may take part in any voting
- ii shall take place at such places, times and dates as its Chair shall determine
  - iii conducted by electronic means or in correspondence shall only consider a member to be participating (and to count as part of the quorum requirements) if the member actively responds to any correspondence or electronic communication (including any request for a vote) within the timeframe imposed by the Chair.
- c A resolution may be approved in writing, including by electronic means.
  - d The quorum for a meeting of any board, committee or group shall be one third of members eligible to attend and able to vote.
  - e The notice and any papers for a meeting may be served in accordance with R10.5.4.
  - f The Chair of any board, committee or group may invite any person (including an external adviser) to attend a meeting if he or she considers it appropriate, although that person shall not be entitled to vote.
  - g No member of any board, committee or group (except staff) shall:
    - i hold or control RICS Funds or Property or
    - ii commit or authorise expenditure on behalf of RICS, without written authorisation (on conditions if appropriate) from the relevant budget-holder.
  - h As regards delegation:
    - i A board, committee or group may establish sub-committees as it thinks fit and may delegate any of its functions to such committees.
    - ii When a decision has been taken under a delegated or sub-delegated power, it shall not be overturned by the delegating person or body unless there has been a material error or the terms of the delegation have been exceeded or not followed.
    - iii An individual member of any board, committee or group shall have no power to delegate or to give instructions to any other Governance Body, any third party professional advisers, the Chief Executive or members of his/her staff.

#### R7.1.4 Duties

Each person involved with a board, committee or group carrying out duties or functions under the Charter, Bye-Laws or Regulations, or otherwise acting on behalf of RICS, shall:

- a act in accordance with the Charter, Bye-Laws, Regulations, strategy and policies of RICS, and any relevant terms of reference or Standing Orders published from time to time
- b only exercise the powers set out in the Charter, Bye-Laws, Regulations and any relevant terms of reference or Standing Orders for the purposes for which they are conferred

- c act in good faith in the way most likely to promote the success of RICS for the benefit of its members as a whole
- d exercise independent judgement
- e exercise reasonable care, skill and diligence
- f avoid a situation in which he or she has or could have a direct or indirect interest that conflicts or possibly could conflict with the interests of RICS
- h declare in advance by notice in writing or at any relevant RICS meeting the nature and extent of any direct or indirect interest in any proposed or existing transaction or arrangement with RICS and any change in that interest
- i not restrict or agree to restrict his/her powers to exercise independent judgement and
- j not accept a benefit from a third party conferred by reason of his/her membership of any board, body or committee or his/her doing (or not doing) anything as a member of a board, body or committee.

## R7.2 Standards and Regulation Board

### R7.2.1 Composition

- a The Standards and Regulation Board (SRB) shall be appointed in accordance with the Global Appointments Model and B7.1.1(a) of the RICS Bye-laws.
- b The Standards and Regulation Board, which shall always have a majority composed of independents (i.e. independent members plus the independent chair), shall be composed of the following members:
  - i a Chair of the Standards and Regulation Board who shall not be a member
  - ii up to five members who shall not be Governing Council members, with a minimum of four
  - ii up to five non-members with a minimum of four.
- c All members of the Standards and Regulation Board, including the Chair, shall serve for up to a maximum of three years from the date of their appointment and may then be re-appointed in accordance with the Global Appointments Model for one further term of three years.
- d Senior RICS staff, and other experts, advisers and members may be invited to attend and contribute to Standards and Regulation Board meetings but shall not be entitled to vote.
- e The Chair of Governing Council shall be entitled to attend and contribute to Standards and Regulation Board meetings but shall not be entitled to vote.

## R7.2.2 Meetings

The Standards and Regulation Board (SRB) shall meet at least four times a year.

## R7.2.3 Quorum

- a R7.1.3(d) shall not apply to the Standards and Regulation Board.
- b The quorum for any meeting of the Standards and Regulation Board shall be five members who are eligible to attend and vote, of which the majority shall be independents.

## R7.2.4 Role and responsibilities

The SRB is responsible for:

- a the formulation and delivery of the standards and regulatory policy objectives of RICS including:
  - i the determination and implementation of consumer and client protection policies including redress and compensation strategies
  - ii the criteria and process by which members and firms register with RICS
  - iii the disciplinary process to be adopted when taking enforcement action against members and firms
  - iv the determination of the level of fines and the indicative sanctions to be used in the disciplinary process
  - v the policies, criteria and frameworks for the attainment of professional qualifications (including classes of membership), retaining qualifications and memberships and matters relating to competence
  - vi the criteria by which standards are identified, developed and adopted by RICS
  - vii the promotion of standards
  - viii any other matter of standards or regulatory significance to RICS.
- b making Rules in respect of:
  - i the conduct and ethical standards expected from members and firms
  - ii the powers of RICS to monitor, investigate and prosecute members and firms
  - iii the composition of any Registration Panel, Disciplinary Panel or Appeal Panel, including the process by which members are appointed to and removed from those panels
  - iv the role, function and process of the Registration Panel, Disciplinary Panel and Appeal Panel
  - v any other matter of regulatory significance to RICS.
- c the publication and promotion of:

- i guidance and advice for members and firms on regulatory matters
  - ii decisions of the Disciplinary Panel and Appeal Panel.
- d overseeing the delivery of a fair regulatory process by ensuring that:
- i there is proper separation in the prosecution and adjudicatory function of the disciplinary process overseen by the Standards and Regulation Board
  - ii any regulatory or disciplinary functions exercised by RICS staff are exercised properly and at an appropriate level of seniority
  - ii criteria for the assessment of the delivery of RICS' regulatory objectives are developed.
- e the monitoring of and response to changes to legislation and public policy that could affect the regulatory responsibilities of RICS.

### R7.2.5 Delegation

The Standards and Regulation Board may delegate work to panels, sub-groups, working parties, members, non-members and RICS staff in order to fulfil its standards and regulatory objectives.

Any delegated work shall be undertaken in accordance with terms of reference approved by the Standards and Regulation Board.

### R7.2.6 Consultation and liaison

The SRB shall be responsible for:

- a liaison and consultation with RICS on standards and regulatory policy initiatives
- b drafting any changes to the Charter and Bye-Laws which concern the delivery of the Standards and Regulation Board's policy objectives
- c reporting annually to Governing Council on the discharge of the Standards and Regulation Board's functions and on specific issues when appropriate.

### R7.2.7 Finance

The Standards and Regulation Board shall determine, in consultation with the Management Board, the level of resources and priorities required for the funding of RICS' standards and regulatory activities including:

- a developing funding models for RICS regulation, and
- b where appropriate, setting fee scales for members and firms in respect of regulatory activities for which a separate fee has been approved by the Management Board.

## R7.3 Management Board

### R7.3.1 Composition

- a The Management Board will comprise:
  - i 1 non-executive Chair
  - ii up to 3 non-executive lay members
  - iii up to 5 non-executives RICS members
  - iv up to 3 executive members, including the Chief Executive and lead Finance Executive .
- b Of those members of the Management Board pursuant to:
  - i R7.3.1(a)(i)-(ii), all shall be appointed by selection in accordance with the Global Appointments Model
  - ii R7.3.1(a)(iii), all shall be appointed by either selection or qualified election in accordance with the Global Appointments Model
  - iii R7.3.1(a)(iv), all shall be appointed by the Chief Executive or their nominee.
- c The term of office for members of the Management Board appointed under R7.3.1(a)(i)-(iii) shall not exceed three years. These members may be reappointed in accordance with the Global Appointments Model, provided the total continuous service does not exceed six years, subject to satisfactory performance.
- d The term of office for members of the Management Board appointed under 7.3.1(a)(iv) shall be the duration of the executive role held by them at the time of their appointment.
- e There shall be no restriction on the term of office that can be served on Management Board by an Executive member.

### R7.3.2 Meetings

- a The Management Board shall meet at least quarterly or as required by the Chair.
- b The Chair of the Audit Committee established under R7.4 (or another member nominated by him/her) and the Chair of Governing Council shall be entitled to:
  - i receive the agenda, papers and minutes
  - ii attend meetings and
  - iii contribute to proceedings,

of the Management Board, but shall not be entitled to vote.

### R7.3.3 Quorum

- a R7.1.3(a) shall not apply to the Management Board.

- b The quorum for any meeting of the Management Board shall be five members eligible to attend and able to vote, including the Chair and the Chief Executive (or their alternates).

#### R7.3.4 Terms of reference

The Management Board shall operate in accordance with its terms of reference as approved by Governing Council from time to time and attached at Annex A to these Regulations.

The terms of reference shall set out the functions and procedures to be followed by Management Board.

#### R7.3.5 Subsidiary boards and committees

- a The terms of reference (including the membership and composition, terms of office, role and procedures) of any board, committee, group or panel established under B7.3.3 shall be determined by the Management Board.
- b Any board, committee, group or panel established by the Management Board shall (unless a particular purpose requires otherwise) comprise:
  - i a majority of Members and
  - ii any persons including non-Members to ensure an appropriate mix of skills and experience.
- c A board, committee, group or panel established by the Management Board shall be responsible for:
  - i delivering business plans and governance matters delegated to them
  - ii scrutinising plans and performance.
- d A board, committee, group or panel established by the Management Board shall have the power to establish sub-committees or other groups or panels as it considers appropriate in the best interests of RICS and such a sub-committee or other group or panel shall be accountable to the board, committee, group or panel that established it.

#### R7.3.6 Delegation

- a The Management Board may delegate work to other boards or committees as it considers appropriate.
- b Any board, committee, group or panel established by the Management Board may delegate to sub-committees as it considers appropriate to effectively undertake its responsibilities provided:
  - i the Management Board does not expressly prohibit such delegation and
  - ii any delegated work shall be undertaken in accordance with terms of reference approved by the Management Board.

### R7.3.7 Finance

The Management Board shall determine the level of resources and priorities required for the funding of RICS activities.

## R7.4 Audit Committee

### R7.4.1 Composition

- a The Audit Committee shall be comprised of up to four members as follows:
  - i two non-executive members RICS
  - ii two non-executive lay members experienced in audit and financial issues.
- b All members of the Audit Committee shall be appointed by selection based on their technical capabilities in accordance with the Global Appointments Model, for a term not exceeding three years. A member may be reappointed in accordance with the Global Appointments Model, provided the total continuous service does not exceed six years, subject to satisfactory performance.
- c The Chair shall not be a member of any other RICS Governance Body.
- d Members of the Audit Committee shall not be members of Governing Council or Management Board.
- e Each member of the Audit Committee shall owe his fiduciary duty to the Audit Committee.

