Minutes of the Meeting of the
BOARD OF TRUSTEES
held on Monday, 14 May 2018 at 5.00 pm

Present: Mr Nick Winser (President)
Dr Peter Bonfield
Ms Jayne Bryant
Mr Mike Carr
Professor Bob Cryan (Minutes 1-16)
Dr Simon Harrison
Eur Ing Tom Hlaing
Eur Ing Graeme Hobbs (by telephone) (Minutes 1-17)
Mrs Virginia Hodge
Miss Samantha Hubbard
Professor Alison Noble
Ms Alyssa Randall (by telephone) (Minutes 1-8)

In attendance: Mr Stuart Allan (Director of Human Resources)
Mr Ed Almond (Director of Finance and Planning)
Ms Kelly Bishop (Strategic Planning Manager) (Minute 8)
Ms Alison Carr (Director of Governance and Policy)
Mr Nigel Fine (Chief Executive and Secretary)
Mr Giles Grant (Director of Knowledge)
Ms Hilary Lambert (Director of International Strategic Marketing and Engagement)
Ms Michelle Richmond (Director of Membership and Professional Development)
Mr Andrew F Wilson (Head of Governance)

1. Apologies for Absence

Apologies for absence were received from Mr Andy Bevington, Professor Danielle George, Professor Jeremy Watson and Air Marshal Julian Young.

2. Conflicts of Interest

There were no conflicts of interest declared.

3. Minutes

The Minutes of the meeting held on 27 March 2018 (T(18)M2) were approved and signed as a correct record, subject to the following correction:

Minute 6.1: “Mr Carr” to read “Eur Ing Hlaing”.

4. Actions Taken or Outstanding

Ms Carr introduced and the Board noted a report on actions taken or outstanding since the previous meeting of the Board (T(18)41).

5. Membership Subscriptions

5.1. See confidential Minute.
6. Reserves and Matching Funds

6.1. Ms Carr introduced and the Board noted a proposal for Matching Funds from the IET Reserves (T(18)43).

6.2. The proposal was to use match funding to help secure donations made in the run up to the IET’s 150th anniversary, mindful of the availability of reserves. The concept was seen as a useful tool to attract donors, particularly members, in line with the IET’s mission and charitable objectives. The use of reserves would create a strong and positive message in support of the IET’s celebrations. In respect of the reserves position, capacity existed within the Benefactors Trust Fund and this would be the preferred choice to provide maximum flexibility of reserves in the future. This Fund had a wide scope and, although it has been used for some match funding, in recent years growth of the fund has exceeded distributions. Allocation of £1m to match funding was not expected to constrain existing commitments in the Fund and would still leave scope for the Awards and Scholarships Committee to consider expanding its work.

6.3. Following discussion the Board agreed:

6.3.1. to approve the in-principle proposal to match fund donations in the period 1 July 2018 to the commencement date for the IET’s 150th anniversary;

6.3.2. to approve a maximum to be matched of £1m towards programmes aimed at young and aspiring engineers (including Awards and Scholarships and Education 5-19);

6.3.3. to consider an extension to the sum of £1m on request, if a significant donation was made;

6.3.4. that match funding for donations would apply to any source, including foundations, individual and corporate donors;

6.3.5. that consideration should be given to the source of match funding;

6.3.6. that operational budget needed to be considered to support the delivery of the programmes supported by donations and match funding;

6.3.7. that further work would need to be done to identify the detail of match funding, including the legal position.

7. See Confidential Minute

8. Strategy Working Party

8.1. Ms Bishop introduced and the Board noted a report from the Strategy Working Party (T(18)44).

8.2. The Board had created the Strategy Working Party in September 2017 to review the IET’s strategic approach to maximise positive impact against its charitable objectives within a sustainable financial framework. It had reviewed the IET’s environment within the context of four customer segment groups to provide a structure to the analysis: Practitioner, Industry, Academia and Government and Society.

8.3. The Working Party firstly reviewed inputs from Council. This was followed by a review of the external environment in order to gain an understanding of the landscape to identify the major potential impacts on the IET’s strategy. It then reviewed the internal environment to understand how the IET operated with respect to its external environment. This approach was used to identify areas for further review and make a recommendation to the Board of Trustees on areas for future
focus. During the course of the Working Party sessions, 10 topics of interest were identified and refined by the Working Party before being reduced to four key topics which were developed into recommendations:

- Support to Industry;
- Cross Institution Content – The Intersection Between Megatrends and Technical Breakthroughs;
- Membership and Engagement in a Digital World;
- Supporting Apprenticeships.

8.4. The Board discussed the report and agreed that the recommendations should be presented to the joint Trustees/Council Strategy Meeting on 14-15 June 2018.

9. Know Your Customer

9.1. Ms Lambert introduced and the Board noted a proposal for funding for advance planning of Phase 3 of the Know Your Customer Programme, the IET’s CRM, sales order processing and membership system replacement and process improvement programme (T(18)45).

9.2. The Board approved Phase 2 of the KYC Programme in May 2017 and noted that subsequent requests would be made against the balance of the total programme estimate of £6.5m, subject to reviewing the outcomes from Phase 2. Phase 2 was expected to deliver in November 2018 and Phase 3 would start as soon as possible after that, subject to approval from the Board.

9.3. Following discussion, the Board approved the Phase 3 planning budget request of £180,000 for the Know Your Customer Programme, to be taken from the Phase 3 budget of £1,911,000.

