

Business Interest Oversight Board - Terms of Reference

Purpose and objectives of the body

The Business Interest Oversight Board (BIOB) is accountable to the Partnership Council (PC). It supports PC with carrying out PC's primary objective of overseeing the activities of management and, in particular, holding the Managing Partner and Leadership Team to account in respect of their functions.

The BIOB will ensure there is effective two-way communication in its work with PC and other stakeholders to visibly demonstrate this accountability in action. It will deliver regular updates to PC on the challenge and oversight being undertaken by BIOB on business aspects of the partnership, as detailed below.

Membership

The BIOB will be made up of six members, comprising the Senior Partner, two members drawn from PC, two Independent Non-Executive (INEs) and the Ethics Partner.

The Managing Partner will be invited to attend BIOB meetings, both to report to the Board as well as for their own benefit and understanding of the work of the BIOB.

BIOB will have the right to invite other partners or senior leaders to attend BIOB where additional expertise and experience is needed or as appropriate to the agenda of a particular meeting

BIOB members will be selected as follows:

- PC members will be selected via an interview process involving the Senior Partner and two INEs. They will need to demonstrate capability in business oversight and have a broad understanding of the firm's whole business
- INE members will be selected on the basis of their experience in business oversight
- Members must be exemplars of the firm's values, acting with integrity, fairness and in the interest of the firm at all times
- The Senior Partner will remain a member of BIOB for the period they serve as Senior Partner of the Firm
- The Ethics Partner will remain a member of BIOB for the period they serve as Ethics Partner of the Firm

- The PC members of BIOB will remain members of BIOB on a two-year rotation and be subject to a reselection process. The maximum number of terms any PC member can serve on BIOB is two terms of two years. The Ethics Partner will remain on BIOB by virtue of their role; the INEs will remain members for their term of office
- A BIOB member from the PC can request to step down by making a formal request to the Chair. The Chair will consider the basis of the request and if granted will follow the selection process to appoint a new member of BIOB
- If a BIOB member from PC is required to step down from PC they will also be removed from BIOB. The Chair will then follow the selection process to appoint a new member of BIOB
- Should there be a change in the INEs, a new INE with the appropriate skills will be selected to sit on the BIOB
- The Senior Partner has the ability to remove any member from the BIOB (excluding the Ethics Partner) following consultation and agreement with the PC
- Casual vacancies which arise, whether caused by death, disqualification, resignation or otherwise, shall be filled in accordance with the provisions of the Members' Agreement - [Partner Protocols \(Governance, Leadership and Management\)](#), on the same basis as the election of new members.

BIOB Secretary

The BIOB Secretary will be provided by the Office of the Senior Partner and will support the Chair by helping BIOB to run effectively. This includes ensuring effective arrangements for the presentation of high-quality information with papers available at least a week in advance of the meetings, comprehensive minutes and a process to follow up on agreed actions.

Chairing the body

- The Senior Partner will chair the BIOB
- The tenure of the Chair will be for the period they serve as Senior Partner of the Firm
- Should the Senior Partner change there will be a direct handover from the outgoing Senior Partner to the incoming Senior Partner
- In alignment with the Emergency Cover protocol, a BIOB member will be identified as Emergency Cover, ("EC"), for the Senior Partner. The EC will step in should the Senior Partner be away or indisposed
- Should the Chair require it, the EC will chair the meeting (including agreeing the agenda, papers and managing the BIOB group)
- With the support of the BIOB Secretary, the Chair will have the following responsibilities:
 - Convene meetings
 - Set the agenda
 - Prepare and collate papers and ensure they are available at least a week in advance of the meetings
 - Draft and agree with the BIOB the wording of any report to be presented to PC (but not a report of matters discussed)
 - Ensure full and factual minutes are prepared, approved and stored appropriately

Meetings

- The BIOB will meet at least six times per year.
- A non-routine meeting of the BIOB can be called by the Chair or any member, at any time.
- The BIOB has the right to meet in closed session. Normally this will be at the start and/or end of each meeting.
- There will be an opportunity to declare any actual or perceived conflicts of interest at the start of each meeting. Should any member of BIOB believe there is a conflict of interest this must be declared and minuted. If it is agreed there is a conflict, the member must not be present in the meeting for that agenda item.

Quorum and attendance

- A meeting will be quorate when three members are in attendance, each through any agreed media including remote participation
- The BIOB will have the right to invite members of the LT or senior operational PMD leads to the meetings if appropriate and with the consent of the Chair
- Any individual whether within or outside the firm, can be invited to attend a BIOB meeting as an attendee but not as a member.

Minutes

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

Draft minutes of the BIOB meetings will be circulated first to the Chair and then to all other BIOB members for review and comment.

Once approved by email, minutes will be shared with Partnership Council, the managing partner and the INEs unless it would be inappropriate to do so.

A summary of the meeting will be published to equity partners shortly after the meeting.

Decision making and responsibilities

- BIOB shall reach decisions by a simple majority of voting on the matters in question. If the numbers of votes for and against a certain proposal are equal, the Senior Partner has the casting vote. All decisions should be captured within the minutes of the meeting, to be subsequently approved by all members at the following meeting.
- If it becomes necessary to escalate an issue or point of disagreement, this should be escalated to the PC.