### R7.4.2 Meetings

The Audit Committee shall meet at least three times per year or as required by the Chair.

### R7.4.3 Quorum

The quorum for any meetings or decisions of the Audit Committee is three members eligible to attend and vote.

### R7.4.4 Terms of reference

- a The Audit Committee shall operate in accordance with its terms of reference as approved by Governing Council from time to time and attached at Annex B to these Regulations.

The terms of reference shall set out the functions and procedures to be followed by the Audit Committee (in addition to those set out at B7.4.1 and B9.3) The Audit Committee may seek information and assistance from any RICS staff, Officer, member and member of any Governance Body, and any such person shall co-operate with any request made by the Audit Committee.

- b The Audit Committee may obtain professional advice when it considers necessary.

## R7.5 [Revoked]

## R7.6 Nominations Committee

### R7.6.1 Composition

- a The composition of the Nominations Committee shall be as follows:
  - i Chair of the Committee, who shall be a non-executive member of RICS or lay member, but cannot be a member of Governing Council
  - ii up to six non-executive members who must be members of Governing Council and members of RICS (which must include the Chair of Governing Council)
  - iii up to two non-executive members of RICS
  - iv up to two non-executive lay members
  - v RICS Chief Operating Officer
  - vi RICS Chief People Officer.
- b Of those members of the Nominations Committee pursuant to:
  - i R7.6.1(a)(i) and (iv), all shall be appointed by selection in accordance with the Global Appointments Model
  - ii R7.6.1(a)(ii)-(iii), all shall be appointed by either selection or qualified election in accordance with the Global Appointments Model
  - iii R7.6.1(a)(v)-(vi), both shall be appointed ex-officio.
- c The term of office for members of the Nominations Committee appointed under R7.6.1(a) (i), (iii) and (iv) shall not exceed three years. These members may be reappointed in accordance with the Global Appointments Model, provided the total continuous service does not exceed six years, subject to satisfactory performance.
- d The term of office for members of the Nominations Committee appointed under R7.6.1(a)(ii) shall be the duration of their term on Governing Council, provided the total continuous service does not exceed six years, subject to satisfactory performance.
- e The term of office for members of the Nominations Committee appointed under R7.6.1(a) (v) and (vi) shall be the duration of the executive role held by them at the time of their appointment.
- f There shall be no restriction on the term of office that can be served on the Nominations Committee by an executive member.

### R7.6.2 Meetings

The Nominations Committee shall meet at least twice a year or as required by the Chair.



### R7.6.3 Quorum

The quorum for any meetings or decisions of the Nominations Committee shall be one third of members eligible to attend and vote, including the Chair.

### R7.6.4 Terms of reference

The Nominations Committee shall operate in accordance with its terms of reference as approved by Governing Council from time to time attached at Annex C to these Regulations.

The terms of reference shall set out the functions and procedures to be followed by the Nominations Committee.

### R7.6.5 Global Appointments Model

The Nominations Committee shall oversee, and shall have full authority to manage, amend, repeal or add to, the Global Appointments Model.

## R7.7 [Revoked]

## R7.8 [Revoked]

## R7.9 RICS World Regional Boards

### R7.9.1 Composition

The Management Board may appoint a World Regional Board for any area and shall determine terms of reference where it does so, including the World Regional

Board's composition and procedures. Members of the World Regional Board shall be appointed in accordance with the Global Appointments Model.

### R7.9.2 Roles and responsibilities

- a A World Regional Board shall be accountable and shall report regularly to the Management Board.
- b A World Regional Board shall be responsible for:
  - i all RICS activity in its area, in accordance with strategic objectives set by Governing Council and/or the Management Board
  - ii proposing business plans and budgets to the Management Board, taking account of the requirements of RICS and its area
  - iii establishing and directing local groups within its area as it considers appropriate in order to implement RICS strategy and to enhance local networking, and
  - iv advise on subscription issues for World Regions.

- c With the approval of the Management Board and if it considers it necessary, a World Regional Board may enter into contractual arrangements with a local group which it has established to govern the use of:
  - i any RICS Property, including trademarks
  - ii funding from RICS; and/or any data transferred by RICS.

## R7.10 RICS matrices

### R7.10.1 Composition

Management Board may establish geographically based RICS matrices groups.

Each RICS matrices group shall:

- a appoint a council to carry out its functions
- b determine and publish its terms of reference (governing the composition of its council, elections or appointments, terms of office and procedure), which shall be approved in advance by the relevant World Regional Board
- c be accountable to Management Board.

### R7.7.2 Eligibility

In order to be eligible to join any RICS matrices group, a person must be:

- a a Chartered Member or a Non-Chartered Member qualified for 10 years or less on 1 August in any Session or
- b a member of an Attached Class.

### R7.7.3 Role and responsibilities

Each RICS matrices group shall be responsible for supporting professional development in its area by:

- a representing and nurturing its members within RICS
- b ensuring RICS remains relevant to members of RICS matrices and
- c providing a professional support network.

The RICS matrices UK Council shall be responsible for advising the councils of all RICS matrices groups on the policies and processes to ensure consistency.

### R7.7.4 Delegation

A RICS matrices council may delegate work to working parties of matrices members and non-members as it considers appropriate.

Any delegated work shall be undertaken in accordance with terms of reference approved by the relevant RICS matrices council.

# Regulation 8 – Procedure for General Meetings and voting

## R8.1 Session

RICS shall publish from time to time the dates of each Session as determined under B8.1.

## R8.2 Meetings

### R8.2.1 Notice

a A notice of any General Meeting shall be:

- i given in writing
- ii at least 30 days in advance
- iii in accordance with R10.5.4,

to all Chartered and Non-Chartered Members entitled to vote at the relevant General Meeting.

b A notice of each General Meeting shall include:

- i the nature and details of the business to be transacted, including any resolutions to be voted upon
- ii either the precise wording of any proposed additions or amendments (which may not be altered save to correct a typographical error) to the Charter and/or Bye-Laws to be voted upon, or details of where the precise wording will be published
- iii the place, date and time of the General Meeting.

c details of the means of voting permitted by Governing Council for that meeting under R8.2.2 and any deadlines for receipt of votes. Where appropriate, all Members entitled to vote at a General Meeting shall be provided with:

- i a voting paper, which shall include all resolutions to be voted upon
- ii where voting by Proxy is permitted by Governing Council, a paper to appoint a Proxy and to specify any instructions for him/her.

### R8.2.2 Voting procedures

a Save as set out in R8.2.2(b)(ii), Governing Council shall determine the means for voting at any General Meeting as it considers appropriate.

- b Votes on any Resolution may be validly taken:
  - i in person by a show of hands
  - ii by ballot as directed by the Chair
  - iii by post
  - iv by Proxy
  - v by electronic means, including email and internet voting
  - vi or by any other means considered appropriate by Governing Council.
- c Every member entitled to vote shall have one vote at a General Meeting, except the Chair who shall have a second or casting vote only in the case of an equality of votes.

### R8.2.3 Adjournment and dissolution of a Meeting

- a If a quorum is not present at a General Meeting (except an Extraordinary General Meeting under B8.5(b)):
  - i within 30 minutes or, with the consent of a majority of those present, 1 hour from the time appointed for the meeting to commence or
  - ii for the duration of a meeting,

the meeting shall be adjourned for no more than 14 days to such time and place as the Chair may determine and further notice shall not be required.

- b If a quorum is not present at an Extraordinary General Meeting under B8.5(b):
  - i within 30 minutes from the time appointed for the meeting to commence or
  - ii for the duration of the meeting, the meeting shall be dissolved.
- c A General Meeting may be adjourned by the Chair at any time if:
  - i she or he considers it necessary or desirable or
  - ii those responsible for supervising voting, advise him/her that it is necessary to verify the accuracy of any vote by Proxy or by post,

provided that where a General Meeting is then adjourned for 14 days or more, at least 3 days' notice shall be given of the time and place of the adjourned meeting.

- d The Chair may, with the consent of a majority of Members at a meeting, dissolve any General Meeting.
- e Where a General Meeting is adjourned for any period, the business of that meeting remains that specified in the original notice.

### R8.3 Annual General Meeting

A ballot under R8.2.2(b)(ii) shall be used for voting at an Annual General Meeting if it is requested by more than 25% of members present.

When a ballot is determined as the means of voting under R8.3, the Chair shall direct how and when the ballot shall be taken and may adjourn a meeting for that purpose.

### R8.4 Ordinary General Meeting

A Resolution concerning the direction and management of RICS shall not be discussed at an Ordinary General Meeting.

### R8.5 Extraordinary General Meeting

In order to be valid, a requisition for an Extraordinary General Meeting under B8.5 shall be:

- a in writing, specifying the purpose for which the meeting is demanded
- b signed by or accompanied by the approval in writing of the requisite number of members and
- c submitted to the Chief Executive.

Upon receipt of a valid requisition, Governing Council shall summon an Extraordinary General Meeting for the purpose specified to be held either:

- a within 90 days from the Requisition Date or
- b in the event that another General Meeting is due to be held within 120 days of the Requisition Date, on the day of that other General Meeting.

### R8.6 Resolutions

For the avoidance of doubt, Honorary Members shall not be entitled to vote at General Meetings.

# Regulation 9 – Accounts and audit

## R9.1 Books of Account

The Management Board and the Chief Executive may determine the extent, times, places and conditions of inspection of any of the Books of Account in relation to any person or body not listed in B9.1.3.

## R9.2 Annual Accounts

The financial year for RICS shall be a period of one year from the first day of January to the following thirty-first day of December inclusive.

Each member entitled to receive notice of the Annual General Meeting in accordance with R8.2.1 shall be served not less than 14 days in advance with:

- a a summary of the Annual Accounts
- b a summary of the report of the Professional Auditors in accordance with B9,

provided that copies of the full Annual Accounts and the report of the Professional Auditors shall be made available for inspection in advance of the Annual General Meeting by any Member regardless of whether he or she is entitled to vote.

## R9.3 Appointment of Professional Auditor

The Professional Auditor shall be appointed annually at the Annual General Meeting.