10. International Influencing

10.1. Ms Carr introduced and the Board noted a report on the culture needed for the IET to be an international organisation and the IET’s influence on Governments internationally (T(18)46).

10.2. It was noted that most public policy work in the IET was carried out in the UK through the Strategic Engagement and Partnerships team of staff and volunteers, with Board of Trustees oversight. It adhered to UK charity regulation on campaigning and political activity, was politically impartial, consistent with the IET’s charitable purpose and for the public benefit. There had deliberately been only limited engagement with public policy outside of the UK.

10.3. Following discussion the Board agreed that:

10.3.1. a risk-based approach should be applied to managing government engagement internationally;

10.3.2. the IET’s informing role, through the provision of robust impartial information, was a low-risk activity, which should be carried out without staff involvement;

10.3.3. the IET’s influencing role, where it sought to influence government policy, was a high-risk activity, which should be carried out with the oversight of in-country staff and should not be carried out in politically sensitive countries;

10.3.4. the UK and India were the only countries where the IET sought to influence government policy;
10.3.5. it should maintain oversight of all government influencing through the procedures described in the paper.

11. Terms of Reference

Ms Richmond introduced and the Board noted a proposal for the terms of reference of the Awards and Scholarships Committee (T(18)47). Following discussion the proposal was approved.

(Staff note: T(18)47(revised) is an open paper.)

12. IET Bye-laws

12.1. Ms Carr introduced and the Board noted a proposal for a Bye-laws Review Working Party to consider amendments to the IET’s Bye-laws prompted by the Engineering Council’s latest guidance on Codes of Conduct (T(18)48).

12.2. The Board agreed to establish the Working Party as proposed in the Paper and to appoint Eur Ing Hlaing and Mrs Hodge as members. Depending on the timescale, another Trustee might be appointed to the Working party in October 2018. It would report back to the Board later in the year.

13. Charity Governance Code

13.1. Ms Carr introduced and the Board noted a report on the application of the Charity Governance Code for Larger Charities, which had been adopted by the IET in February 2018 (T(18)49).

13.2. The Board approved the recommended actions set out in the Appendix and noted that there was a very small number of areas where the IET did not follow the recommendations of the Charity Governance Code for Larger Charities. It was also noted that the next Board Effectiveness Survey would be based on the new Code, but would not cover all issues in the Code on a line-by-line basis.

14. Health & Safety

14.1. Ms Carr introduced and the Board noted the annual Health & Safety Report for 2017 (T(18)50).

14.2. Ms Bryant asked about the reasons for the large increase in gas consumption at the Teacher Building. Ms Carr undertook to provide a reply to the members of the Board.

14.3. Dr Bonfield suggested that in future years the title should be changed to Health, Safety & Well-being Report.

15. Chief Executive and Secretary’s Report

15.1. Mr Fine introduced and the Board noted a report from the Chief Executive and Secretary (T(18)51).

15.2. Mr Fine drew attention to the Mountbatten Lecture by Air Marshal Young, to be held on 11 June 2018.

15.3. It was agreed to circulate information about IET events on the International Women in Engineering Day 2018 to the members of the Board.
16. Michael Faraday House

16.1. Mr Almond introduced and the Board noted a progress report on the proposed refurbishment of Michael Faraday House (T(18)53).

16.2. He drew attention to the increase in the budget estimate to £18.2M to accommodate the cost of a more extensive car-park structure, catering enhancements, energy centre, roof insulation & ceiling reconfiguration; as well as some off-setting savings.

16.3. The Board agreed that it should receive a further written report in June 2018 with a view to presenting the proposal for approval to the Board in September 2018. It agreed that this should include further analysis of the comparison with a theoretical sale and new build.

17. IET Fundraising Campaign

The Board noted the annual report on the IET Fundraising Campaign for 2017 (T(18)52).

18. Main Boards

18.1. Dr Harrison gave an oral report as Chair of the Knowledge Management Board.

18.2. Ms Richmond gave an oral report on behalf of the Chair of the Membership and Professional Development Board.

18.3. Mrs Hodge gave an oral report as Chair of the Volunteer Engagement Board.

19. Member Email Alias

19.1. The Board noted a report on the closure of the member email alias service (T(18)54).

19.2. It was agreed that consideration should be given to extending the period between giving notice to members of the closure and the final switch-off of the service.

20. IET Academy

The Board noted an update on the IET Academy (T(18)55).

21. Brand Review


21.2. Following discussion the Board approved the brand implementation project budget of £550k.

22. Classification of Board Papers

22.1. The Board noted that fourteen of the papers that had been considered at the meeting were Private and Confidential. Following the meeting one paper was re-classified as Open. The Private and Confidential papers had been so-classified because they contained:

22.1.1. information relating to negotiations, commercial or otherwise, where disclosure could prejudice the IET’s position, or could prejudice future negotiations of a similar nature;

22.1.2. reference to minutes of or the proceedings or business of a committee or other group which has been marked Private and Confidential by that Board or Committee;
22.1.3. information which if disclosed might result in premature publicity of courses of action that might not, in the end, be followed;

22.1.4. legal advice or Counsel’s opinion, or is otherwise covered by legal professional privilege or concerns active legal proceedings;

22.1.5. information which could be used externally to create legal challenge, reputational risk or commercial advantage.

23. **Date of Next Meeting**

Friday, 15 June 2018 at 1.00 pm at Savoy Place, London WC2.