The BIOB have responsibility for approving the following:

- The Consulting, Risk & Outsourcing, Deals, Tax and PMD Strategic Plan
- The Annual Consulting, Risk & Outsourcing, Deals and Tax Budget
- The Consulting, Risk & Outsourcing, Deals and Tax Quality Plan
- An annual report on the Risk & Quality ratings of Consulting, Risk & Outsourcing, Deals and Tax partners

- The Consulting, Risk & Outsourcing, Deals and Tax partner pipeline, including lateral hire partners
- Appointments to senior management positions within the Consulting, Risk & Outsourcing, Deals and Tax streams:
 - Heads of Stream
 - Head of London Tax Group

The following sets out the role and responsibilities of the BIOB

- **Consulting, Risk & Outsourcing, Deals and Tax Stream strategy and PMD strategy**

Review and approve the Consulting, Risk & Outsourcing, Deals, and Tax streams' and PMD strategy that has been developed in conjunction with the Leadership Team; including approval of their strategic objectives.

Oversight of delivery of the Consulting, Risk & Outsourcing, Deals and Tax stream and PMD strategy.

To receive, challenge and approve the growth plans for the Consulting, Risk & Outsourcing, Deals and Tax streams and the PMDs

- **Management oversight**

Approval of the annual budget including capital investment

Receive, review and challenge updates on the financial performance of the firm against budget across the year, commercial management and any other financial issues

Oversight of delivery of the annual operational plan (from the Operations Board to LT) through receipt of regular reports from LT on business matters and performance against the business plan as previously approved and provide appropriate challenge to leadership/management

Review of any new material areas of activity or decision to cease any material aspect of the firm's activities (value over 1% of previous year's audited turnover) and make recommendations to LT/PC for further consideration or approval as necessary. Should activity not meet the above noted threshold but remain a significant business issue, this matter must be brought to BIOB for review. If there is any doubt of the significance of the activity this point should be raised for discussion with BIOB.

To consider major capital expenditure and investments in excess of 2% of the previous year's audited turnover and make recommendations to LT/PC for further consideration or approval as necessary. Should the activity not meet the above noted threshold but be considered a significant issue for the firm, this matter must be brought to BIOB for review.

To review any major contracts where the transaction value is over 1% of the previous year's audited turnover and make recommendations to LT/PC for further consideration or approval as necessary. Should the activity not meet the above noted threshold but be considered a significant issue for the firm, this matter must be brought to BIOB for review.

Receive an annual update on the firm's insurance position, including renewal arrangements

Oversight of partner portfolios and review of chargeable hours for the Consulting, Risk & Outsourcing, Deals and Tax streams.

Oversight of innovation and investment for the Consulting, Risk & Outsourcing, Deals and Tax streams and the PMDs.

Oversight of resourcing for the Consulting, Risk & Outsourcing, Deals and Tax streams and the PMDs.

- **People and Culture**

Consider the firm's diversity statistics and receive equality, diversity and inclusion reports annually (prior to publication of the annual culture/ESG report and pay gap reporting)

To consider any redundancy programmes over 2% of the total staff numbers and make recommendations to LT/PC for further consideration as necessary

Oversight of training and development arrangements for staff and partners, including but not limited to ethics, operations and IT

- **Structure**

Approval of any changes in relation to the firm's corporate structure

Strategic partnerships, mergers and acquisitions

To carry out the first line review of strategic partnerships, mergers and acquisitions in relation to Firm cultural fit, strategic direction of the Firm and impact on the Equity Partners, providing appropriate challenge to leadership and management. BIOB should report the relevant facts to PC for further consideration and, if appropriate, transaction approval from a Firm cultural perspective

- **Taxation**

To receive a report at least annually in relation to partnership taxation matters from the COO/Finance Partner. Where equity considerations arise refer these to PC for consideration and decisions if required.

To review the tax status and strategy of the firm

- **Funding**

To review and consider a report from LT on the cash flow of the business and the arrangements put in place to secure ongoing financing, providing appropriate challenge

Refer to PC where financing considerations impact equity

Approve the renewal of bank facilities on behalf of the Partnership

- **Quality and Risk**

To provide oversight review and challenge of the Consulting, Risk & Outsourcing, Deals and Tax streams' quality and risk strategies.

Review an annual report on the Risk & Quality ratings of Consulting, Risk & Outsourcing, Deals and Tax partners



Accountability

BIOB is accountable to PC. Other stakeholders include Leadership Team, the wider partnership (both equity and salaried partners), employees and the regulators of the firm.

Connectivity with other bodies

The key connectivity will be with the PC in reporting back on BIOB activities and the LT in ensuring appropriate oversight is achieved. There will also be connectivity with the Audit Committee, Quality & Risk Executive and Public Interest Committee.

Assessing effectiveness of the body

The Board will agree objectives annually that are specific and measurable and will regularly review its progress in meeting and delivering the objectives through an annual self-effectiveness review.

Schedule for reviewing Terms of Reference

The terms of reference will be reviewed as part of the effectiveness review on an annual basis. Any changes will be agreed with the PC.

Approved by BIOB in November 2024

Approved by Partnership Council in March 2025