In the event of any Casual Vacancy in the office of Professional Auditor, Governing Council may appoint a temporary replacement until the next Annual General Meeting.

# Regulation 10 – General

## R10.1 Property and funds

Governing Council shall ensure that appropriate advice is sought in the exercise of its powers under B10.1.

### R10.1.1 Funds

- a Responsibility for investment of Funds under the direct control of RICS may be delegated to those appointed by or on behalf of the Management Board.
- b Where a Governance Body is given responsibility for investment of Funds, that Governance Body shall comply with any instructions from the Chief Executive, including those requiring termination of investments and prompt transfer to RICS.
- c No Governance Body (except Governing Council) or Member shall be entitled to open and maintain any bank or similar account relating to any activities of RICS without prior approval from the Chief Executive, which may be granted on such conditions as he or she considers appropriate.

### R10.1.2 Intellectual Property

- a The intellectual property rights in any material prepared by any person acting on behalf of RICS or as its agent shall belong to RICS.
- b RICS shall have the right to publish any material in which it has intellectual property rights at any time and in anyway.
- c The author of material in R10.1.3(a) shall have a right to copy and to publish the material only if:
  - i RICS refuses or delays publication beyond a reasonable time and
  - ii she or he gives 14 days advance notice in writing to the Chief Executive of his/her intention to publish.
- d No other person may copy or publish material in R10.1.3(a) without the prior written consent of the Chief Executive on behalf of RICS.
- e Any person or body shall ensure so far as practicable that all material that they produce or authorise on behalf of RICS or use jointly with others includes the logo of RICS in accordance with any published policies.

### R10.13 Payments in good faith

Pursuant to B10.1.2, RICS shall have the power to make the following payments in good faith:

- a allowances for any person acting on behalf of RICS
- b reasonable and proper remuneration to any person for any services rendered to RICS
- c reasonable out of pocket expenses incurred by any person acting on behalf of RICS and
- d fees, remuneration or other benefit in money or money's worth to a firm or company (including where a Member is a partner, director or employee) for any services rendered to RICS,

and Governing Council shall determine the amounts from time to time.

## R10.2 Trustees

For the avoidance of doubt, the power to appoint trustees, or nominees or custodians in B10.2 shall include the power to remove any person appointed.

## R10.3 Contracts

### R10.3.1 General

- a A person entering into any contractual arrangement on behalf of RICS, or which imposes obligations on RICS, shall satisfy him/herself that:
  - i she or he is duly authorised
  - ii entering into the contract is consistent with any relevant business plan of RICS
  - iii entering into the contract is in the best interests of RICS and
  - iv there is either adequate budgetary provision for the financial implications of the contract, or the financial implications are consistent with the resources likely to be available.
- b The Chief Executive shall be provided promptly with:
  - i a copy of any written contract or other legal document made by or on behalf of RICS and
  - ii notification in writing of the terms of any contract made orally.

### R10.3.2 Contract

The following shall be Authorised Persons for the purpose of entering into a contract to which RICS would be party:

- a a member acting under the authority of:
  - i Governing Council
  - ii Management Board or
  - iii the Chief Executive, or



- b the Chief Executive, or staff acting pursuant to a delegated authority.

### R10.3.3 Deed

A deed may be executed on behalf of RICS by any two members of the Management Board.

### R10.3.4 Common seal

The following shall be Authorised Persons for the purpose of affixing the common seal to any deed or instrument:

- a the Officers
- b the Chair of the Management Board and
- c the Chief Executive or his/her nominee.

## R10.4 Dissolution or winding up

Prior to any General Meeting dealing with the dissolution or winding up of RICS, the Chief Executive shall identify any bodies having objects similar to RICS.

## R10.5 Administration

### R10.5.1 Procedure for making Regulations

In order to be effective, Regulations shall be made in accordance with the following procedure:

- a Any proposed new or amended Regulation shall be submitted to a committee established by Governing Council, who may amend, approve or reject those Regulations.
- b When approved by the committee, the new or amended Regulations will be sent to Governing Council for approval stating the date upon which they become effective.
- c Governing Council may:
  - i approve the new or amended Regulations or
  - ii reject the new or amended Regulations.

### R10.5.2 Management of personal data

- a Access to personal data held by RICS shall be restricted to staff, who may communicate with members as required provided it is:
  - i in the best interests of RICS and
  - ii in accordance with data protection legislation and best practice.
- b The Chief Executive may provide third parties with data relating to individual members (excluding home addresses or telephone numbers) for any use published from time to

time by RICS, subject to such conditions as he or she may specify and in accordance with data protection legislation and best practice.

### R10.5.3 Legal proceedings

- a The Chief Executive may be authorised by Governing Council to:
  - i authorise, initiate, defend and conduct legal proceedings in the name of RICS (with or without other parties) and
  - ii reach settlements of proceedings to which RICS is a party, subject to any decisions or instructions of the Management Board.
- b The Chief Executive shall submit a report relating to any action under R10.5.3(a) to the Management Board on an annual basis.

### R10.5.4 Service

- a Except where otherwise expressly provided, any notice or document shall be served effectively by RICS if it is served at the last known address held by with RICS by any of the following methods:
  - i personal service
  - ii postal service
  - iii facsimile
  - iv electronic means
  - v providing (where appropriate) a copy of the Journal in which notice is published or supplying a disc containing the material or
  - vi posting on a website, provided notification is given of the website address, provided where documents are served under R10.5.4(a)(iv)-(vi) a hard copy shall be supplied if requested.
- b Material supplied in accordance with R10.5.4(a) shall be deemed to have been received on the same day, except in the case of postal service which shall be deemed to have been received 48 hours after posting.
- c In the event of:
  - i accidental omission to give notice or send a document or
  - ii non-receipt of a notice or document, the proceedings shall not be invalidated.
- d Governing Council may communicate with persons and organisations by electronic or other means as it considers appropriate.

### R10.5.5 Confidentiality

- a Without consent of Governing Council in advance, no person shall report or publish any confidential information provided to Governing Council members, including during the course of proceedings at any General Meeting.
- b A person elected to a representative post of RICS may impart information about RICS business to members, provided that he or she does not make public information which has been declared confidential.
- c A person shall not use for his/her own or anyone else's benefit any material or information in his/her possession as a result of his/her membership of any Governance Body, unless that material or information is available to all members or is in the public domain.

### R10.5.6 Conflicts of Interest

- a A person shall declare any direct or indirect interest concerning:
  - i the supply of goods or services to or for the purposes of RICS
  - ii any contract or proposed contract concerning RICS
  - iii any other matter relating to RICS or
  - iv any duty which is material to and which may conflict with the interests of RICS.
- b A declaration under R10.5.6(a) must be made:
  - i as soon as the person becomes aware of the interest by written notification to the Chief Executive stating the nature and extent of any interest or duty (including whether direct or indirect) and
  - ii orally at any RICS meeting at which any matter is to be considered where his/her interest is relevant to that matter.
- c A person shall not be entitled to participate in discussions or vote on a matter in which he or she has a direct interest, except an interest relating to fees and subscriptions under B4.
- d A person may be permitted to participate in discussions concerning a matter in which he or she has an indirect interest, but shall not be permitted to vote except at the discretion of the Chair.
- e If a question arises at any meeting (including a General Meeting or any other meeting relating to RICS) regarding the right of a person to participate in discussions or to vote as a result of a matter under R10.5.6:
  - i the Chair shall make a ruling on the appropriate course of action, which shall be final and conclusive or

- ii where the matter concerns the Chair, he or she shall leave the Chair for that item and shall not vote on it, and the Vice-Chair or other member appointed by the meeting shall preside for that item.
- f The Chief Executive shall keep and maintain a register of interests recording any interest declared under R10.5.6, which shall be available for inspection by any member or member of staff.

R10.5.7 The contract between RICS and its members shall be governed by and construed in all respects in accordance with the laws of England and Wales and the parties irrevocably agree to submit to the exclusive jurisdiction of the courts of England and Wales, irrespective of any other factor including (but not limited to) where a member practises as a surveyor. R10.5.7 has retrospective effect and applies to all contracts between RICS and its members, whenever such contract was entered into, and shall be treated as always having had effect.

# Schedule to Regulation 6C – Transitional Regulation (Commencement Provision)

## Definitions for this Schedule

'The Charter Order' is the Order in Council allowed by Her Majesty in Council on 13 March 2019 amending the Charter of the Royal Institution of Chartered Surveyors.

'The Bye-Law Order' is the Order in Council approved by the Lords of Her Majesty's Most Honourable Privy Council on 13 March 2019 altering the Bye-Laws of the Royal Institution of Chartered Surveyors.

Provision	Deletion	Insertion	Draft Orders in Council 7 March 2019	The date on which the provision comes into force
Article 1 of the Charter	Delete 'Regulatory Board means a board, panel, committee, or other entity established by Governing Council, to exercise the Institution's regulatory powers and functions'	Insert 'Standards and Regulation Board means a board, panel, committee, or other entity established by Governing Council, to exercise the Institution's standards and regulation powers and functions.'	Yes (Per Schedule paragraph 1 of the Charter Order)	The date set out in the Direction for
Wherever it occurs	Delete 'Regulatory Board'	Insert 'Standards and Regulation Board'	Yes (Per Schedule paragraph 1 and Schedule paragraph 2 of the Charter Order: only in Articles 1 and 11A)  (Per Schedule paragraph 1 of the Bye-Law Order)	The same date that the change to Article 1 of the Charter ('Regulatory Board') is made.
Article 11A of the Charter	Delete 'regulatory functions'	Insert 'standards and regulation powers and functions'	Yes (Per Schedule paragraph 2 of the Charter Order)	The same date that the change to Article 1 of the Charter ('Regulatory Board') is made.

Provision	Deletion	Insertion	Draft Orders in Council 7 March 2019	The date on which the provision comes into force
Bye-Law 1.2.2 (Appeal Panel)	Delete 'a panel of Members and non-members appointed from the Appeal Committee to hear appeals in accordance with Rules made by the Regulatory Board'.	Insert 'a panel comprised of individuals from the Regulatory Tribunal including members and non-members appointed to hear appeals in accordance with Rules made by the Standards and Regulation Board'.	Yes (Per Schedule paragraph 2(a) of the Bye-Law Order)	The same date that the change to Bye-Law 1.2.2 ('Regulatory Tribunal') is made.
Bye-Law 1.2.2 Bye-Law 9.2.2(d)	Delete 'Chairman'	Insert 'Chair'	Yes (Per Schedule paragraph 2(b) of the Bye-Law Order)  Yes (Per Schedule paragraph 10 of the Bye-Law Order)	The date set out in the Direction for

Provision	Deletion	Insertion	Draft Orders in Council 7 March 2019	The date on which the provision comes into force
Bye-Law 1.2.2	Delete 'Conduct Panel – a panel of Members and non-members appointed from the Conduct Committee to hear regulatory cases in accordance with Rules made by the Regulatory Board'	Insert 'Disciplinary Panel – a panel comprised of individuals from the Regulatory Tribunal including members and non-members appointed to hear disciplinary cases in accordance with Rules made by the Standards and Regulation Board'	Yes (Per Schedule paragraph 2(c) and Schedule paragraph 2(c) of the Bye-Law Order)	The same date that the change to Bye-Law 1.2.2 ('Regulatory Tribunal') is made.



Provision	Deletion	Insertion	Draft Orders in Council 7 March 2019	The date on which the provision comes into force
Bye-Law 1.2.2	n/a	Insert 'Registration Panel – a panel comprised of individuals from the Regulatory Tribunal including members and non-members appointed to hear registration cases in accordance with Rules made by the Standards and Regulation Board'	Yes (Per Schedule paragraph 2(e) of the Bye-Law Order)	The same date that the change to Bye-Law 1.2.2 ('Regulatory Tribunal') is made.
Bye-Law 1.2.2	n/a	Insert 'Regulatory Tribunal – the members and non-members who are independently appointed in accordance with procedures as approved by Governing Council to carry out functions as set out in the Bye-Laws, Regulations and Rules'	Yes (Per Schedule paragraph 2(f) of the Bye-Law Order)	The date set out in the Direction for

Provision	Deletion	Insertion	Draft Orders in Council 7 March 2019	The date on which the provision comes into force
Bye-Law 1.2.2	Delete 'UK – includes England, Wales, Scotland, Northern Ireland, Isle of Wight, Isle of Man, British Isles and the Channel Islands'	n/a	Yes (Per Schedule paragraph 2(g) of the Bye-Law Order)	The date set out in the Direction for
Bye-Law 5.4.8	Delete 'Conduct Panel, the Appeal Panel'	Insert 'Regulatory Tribunal'	Yes (Per Schedule paragraph 3 of the Bye-Law Order)	The same date that the change to Bye-Law 1.2.2 ('Regulatory Tribunal') is made.

<sup>1</sup> Rules will be made to replace the existing Disciplinary, Registration and Appeal Panel Rules and Constitution of Conduct and Appeal Committee Rules

Provision	Deletion	Insertion	Draft Orders in Council 7 March 2019	The date on which the provision comes into force
Bye-Law 5.5.2 Bye-Law 7.2.4	Delete 'Honorary Secretary'	Insert 'Chair of Governing Council'	Yes (Per Schedule paragraph 4 of the Bye-Law Order)	The date set out in the Direction for
Bye-Law 6.1.1(a)	Delete 'shall be comprised of'	Insert 'will be comprised from'	Yes (Per Schedule paragraph 5(i) of the Bye-Law Order)	The date set out in the Direction for

Provision	Deletion	Insertion	Draft Orders in Council 7 March 2019	The date on which the provision comes into force
Bye-Law 6.1.1(b)	Delete 'of the following separate categories'	n/a	Yes (Per Schedule paragraph 5(ii) of the Bye-Law Order)	The date on which the newly constituted Governing Council first meets.
Bye-Law 6.1.1(b) (i)	n/a	Insert 'and'	Yes (Per Schedule paragraph 5(ii) of the Bye-Law Order)	The date on which the newly constituted Governing Council first meets.
Bye-Law 6.1.1(b) (ii)	Delete '; and'	Insert ''	Yes (Per Schedule paragraph 5(ii) of the Bye-Law Order)	The date on which the newly constituted Governing Council first meets.
Bye-Law 6.1.1(b) (iii)	Delete '50% practising in the United Kingdom'	n/a	Yes (Per Schedule paragraph 5(ii) of the Bye-Law Order)	The date on which the newly constituted Governing Council first meets.
Bye-Law 6.1.4(c) (i) Bye-Law 6.1.4(c) (ii)	Delete 'Chairman'	Insert 'Chair of Governing Council'	Yes (Per Schedule paragraph 6(i) of the Bye-Law Order)	The same date that the change to Bye-Law 5.5.2 ('Chair of Governing Council') is made.

Provision	Deletion	Insertion	Draft Orders in Council 7 March 2019	The date on which the provision comes into force
Bye-Law 6.1.4(c) (iii)	n/a	Insert 'any Nominated Subject Matter Expert appointed by Governing Council'	Yes (Per Schedule paragraph 6(ii) of the Bye-Law Order)	The date on which the newly constituted Governing Council first meets.
Bye-Law 6.2.1	n/a	Insert 'who shall be ex- officio members of Governing Council'	Yes (Per Schedule paragraph 7 of the Bye-Law Order)	The date set out in the Direction for
Bye-Law 6.2.1(b)	Delete 'Vice-Presidents as determined from Governing Council from time to time'	Insert 'a Senior Vice-President'	Yes (Per Schedule paragraph 7 of the Bye-Law Order)	The date set out in the Direction for
Bye-Law 6.2.1(c)	Delete 'an Honorary Secretary'	Insert 'a President-Elect'	Yes (Per Schedule paragraph 7 of the Bye-Law Order)	The date set out in the Direction for
Bye-Law 6.2.1(d)	Delete 'an Honorary Treasurer'	Insert 'a Chair of Governing Council'	Yes (Per Schedule paragraph 7 of the Bye-Law Order)	The same date that the change to Bye-Law 5.5.2 ('Chair of Governing Council') is made.
Bye-Law 6.2.2	n/a	Insert 'at B6.2.1(a)-(c)'	Yes (Per Schedule paragraph 7 of the Bye-Law Order)	The date set out in the Direction for

Provision	Deletion	Insertion	Draft Orders in Council 7 March 2019	The date on which the provision comes into force
Bye-Law 6.2.2	n/a	Insert 'The Officer at B6.2.1(d) shall be appointed in accordance with procedures as approved by Governing Council'	Yes (Per Schedule paragraph 7 of the Bye-Law Order)	The same date that the change to Bye-Law 5.5.2 ('Chair of Governing Council') is made.
Bye-Law 7.2.1	Delete 'the regulatory functions'	Insert 'the standards and regulatory functions'	Yes (Per Schedule paragraph 8 of the Bye-Law Order)	The same date that the change to Article 1 of the Charter ('Regulatory Board') is made.
Provision	Deletion	Insertion	Draft Orders in Council 7 March 2019	The date on which the provision comes into force
Bye-Law 8.3.2(c)	Delete 'members of'	Insert 'any members appointed or elected to'	Yes (Per Schedule paragraph 9 of the Bye-Law Order)	The date set out in the Direction for

# RICS Regulations Annex A

## Terms of Reference of RICS Management Board

Approved by Management Board on 12 January 2022

Approved by Governing Council on 15 February 2022

### Purpose

The main purpose of the Management Board is to inform and oversee RICS affairs under delegated authority from Governing Council.

### Membership

The Management Board will comprise:

Non-executive members:

- one non-executive as Chair
- up to five non-executives
- up to three independent, non-executive members
- up to three executive members, including CEO and lead Finance Executive

Attendance:

The President, President Elect and Senior Vice President shall not be eligible to be members of the Management Board during their tenure. They will, however, be permitted to attend meetings in a non-voting capacity if invited to attend by the Chair.

Others may be invited in a non-voting capacity by the Chair to attend all or part of any meeting.

### Appointment and Terms

Non-executive members of the Board will be appointed in accordance with the Global Appointments Model for a term not exceeding three years:

- RICS members: either by selection or qualified election
- Independent lay members: by selection
- Chair: by selection

A non-executive member of the Board may be re-appointed for additional terms (provided the total continuous service on the Board does not exceed six years) by the relevant Board Chair in accordance with the Global Appointments Model, subject to satisfactory performance.

Non-executive members of the Board may be removed in accordance with processes set out in the RICS Charter, Bye-Laws, Regulations, any relevant term of reference, Standing Orders, policies, procedures, guidance notes, codes, the Board Handbook, etc.

Executive (staff) members on the Board are to be appointed (and can be removed) by the CEO or their nominee.

## Secretary

The Head of Governance or their nominee will act as Secretary to the Management Board.

## Quorum

The quorum necessary for Management Board meetings or decisions will be five members eligible to attend and vote including the Chief Executive and the Chair (or their alternates).

## Frequency of meetings

The Management Board will meet at least quarterly or as required by the Chair.

## Notice of meetings

Meetings will be scheduled by the Board Secretary or as required by the Chair. Notice of each meeting confirming the time, date and venue, together with an agenda of items to be discussed and supporting papers, where available, will be forwarded to Members of the Management Board no later than 14 days before the date of the meeting.

## Conduct

Meetings of the Board will be conducted in accordance with the provisions of the RICS Charter, Bye-Laws and Regulations and any relevant term of reference, Standing Orders, policies, procedures, guidance notes, codes, etc. including but not limited to the Board Handbook, Code of Conduct, Conflicts of Interest policy.

Meetings may be conducted in any manner which the Chair considers appropriate, including by electronic means, in correspondence or by telephone conference, and all members participating shall count as part of the quorum requirements and may take part in any voting.

A resolution may be passed or a decision taken through a simple majority of those members of the Board present and entitled to vote.

The Board may pass resolutions or make decisions in between meetings either in writing or via any form of electronic communications. Any decision taken between meetings will be notified to the Board at its next meeting and recorded in the minutes.

Any potential or actual conflicts of interest must be notified to the Chair before discussion on the relevant item. The Chair will have the final ruling on whether or not the member can participate in the discussion and/or vote.

## Minutes

The Secretary will minute the proceedings and decisions of all meetings of the Management Board, including recording the names of those present and in attendance. Minutes will be circulated promptly to all members of the Management Board.

Once the minutes of the Management Board have been approved at the next scheduled meeting of the Management Board, they will be shared with Governing Council, Standards and Regulation Board and Audit Committee within one week of the meeting.

## Duties

The main duties of the Management Board, as set out in the delegated authority matrix approved by Governing Council, are as follows:

- Advising Governing Council on the business plan objectives and direction needed to meet the approved strategy.
- Approving a business plan based on the strategic objectives set by Governing Council.
- Seeking assurance from the Executive for both operational performance and the successful implementation of strategy.
- Ensuring key stakeholders are aware of performance.
- Strategic Estate Management.
- Preparing and Signing Annual Accounts.
- Changes to Charter, Bye-Laws and Regulations as appropriate.
- Creation, dissolution and changes to its sub-boards as appropriate.
- Monitoring performance against the agreed financial strategy.
- Assessing and monitoring strategic risks.
- Ensuring competency requirements for each specialism are correctly defined and continue to meet market demand.
- Advising Governing Council on such other matters as Council requires.
- Undertaking such other functions as provided for in the Charter, Bye-Laws and Regulations or delegated by Governing Council, including in relation to PGs, WRBs and others.

## Reporting

The Board is accountable to Governing Council.

The Chair of Management Board and Executive members as appropriate will report to Governing Council on the activities of the Management Board and provide assurance on the performance of RICS against the business plan in line with the strategic direction set by Governing Council at least once a year at the Governing Council Oversight Meeting through a written paper and/or oral presentation.



The Chair of Management Board is required to provide a written update to Governing Council following each of their meetings. The written update must be approved and submitted by the Chair rather than the executive. Where the Chair is unable to approve and submit the written update within one week of the meeting being reported on, another member of the Management Board should be nominated by the Chair to do so. If the Chair is unable to nominate an alternative Management Board member to draft the update for any reason, the Management Board should nominate one of their members to provide it.

The Management Board will receive regular reports from its sub-boards and act on these as appropriate.

Any papers, reports or information requested by Governing Council, Standards and Regulation Board and Audit Committee will be shared promptly with the members of the governance body making the request.

### Raising matters with Governing Council

Any member of the Management Board may raise any matter with Governing Council through the Chair of Governing Council. If the Chair of Governing Council is conflicted on the matter, they may raise it with the Senior Independent Member of Council.

### Delegation

The Management Board may delegate any of its duties to its sub-boards.

The Management Board will review and approve the Terms of Reference of any sub-boards that it establishes at appropriate intervals.

### Terms of Reference

Management Board will review its Terms of Reference every two years and any changes will be notified to Governing Council for approval.

# RICS Regulations Annex B

## Terms of Reference of RICS Audit, Risk, Assurance and Finance Committee

Approved by Audit, Risk, Assurance and Finance Committee on 13 October 2022

Approved by Governing Council on 27 October 2022

*[Note: Until RICS Board has been constituted, all references in these Terms of Reference to 'RICS Board' shall be interpreted as being references to 'RICS Management Board' as currently constituted.]*

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## Purpose

The RICS Board has established an Audit, Risk, Assurance and Finance (ARAF) Committee as one of its committees to support the Institution by ensuring that there are effective arrangements for governance, risk management, internal control and financial reporting and accounting for the Institution.

The main purposes of the Committee are:

- Oversight regarding financial management and reporting, financial sustainability and the annual reports and accounts.
- Accountability for reserves policy, investments and pensions.
- Ensuring that there is an adequate and effective risk management and assurance framework in place and that these are reviewed to meet the needs of the RICS Board and, where necessary, Governing Council.

## Membership

The Committee shall comprise six non-executive members. The Committee shall only consist of non-executive members.

The composition of the Committee shall be as follows:

Non-executive members:

- three independent (and finance/risk/audit qualified) non-executives, one of whom will be Chair of the Committee and be a member of the RICS Board and
- three non-executive RICS members.

A Deputy Chair shall be appointed from the independent members of the Committee.

## Appointment and terms

The RICS Board shall appoint the Chair, who should be an independent non-executive, following the recommendation of the Nominations and Remuneration Committee. The Chair of the Committee will also be a member of the RICS Board.

Appointments to the Committee are made by the Chair of the Committee in accordance with the process set out in the Global Appointments Model. Appointments shall be for a term of up to three years, which may be extended for an additional term (or terms) up to a maximum aggregate period of appointment of six years provided the Committee member still meets the criteria for membership of the Committee.

Members of the Committee must act in compliance with the RICS Charter, Bye-Laws and Regulations, the Committee Handbook and any related policies during their appointment term.

Members of the Committee may be removed in accordance with processes set out in the RICS Charter, Bye-Laws and Regulations, the Committee Handbook and any related policies.

## Attendance

Only members of the Committee have the right to attend Committee meetings. However, other individuals such as those individuals set out below may be invited by the Chair to attend for all or part of any meeting, as and when appropriate:

- Director General
- Director of Corporate Services
- Chief Financial Officer
- Head of Governance and Group Company Secretary
- Chief Risk Officer
- Head of Internal Audit
- Representative of External Audit
- Committee Secretary.

Other additional attendees may be invited to attend meetings by the Chair to provide information to support and facilitate decision making.

The Head of Internal Audit, and the representative(s) of External Audit, as well as the Chief Financial Officer and the Chief Risk Officer will have free and confidential access to the Chair of the Committee.

## Secretary

The Head of Governance or their nominee will act as Secretary to the Committee.

## Quorum

The quorum necessary for the transaction of business shall be three members of the Committee and must include the Chair or Deputy Chair and at least one independent member and one RICS member.

## Frequency of meetings

The Committee will meet at least four times a year or as required by the Chair or the RICS Board.

## Notice of meetings

Meetings will be scheduled by the Committee Secretary or as required by the Chair or a majority of the members.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time.

## Conduct of meetings

Meetings of the Committee will be conducted in accordance with the provisions of the RICS Charter, Bye-Laws and Regulations and any relevant policy, including but not limited to the Committee Handbook, Code of Conduct and Conflicts of Interest policy.

Meetings may be conducted in any manner that the Chair considers appropriate, including by electronic means, in correspondence or by telephone conference, and all members participating shall count as part of the quorum requirements and may take part in any voting.

A resolution may be passed, or a decision taken through a simple majority of those members of the Committee present and entitled to vote. In the event of a tie, the chair of the meeting will have a casting vote.

The Committee may pass resolutions or make decisions in between meetings either in writing or via any form of electronic communications. Any decision taken between meetings will be notified to the Committee at its next meeting and recorded in the minutes.

The Chair may, where appropriate, ask any or all of those who normally attend but who are not Committee members to withdraw to facilitate open and frank discussion of particular matters.

The Chair may convene meetings with Committee members only, i.e. without normal additional attendees, to facilitate open and frank discussion of particular matters if the Chair considers it necessary.

## Declarations and conflicts of interest for Committee members

Members will provide all their standing declarations of interest on appointment to the Committee and keep this up-to-date by reporting changes or additions as they arise. A report will be presented to the Committee at least annually.

In addition, any potential or actual conflicts of interest must be notified to the Chair of the meeting before discussion on the relevant item. The Chair of the meeting will have the final ruling on whether or not the member can participate in the discussion and/or vote on an item in relation to which that member is, or is perceived to be, conflicted.

Actual or perceived conflicts of interest and mitigating actions taken will be recorded in the minutes where appropriate.

## Minutes of meetings

The Secretary shall minute the proceedings and decisions of all Committee meetings, including recording the names of those present and in attendance.

Minutes of Committee meetings will record advice given, including where individual Committee members do not agree with that advice. Where a Committee member is not present when advice is given with which they disagree, they must raise this with the Chair via the Secretary as soon as possible before the minutes are approved by the Committee.

Draft minutes of the Committee should be presented for review by the Chair within two weeks of the meeting. Once cleared by the Chair, these draft minutes shall be circulated to all members of the Committee. Once approved by the Committee, minutes should be circulated to the RICS Board and Head of Governance unless, exceptionally, it would be inappropriate to do so.

## Engagement with members

The Committee Chair shall be a member of the RICS Board.

The Committee Chair should attend the Annual General Meeting (AGM) to answer any member questions on the Committee's activities.

## Duties

### Audit

The Committee should have oversight of the Institution and the RICS group as a whole and, unless required otherwise by regulation, carry out the duties below for the Institution and its subsidiary undertakings and the RICS group as a whole, as appropriate.

### Financial reporting

The Committee shall monitor the integrity of the financial statements of the Institution, including its annual reports and any other formal statements relating to its financial performance, and review and report to the RICS Board on significant financial reporting issues and judgements that those statements contain having regard to matters communicated to it by the auditor.

In particular, the Committee shall review and challenge where necessary:

- The application of significant accounting policies and any changes to them.
- The methods used to account for significant or unusual transactions where different approaches are possible.
- Whether the Institution has adopted appropriate accounting policies and made appropriate estimates and judgements, taking into account the external auditor's views on the financial statements.
- The clarity and completeness of disclosures in the financial statements and the context in which statements are made.
- All material information presented with the financial statements, including the strategic report and the corporate governance statements relating to the audit and to risk management.

Where the Committee is not satisfied with any aspect of the proposed financial reporting by the Institution, it shall report its views to the RICS Board.

### Narrative reporting

Where requested by the RICS Board, the Committee should review the content of the annual report and accounts and advise the RICS Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for members to assess the Institution's performance, business model and strategy and whether it informs the RICS Board's statement in the annual report on these matters.

### Internal controls and risk management systems

The Committee shall:

- Keep under review the Institution's internal financial controls systems that identify, assess, manage and monitor financial risks, and other internal control and risk management systems.
- Review and approve the statements to be included in the annual report concerning internal control, risk management, including the assessment of principal risks and emerging risks, and the viability statement.

### Compliance, speaking-up and fraud

The Committee shall:

- Review the adequacy and security of the Institution's arrangements for its employees, contractors and external parties to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow-up action.
- Review the Institution's procedures for detecting fraud.
- Review the Institution's systems and controls for the prevention of bribery and receive reports on non-compliance.

### Internal Audit

The Committee shall:

- Approve the appointment or termination of appointment of the Head of Internal Audit.
- Review and approve the role and mandate of Internal Audit, monitor and review the effectiveness of its work, and annually approve the Internal Audit Charter ensuring it is appropriate for the current needs of RICS.
- Review and approve the annual Internal Audit plan to ensure it is aligned to the key risks of the business, and receive regular reports on work carried out.
- Ensure Internal Audit has unrestricted scope, the necessary resources and access to information to enable it to fulfil its mandate, ensure there is open communication between different functions and that the Internal Audit function evaluates the effectiveness of these functions as part of its Internal Audit plan, and ensure that

the Internal Audit function is equipped to perform in accordance with appropriate professional standards for internal auditors.

- Ensure the internal auditor has direct access to the President, to the Chair of the RICS Board and to the Committee Chair, providing independence from the executive and accountability to the Committee.
- Carry out an annual assessment of the effectiveness of the Internal Audit function and as part of this assessment:
  - meet with the Head of Internal Audit without the presence of management to discuss the effectiveness of the function
  - review and assess the annual Internal Audit work plan
  - receive a report on the results of the internal auditor's work
  - determine whether it is satisfied that the quality, experience and expertise of Internal Audit is appropriate for RICS
  - review the actions taken by management to implement the recommendations of Internal Audit and to support the effective working of the Internal Audit function.
- Monitor and assess the role and effectiveness of the Internal Audit function in the overall context of the Institution's risk management system and the work of compliance, finance and the external auditor.
- Consider whether an independent, third-party review of processes is appropriate.

#### External Audit

The Committee shall:

- Consider and make recommendations to the RICS Board, to be put to members for approval at the AGM, in relation to the appointment, re-appointment and removal of the company's external auditors.
- Develop and oversee the selection procedure for the appointment of the audit firm in accordance with UK Corporate Governance Code and regulatory requirements as appropriate, ensuring that all tendering firms have access to all necessary information and individuals during the tendering process.
- If an external auditor resigns, investigate the issues leading to this and decide whether any action is required.
- Oversee the relationship with the external auditor. In this context the Committee shall:
  - approve their remuneration, including both fees for audit and non-audit services, and ensure that the level of fees is appropriate to enable an effective and high-quality audit to be conducted
  - approve their terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit.
- Assess annually the external auditor's independence and objectivity taking into account relevant law, regulation, the FRC Ethical Standard and other professional requirements



and the Institution's and the RICS group's relationship with the auditor as a whole, including any threats to the auditor's independence and the safeguards applied to mitigate those threats including the provision of any non-audit services.

- Satisfy itself that there are no relationships between the auditor and the Institution (other than in the ordinary course of business) that could adversely affect the auditor's independence and objectivity.
- Agree with the RICS Board a policy on the employment of former employees of the Institution's auditor, considering the FRC Ethical Standard and legal requirements, and monitor the application of this policy.
- Monitor the auditor's processes for maintaining independence, its compliance with relevant law, regulation, other professional requirements and the FRC Ethical Standard, including the guidance on the rotation of audit partner and staff.
- Monitor the level of fees paid by the Institution's to the external auditor compared to the overall fee income of the external auditor, office and partner and assess these in the context of relevant legal, professional and regulatory requirements, guidance and the FRC Ethical Standard.
- Assess annually the qualifications, expertise and resources, and independence of the external auditor and the effectiveness of the external audit process, which shall include a report from the external auditor on their own internal quality procedures.
- Seek to ensure coordination of the external audit with the activities of the Internal Audit function.
- Evaluate the risks to the quality and effectiveness of the financial reporting process in the light of the external auditor's communications with the Committee.
- Develop and recommend to the RICS Board the Institution's formal policy on the provision of non-audit services by the auditor, including prior approval of non-audit services by the Committee and specifying the types of non-audit service to be pre-approved, and assessment of whether non-audit services have a direct or material effect on the audited financial statements. The policy should include consideration of the following matters:
  - threats to the independence and objectivity of the external auditor and any safeguards in place
  - the nature of the non-audit services
  - whether the external audit firm is the most suitable supplier of the non-audit service
  - the fees for the non-audit services, both individually and in aggregate, relative to the audit fee
  - the criteria governing compensation.
- Meet regularly with the external auditor (including once at the planning stage before the audit and once after the audit at the reporting stage) and, at least once a year, meet with the external auditor without management being present, to discuss the auditor's remit and any issues arising from the audit.

- Discuss with the external auditor the factors that could affect audit quality and review and approve the annual audit plan, ensuring it is consistent with the scope of the audit engagement, having regard to the seniority, expertise and experience of the audit team.
- Review the findings of the audit with the external auditor. This shall include but not be limited to, the following:
  - a discussion of any major issues which arose during the audit
  - the auditor’s explanation of how the risks to audit quality were addressed
  - key accounting and audit judgements
  - the auditor’s view of their interactions with senior management
  - levels of errors identified during the audit.
- Review any representation letter(s) requested by the external auditor before it is (they are) signed by management.
- Review the management letter and management’s response to the auditor’s findings and recommendations.
- Review the effectiveness of the audit process, including an assessment of the quality of the audit, the handling of key judgements by the auditor, and the auditor’s response to questions from the Committee.

#### Risk

The Committee should have oversight of the Institution and the RICS group as a whole and, unless required otherwise by regulation, carry out the duties below for the Institution, its subsidiary undertakings and the RICS group as a whole, as appropriate.

#### Risk appetite, tolerance and strategy

The Committee shall:

- Advise the RICS Board on the Institution’s overall risk appetite, tolerance and strategy, and the principal and emerging risks the Institution is willing to take in order to achieve its long-term strategic objectives.
- The Committee should seek assurance on the risks the Institution identifies as those to which RICS may be exposed. These will include the following:
  - threats to the business model or future performance
  - operational risk
  - financial risk
  - insolvency
  - liquidity
  - conduct and ethical risk
  - material litigation
  - reputational risk

- Environmental, Social and Governance (ESG) issues
  - IT operations, including cyber risk
  - health and safety
  - business continuity plans and exogenous risks
  - regulatory and legal risks
  - investment risk
  - pensions risk
  - risk exposures and limits
  - asset impairments
  - risk trends, concentrations and correlations
  - terrorism.
- Advise the RICS Board on the likelihood and the impact of principal risks materialising, and the management and mitigation of principal risks to reduce the likelihood of their incidence or their impact.
  - Advise the RICS Board on the risk aspects of proposed changes to strategy and strategic transactions including acquisitions or disposals, ensuring that a due diligence appraisal of the proposition is undertaken, focusing in particular on implications for the risk appetite, tolerance and strategy of the Institution, and taking independent external advice where appropriate and available.

#### Narrative reporting

The Committee shall carry out the following duties to assist the RICS Board in fulfilling its reporting responsibilities in the annual report:

- Monitor and review the effectiveness of the Institution's risk management and internal control systems.
- Review the Institution's procedures to manage or mitigate principal risks and to identify emerging risks, to assist in the RICS Board's assessment of principal and emerging risks.
- Review and assess the Institution's risk appetite.
- Evaluate the Institution's principal risks, to be taken into account by the RICS Board when assessing the Institution's prospects.
- Review and approve the statements to be included in the annual report concerning internal controls and risk management.

#### Internal controls and risk management systems

The Committee shall oversee and seek suitable assurance regarding:

- The risk exposures of the Institution, including risk to the Institution's business model, and solvency and liquidity risks.

- The adequacy and effectiveness of the Institution's processes and procedures to manage risk and the internal control framework, including the design, implementation and effectiveness of those systems.
- The ability of the Institution's risk management and internal control systems to identify the risks facing the Institution and enable a robust assessment of principal risks.
- The Institution's capability to identify and manage new and emerging risks.
- The effectiveness and relative costs and benefit of particular controls.
- The effectiveness of management's processes for monitoring and reviewing the effectiveness of risk management and internal control systems and ensuring corrective action is taken when necessary.
- The Institution's ability to reduce the likelihood of principal risks materialising and the impact on RICS of risks that do materialise.
- The appropriateness of risk management systems and internal controls required to embed the Institution's values and culture and reward systems.
- The Head of Risk's right of direct access to the President, to the Chair of the RICS Board and to the Committee Chair.

#### Finance

The Committee shall:

- Be accountable for the Institution's reserves policy, investment policy and investment strategy, and the monitoring of compliance with these policies.
- Monitor investment performance and investment manager relationship, including recommending the appointment of investment and fund managers and reporting on their performance in relation to agreed benchmarks and targets.
- Have oversight of the quarterly business performance, reserves position and cashflow of the Institution.
- Have oversight of all financial matters for the Institution and the RICS group as a whole, including but not limited to the production of a budget and business plan and the preparation of the RICS group statutory accounts.
- Have oversight of the Institution's treasury policy and the monitoring of compliance with the treasury policy.
- Have oversight of, and approve, any and all financial facilities in relation to the organisation.
- Consider and review the Institution's and or trustees' approach to discharging their legal and regulatory liabilities under the defined contribution (stakeholder) staff pension scheme, requesting such evidence and making such recommendations to the RICS Board as the Committee sees fit.
- Consider and review the Institution's and/or trustees' approach to discharging their legal and regulatory liabilities for the closed defined benefit staff pension scheme, with reference to the Institution's strategic objectives for the scheme, especially in relation

to the adequacy of contributions; the efficacy or otherwise of the scheme's investment performance to meet those obligations and the Institution's aims, requesting such evidence and making such recommendations to the RICS Board as the Committee sees fit.

## Reporting responsibilities

The ARAF Committee is accountable to the RICS Board.

The Committee Chair shall report to the RICS Board after each meeting on the nature and content of the Committee's discussion, recommendations and action to be taken. This will be formally received at the next available RICS Board meeting with the Committee Chair raising matters by exception in the meeting.

The Committee shall make whatever recommendations to the RICS Board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be made available for RICS Board discussion when necessary.

The Chair is required to provide a written update to RICS Board, following each Committee meeting. The written update must be approved and submitted by the Chair rather than the executive. Where the Chair is unable to approve and submit the written update within one week of the meeting being reported on, the Deputy Chair should undertake this requirement on their behalf. If the Deputy Chair is unable to draft the update for any reason, the Committee should nominate one of their members to provide it.

Any papers, reports or information requested by Governing Council, or the RICS Board or the Standards and Regulation Board will be shared promptly with the members of the governance body making the request.

The Committee will provide the RICS Board, Director General and the Governing Council with an ARAF Committee annual report, timed to support the preparation of the RICS Annual Report and Accounts. The ARAF Committee annual report should summarise the ARAF Committee's work for the year past, and present their opinion about:

- The effectiveness of risk management and control.
- The comprehensiveness of assurances in meeting the RICS Board's and Director General's needs.
- The reliability and integrity of these assurances and whether the assurance available is sufficient to support the RICS Board and Director General in their decision-taking and their accountability obligations.
- The implications of these assurances for the overall management of risk.
- Any issues the Committee considers pertinent to running of RICS.
- Financial reporting for the year.
- The quality of both Internal and External Audit and their approach to their responsibilities.

- The Committee's view of its own effectiveness, including advice on ways in which it considers it needs to be strengthened or developed.

## Raising matters with Governing Council

Any member of the Committee may raise any matter with Governing Council through the President. If the President is conflicted on the matter, they may raise it with the Senior Independent Governor of Council.

## Other matters

The Committee shall:

- Escalate their concerns over management responses to the RICS Board and the Director General.
- Have access to sufficient resources to carry out its duties, including access to the Governance team for advice and assistance as required.
- Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- Give due consideration to all relevant laws and regulations, RICS' constitutional and governance documents and arrangements and any other applicable rules, as appropriate.
- Ensure that an evaluation of the Committee's own performance is carried out annually.
- At least annually, review the Committee's Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the RICS Board for approval.
- Maintain a forward work planner that sets out the scheduled work for the year.

The Committee may:

- Co-opt a maximum of two additional members for a period not exceeding a year to provide specialist skills, knowledge and experience.

The Committee Chair will:

- Have bilateral meetings at least twice a year with the Director General, Chief Financial Officer, Chief Risk Officer, the Head of Internal Audit, and the External Auditor. In addition, the Chair should meet any people newly appointed to these positions as soon as practicable after their appointment.

## Authority (delegation)

The Committee is authorised by the RICS Board to obtain, at RICS' expense, outside legal or other professional advice on any matters within its Terms of Reference.

The Committee may establish subgroups for the purpose of 'task and finish' as it thinks fit and will receive regular reports from any subgroups it creates and act on these as appropriate.

The Committee will review and approve the terms of reference of any subgroups that it establishes at appropriate intervals.

# RICS Regulations Annex C

## Terms of Reference of Nominations and Remuneration Committee

Approved by Nominations and Remuneration Committee on 25 July 2022

Approved by Governing Council on 15 August 2022

*[Note: Until the RICS Board has been constituted, all references in these Terms of Reference to the 'RICS Board' shall be interpreted as being references to the 'RICS Management Board' as currently constituted.]*

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## Purpose

The main purposes of the Committee are to:

- 1 Oversee the election, appointment and succession planning process, as appropriate, for all governance bodies (including Standards and Regulation Board (SRB) and Regulatory Tribunal roles), the President and the Director General ensuring that processes are fair, objective and able to identify high calibre individuals with the right skill sets from a diverse pool of applicants.
- 2 Oversee the performance evaluation process for all governance bodies ensuring they are linked to the appraisals for individual governance body members and that there are mechanisms in place to address poor performance and identify mentoring and training needs.
- 3 Set the remuneration policy for RICS employees at all levels in line with RICS' long-term strategy, and approve the annual budget available for salary review.
- 4 Determine and review the remuneration strategy for senior employees of RICS to recruit, retain, motivate and engage high calibre senior employees to deliver its business objectives globally.
- 5 Set the total remuneration for the Director General, non-executives, SRB and Regulatory Tribunal members, and review the remuneration of the Executive Team and other senior employees (Senior Employees) that fall within its remit (those individuals who are Senior Employees being defined from time to time by the Director General and the Chair of the Committee in consultation).

## Membership

The Nominations and Remuneration Committee shall only consist of non-executive members.

Its composition shall be:

- Chair of the Committee (independent non-executive member) who must have nominations and/or remuneration expertise
- three non-executive (RICS members) including the Chair of the Board
- three independent (non-RICS members) non-executive members so that they and the Independent Chair of the Committee would, taken as a group, comprise two with remuneration expertise and two with recruitment expertise.

A deputy Chair shall be appointed from the independent members of the Committee.

## Appointment and terms

The RICS Board shall appoint the Committee Chair, who should be an independent non-executive, following the recommendation of the appointment panel. In the absence of the Committee Chair and an appointed deputy, the remaining members present shall elect one

of themselves to chair the meeting. The Chair of the Committee will also be a member of the RICS Board.

Appointments to the Committee are made by the Chair of the Committee on the recommendation of the appointment panel appointed by the Committee and shall be for a term of up to three years. A Committee member may be reappointed for an additional term (or terms) up to a maximum aggregate period of appointment of six years provided the Committee member still meets the criteria for membership of the Committee.

Members of the Committee must act in compliance with the RICS Charter, Bye-Laws and Regulations, the Committee Handbook and any related policies during their appointment term.

Members of the Committee may be removed in accordance with processes set out in the RICS Charter, Bye-Laws and Regulations, the Committee Handbook and any related policies.

## Attendance

Only members of the Committee have the right to attend Committee meetings. However, other individuals such as those set out below may be invited by the Chair to attend for all or part of any meeting, as and when appropriate:

- Director General
- Chief People Officer
- Head of Governance and Group Company Secretary
- external advisers as required such as remuneration specialists, search consultants.

## Secretary

The Head of Governance or their nominee will act as Secretary to the Committee.

## Quorum

The quorum necessary for the transaction of business shall be three members of the Committee and must include the Chair or Deputy Chair and one RICS member.

## Frequency of meetings

The Committee will meet at least four times a year or as required by the Chair or the RICS Board.

## Notice of meetings

Meetings will be scheduled by the Committee Secretary or as required by the Chair or a majority of the members.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than five working days before

the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time.

## Conduct of meetings

Meetings of the Committee will be conducted in accordance with the provisions of the RICS Charter, Bye-Laws and Regulations and any relevant policy, including but not limited to the Committee Handbook, Code of Conduct and Conflicts of Interest policy.

Meetings may be conducted in any manner that the Chair considers appropriate, including by electronic means, in correspondence or by telephone conference, and all members participating shall count as part of the quorum requirements and may take part in any voting.

A resolution may be passed, or a decision taken through a simple majority of those members of the Committee present and entitled to vote. In the event of a tie, the chair of the meeting will have a casting vote.

The Committee may pass resolutions or make decisions in between meetings either in writing or via any form of electronic communications. Any decision taken between meetings will be notified to the Committee at its next meeting and recorded in the minutes.

The Chair may, where appropriate, ask any or all of those who normally attend but who are not Committee members to withdraw to facilitate open and frank discussion of particular matters.

The Chair may convene meetings with Committee members only, i.e. without normal additional attendees, to facilitate open and frank discussion of particular matters if the Chair considers it necessary.

## Declarations and conflicts of interest for Committee members

Members will provide all their standing declarations of interest on appointment to the Committee and keep this up-to-date by reporting changes or additions as they arise. A report will be presented to the Committee at least annually.

In addition, any potential or actual conflicts of interest must be notified to the chair of the meeting before discussion on the relevant item. The chair of the meeting will have the final ruling on whether the member can participate in the discussion and/or vote on an item in relation to which that member is, or is perceived to be, conflicted.

Actual or perceived conflicts of interest and mitigating actions taken will be recorded in the minutes where appropriate.

## Minutes of meetings

The Secretary shall minute the proceedings and decisions of all Committee meetings, including recording the names of those present and in attendance.

Minutes of Committee meetings will record advice given, including where individual Committee members do not agree with that advice. Where a Committee member is not present when advice is given with which they disagree, they must raise this with the Chair via the Secretary as soon as possible before the minutes are approved by the Committee.

Draft minutes of the Committee should be presented for review by the Chair within two weeks of the meeting. Once cleared by the Chair, these draft minutes shall be circulated to all members of the Committee. Once approved by the Committee, minutes should be circulated to the RICS Board and the Head of Governance unless, exceptionally, it would be inappropriate to do so.

## Engagement with members

The Committee Chair shall be a member of the RICS Board.

The Committee Chair should attend the Annual General Meeting to answer any member questions on the Committee's activities.

## Duties

### 1 Global Appointments Model

The Committee shall:

- Be responsible for approving the Global Appointments Model and shall oversee its implementation and monitor its effectiveness.
- Ensure that the Global Appointments Model includes:
  - fair and objective processes for appointing high calibre individuals with the right skill sets to the appointed roles on all RICS governance bodies
  - a requirement to evaluate the balance of skills, knowledge, experience and diversity on the relevant governance body before any vacancies are advertised and, in light of this evaluation, prepare a description of the role and capabilities required for a particular appointment and the time commitment expected
  - a requirement to appoint a specific panel to oversee the appointment process for each role, which avoids any conflicts of interest and is comprised of individuals with the right balance of skills and experience
  - a requirement to assess the advertising needs for each role and whether external search consultants should be appointed. Where the role is open to RICS members, all reasonable efforts should be made to ensure as many members as possible are aware of the vacancy so they have the opportunity to apply regardless of whether search consultants are also being used
  - a requirement for a clear appointment letter to be provided to all successful candidates, which sets out the terms of the appointment and the induction process
  - the process for reappointing governance body members once their initial terms have expired

- the process for appointing interim members to governance bodies if there is a clear reason why an interim is required.

## 2 Advisory role to Governing Council and the Board

The Committee shall:

- Provide, at the request of the President or the Chair of the RICS Board, the preparation of reports, recommendations or specific tasks related to the Committee's current purpose and Terms of Reference.
- Make recommendations to Governing Council and the RICS Board as it deems appropriate on any area within its remit where action or improvement is needed.

## 3 Governing Council composition and appointments

The Committee shall:

- Be responsible for overseeing the elections to Governing Council including any validation process.
- Consider and implement actions that encourage RICS members to participate in elections both as candidates and voters.
- Be responsible for overseeing the appointments of the selected vacancies of Governing Council (to include Nominated Subject Matter Experts and where positions have been unable to be filled through election).
- Be able to nominate members for election to Governing Council (as an alternative to obtaining member nominations). The Committee will approve the process as to how this would work, in consultation with Governing Council.
- Play an advisory role in the talent and succession planning to Governing Council by:
  - regularly reviewing the structure, size, composition and skill set of Governing Council and making recommendations to Governing Council on appointments and composition, having regard to the RICS Diversity, Equity and Inclusion policy
  - being responsible for keeping the role descriptions under review for the different seats and updating where required
  - being responsible for identifying potential skills gaps on Governing Council and advising on how to fill those gaps.

### Board composition and appointments

The Committee shall be responsible for identifying and nominating for the approval of the RICS Board, candidates to fill RICS Board vacancies as and when they arise in line with the Global Appointments Model.

### Other governance bodies composition and appointments

The Committee shall ensure that the Global Appointments Model is followed in relation to sourcing and approving suitable candidates for other governance body roles.

## Succession planning

The Committee shall:

- Ensure plans are in place for orderly succession to Governing Council, the RICS Board and other governance bodies and oversee the development of a diverse pipeline for succession, taking into account the challenges and opportunities facing RICS, and the skills and expertise needed on the governance bodies in the future.
- Ensure plans are in place for orderly succession to the Executive Team; these plans shall be reviewed annually.
- Keep under review the leadership needs of RICS, both executive and non-executive, with a view to ensuring the continued ability of RICS to function effectively.
- Keep up-to-date and fully informed about strategic issues and other material changes affecting RICS and the environment in which it operates.
- Make recommendations to Governing Council and/or the RICS Board concerning any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved.

## Induction, training and mentoring

The Committee shall ensure that all new governance body members receive a full, formal and tailored induction and access to mentoring and additional training as required.

## Performance evaluation

The Committee shall:

- Undertake annual ongoing performance and effectiveness reviews of Governing Council and the RICS Board, except where the annual review is being undertaken by an external partner. Committee members who are members of Governing Council and/or the RICS Board are excluded from the activity for the governance body they are a member of due to the conflict of interest in assessing their own performance.
- Review the results of the Governing Council and RICS Board performance evaluation process that relates to the composition of the governance bodies and the impact on succession planning.
- Oversee the process by which the governance bodies, other than Governing Council and the RICS Board, and individual members of these governance bodies assess their effectiveness and report to the RICS Board on findings and recommendations.

## Director General appointment

The Committee shall:

- Approve the appointment process for the Director General and review and update as necessary on an annual basis. The appointment process should specify that the final decision on the Director General appointment should be made by Governing Council following the recommendation of the Committee.

### Diversity, equity and inclusion:

The Committee shall:

- Consider the impact of RICS' approach to appointments and remuneration on diversity, equality and inclusion (at RICS) by reviewing relevant data reports, and monitoring progress towards achieving its objectives.
- Set measurable objectives and targets on governance body diversity in line with the RICS Diversity, Equity and Inclusion policy and prepare and review annually the policy on governance body diversity.
- Support Governing Council and/or the RICS Board in reviewing and monitoring progress against RICS' diversity, equity and inclusion targets.
- Assess the diversity and inclusiveness of the governance bodies and senior management.

### Declarations/conflicts of interests

The Committee shall:

- Advise Governing Council and the RICS Board on the appropriate mechanisms for declaring, recording, resolving and reporting the interests of members of the governance bodies.
- Where concerns or queries are raised, consider any questions of independence and possible conflicts of interest of governance body members or executive directors and whether an individual has interests or a specific agenda that would impair their ability to effectively represent the interests of all members.

### Remuneration policy

The Committee shall:

- Be responsible for setting the remuneration policy for RICS employees in line with RICS' long-term strategy. The Committee considers and recommends remuneration policy for all employee levels, but will have specific focus on the Director General and the Executive Team and Senior Employees.
- Advise on the remuneration of non-executive roles.
- When determining remuneration policies and practices, consider the requirement for clarity, simplicity, risk mitigation, predictability, proportionality and alignment to culture.

### Director General remuneration

The Committee shall be responsible for:

- Determining the terms of employment and remuneration package for the Director General on appointment.
- Reviewing the annual performance assessment of the Director General as presented by the Chair of the RICS Board.
- Approving any salary increase for the Director General on an annual basis and approving payments due under any incentive plans.

- Approving the content of any termination package, including compensation, ensuring that all payments made are fair to the individual, in accordance with legal requirements, that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- Approving any other changes to the Director General's remuneration package from time to time.

#### Executive Team and Senior Employee remuneration

The Committee shall be responsible for:

- Determining the terms of employment and remuneration packages on appointment.
- Reviewing and advising on the recommendations for annual salary increases and payments under the Corporate Incentive Arrangements for the Executive Team and Senior Employees.
- Approving the content of any termination package, including compensation, ensuring that all payments made are fair to the individual, in accordance with legal requirements, that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- Approving any other changes to their remuneration packages from time to time.

#### Non-Executive governance body members (non-executives)

The Committee shall be responsible for:

- Determining the remuneration of any non-executive by completing periodic reviews and approving remuneration for the appointment of new roles; providing advice as required on remuneration for non-executives' packages. Where the remuneration under review relates to members of the Committee, the Committee will make recommendations for the RICS Board to approve.
- Determining the remuneration of Regulatory Tribunal members by completing periodic reviews and approving remuneration for the appointment of new roles.

#### Executive Incentive Plans

The Committee shall be responsible for:

- Approving the design of the Plan, including award sizes, eligibility, and the Plan Rules.
- Approving the performance targets as recommended by the RICS Executive Team, and aligned to the Business Plan as approved by the RICS Board.
- Approving the assessment by the Chair of the RICS Board of the individual performance of the Director General.
- Approving the overall level of incentive payments based on the assessment of the performance targets by the Audit, Risk, Assurance and Finance Committee subject to final audited numbers and/or review by other relevant stakeholders in the case of non-financial conditions and the Committee's wider assessment of overall performance.



- Approving individual bonus amounts for the Director General and other members of the Executive Team taking into account any assessments of individual performance provided to the Committee.
- Determining how any Executive Team leavers should be treated based on the relevant bonus plan rules.
- Considering the extent if any to which the implementation of malus and clawback provisions might be appropriate based on the provisions of the relevant bonus plan rules.
- Providing to the Board for information, details of the payment to be made to the Director General under the Incentive Plan.

#### Other remuneration duties

The Committee shall be responsible for:

- Engaging the services of an independent remuneration adviser to provide advice and guidance on matters of remuneration.
- Ensuring that there are no conflicts of interest in relation to individuals being involved in making decisions about their own remuneration.
- Conducting an appropriate external market review and approving the annual budget available for salary review.
- Providing to the Director General and the Chair of the RICS Board views for consideration in senior management succession and development planning.
- Oversight of any other incentive plans to employees.
- Reviewing the total reward offering for all RICS employees, including pensions, although the financial and risk element of pensions will be the responsibility of the Audit, Risk, Assurance and Finance Committee.

#### Reporting responsibilities

The Nominations and Remuneration Committee is accountable to the RICS Board. *[Until the RICS Board has been constituted, the Committee shall be accountable to the RICS Management Board as currently constituted.]*

The Committee Chair shall report to the RICS Board after each meeting on the nature and content of the Committee's discussion, recommendations and action to be taken. This will be formally received at the next available RICS Board meeting with the Committee Chair raising matters by exception in the meeting.

The Committee shall make whatever recommendations to the RICS Board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be made available for RICS Board discussion when necessary.

The Chair is required to provide a written update to the RICS Board, following each Committee meeting. The written update must be approved and submitted by the Chair rather than the executive. Where the Chair is unable to approve and submit the written update within one week of the meeting being reported on, the Deputy Chair should

undertake this requirement on their behalf. If the Deputy Chair is unable to draft the update for any reason, the Committee should nominate one of their members to provide it.

Any papers, reports or information requested by Governing Council or the RICS Board or the Audit, Risk, Assurance and Finance Committee or the Standards and Regulation Board will be shared promptly with the members of the governance body making the request.

The Committee shall produce a report to be included in RICS' annual report describing the work of the Committee, including:

- The process used to make appointments, including (i) explanation if external advice or open advertising has not been used and (ii) identification of where an external search agency has been used and a statement as to whether the agency has any connection with RICS.
- An explanation of how the Governing Council and the RICS Board evaluation has been conducted, the nature and extent of an external evaluator's contact with Governing Council and the RICS Board and individual members of Governing Council and the RICS Board, the outcomes and actions taken, and how it has influenced or will influence Governing Council and RICS Board composition.
- A statement of RICS' policy on diversity and inclusion, its objectives and linkage to the strategy, how it has been implemented in relation to appointments and progress on achieving the objectives.
- A statement on the Committee's view of its own effectiveness, including advice on ways in which it considers it needs to be strengthened or developed.
- A statement explaining remuneration that includes:
  - an explanation of the strategic rationale for executive directors' remuneration policies, structures and any performance metrics
  - reasons why the remuneration is appropriate using internal and external measures, including pay ratios and pay gaps
  - whether the remuneration policy has operated as intended in terms of company performance and quantum, and, if not, what changes are necessary
  - what engagement with the workforce has taken place to explain how executive remuneration aligns with wider company pay policy and
  - to what extent discretion has been applied to remuneration outcomes and the reasons why.

## Raising matters with Governing Council

Any member of the Committee may raise any matter with Governing Council through the President. If the President is conflicted on the matter, they may raise it with the Senior Independent Governor of Council.

## Other matters

The Committee shall:

- Have access to sufficient resources to carry out its duties, including access to the Governance team for advice and assistance as required.
- Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members. Give due consideration to all relevant laws and regulations, RICS constitutional and governance documents and arrangements, and any other applicable rules, as appropriate.
- Ensure that an evaluation of the Committee's own performance is carried out annually.
- At least annually, review the Committee's Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the RICS Board for approval.
- Maintain a forward work planner that sets out the scheduled work for the year.

The Committee may:

- Co-opt a maximum of two additional members for a period not exceeding a year to provide specialist skills, knowledge and experience.

## Authority (delegation)

The Committee is authorised by the RICS Board to obtain, at RICS' expense, outside legal or other professional advice on any matters within its Terms of Reference.

The Committee may establish subgroups for the purpose of 'task and finish' as it thinks fit and will receive regular reports from any subgroups it creates and act on these as appropriate.

The Committee will review and approve the terms of reference of any subgroups that it establishes at appropriate intervals.

## Delivering confidence

We are RICS. Everything we do is designed to effect positive change in the built and natural environments. Through our respected global standards, leading professional progression and our trusted data and insight, we promote and enforce the highest professional standards in the development and management of land, real estate, construction and infrastructure. Our work with others provides a foundation for confident markets, pioneers better places to live and work and is a force for positive social impact.

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