

24 July 2020

PAPER CLASSIFICATION: OPEN

**Minutes of the Meeting of the
BOARD OF TRUSTEES
held on Wednesday, 15 July 2020 at 6.00 pm
via virtual meeting**

- Present: Dr Peter Bonfield (President) (Minutes 5-12)
Miss Yewande Akinola
Dr Colin Arthur
Dr Ian Belger
Professor Phil Blythe
Ms Jayne Bryant
Mr Mike Carr
Mr Joe Dunn
Professor Danielle George (in the Chair, Minutes 1-4)
Dr Simon Harrison
Dr Andy Harter
Miss Samantha Hubbard
Dr Gopi Katragadda
Ms Dawn Ohlson
Air Marshal Sir Julian Young
- By invitation: Mr Neil Burton (Mills & Reeve LLP) (Minute 4)
Ms Fiona Condon (BDO LLP) (Minutes 4-5)
- In attendance: Mr Ed Almond (Director of Finance and Planning)
Mr Richard Best (Director of IT and Digital Services)
Mr David Bunyan (Group Financial Controller) (Minutes 4-5)
Ms Morna Dason-Barber (HR Director)
Mr Simon Edwards (Director of Governance and External Engagement)
Mr Nigel Fine (Chief Executive and Secretary)
Mr Giles Grant (Director of Knowledge)
Ms Eloisa de la Maza (Governance Executive)
Mr Dom Pickersgill (General Counsel) (Minutes 4-5)
Mr Andrew F Wilson (Head of Governance)

1. Apologies for Absence

Apologies for absence were received from Ms Alyssa Randall.

2. Conflicts of Interest

Mr Almond, Dr Arthur, Mr Fine, Mr Grant and Dr Harrison declared that they were directors of IET Services Limited.

3. Minutes

The Minutes of the meeting held on 5 June 2020 (T(20)M5) were approved and signed as a correct record.

4. Equity Subscription Proposal

- 4.1. Mr Edwards introduced and the Board noted a proposal to provide funding to IET Services Limited (T(20)52).
- 4.2. The COVID-19 pandemic had brought into particular focus the assessment of the going concern of the IET and its subsidiary companies. Major activity sets of IET Services Limited, notably its venues business carried on at Savoy Place and Austin Court and its events portfolio, had been severely hit as a result of following the government's instructions in relation to COVID-19. With a very significant downturn in activity, it was clear that IET Services Limited was undercapitalised.
- 4.3. A Funding Proposal document had been prepared for the IET to subscribe for an additional £500k of share capital in IET Services Limited at par in two tranches of £250k (Appendix A to T(20)52). The Directors of IET Services Limited had met on 14 July 2020 and had agreed to submit the proposal to the Board of Trustees.
- 4.4. The Board noted the Qualifying Investment Report jointly drafted by IET staff and Mills & Reeve LLP (Appendix B to T(20)52), based on figures prepared by the IET's Finance & Projects Team, which indicated that:
 - 4.4.1. in the view of the IET, steps had been taken to manage the commercial risks in such an investment down to an acceptable level;
 - 4.4.2. in the view of Mills & Reeve LLP, the necessary legal requirements had been satisfied for an approved charitable investment.
- 4.5. It was noted that Mills & Reeve LLP had advised modernising the Articles of Association of IET Services Limited to reflect a format aligned to the Companies Act 2006 (Appendix F to T(20)52). The revision has been agreed by the Directors of IET Services Limited.
- 4.6. Following discussion the Board approved:
 - 4.6.1. the subscription by the IET for additional share capital in IET Services Limited of £500,000 and in connection therewith;
 - 4.6.2. the Joint Report by the Institution of Engineering and Technology (the IET) and Mills & Reeve LLP in connection with a proposed equity investment by the IET in IET Services Limited (Appendix B to T(20)52);
 - 4.6.3. the entry into the Subscription Agreement (Appendix C to T(20)52);
 - 4.6.4. the signature of the Letter of Application by the IET for allotment of shares in IET Services Limited (Appendix D to T(20)52);
 - 4.6.5. as sole shareholder, the revised Articles of Association of IET Services Limited (Appendix E to T(20)52);
 - 4.6.6. the Written Resolution in connection with the new Articles of Association of IET Services Limited (Appendix F to T(20)52).

5. Audit and Risk Process Committee

- 5.1. Professor George introduced and the Board noted a report from the Audit and Risk Process Committee (T(20)53).

- 5.2. Mr Bunyan gave an oral report on the Trustees Annual Report and Financial Statements for the year ended 31 December 2019 and explained the changes which had been made since the draft had first been presented to the Board of Trustees in March 2020.
- 5.3. It was noted that the Staff Letter of Representation to the Board of Trustees had not been signed by the Chief Executive and Secretary, but it would be circulated to the Trustees after signature.
- 5.4. Following discussion the Board approved:
 - 5.4.1. the Trustees Annual Report and Financial Statements for the year ended 31 December 2019 (Appendix B to T(20)53);
 - 5.4.2. the Letter of Representation to the auditors (Appendix C to T(20)53);
 - 5.4.3. the Annual Returns to the Charity Commission for England & Wales and the Office of the Scottish Charity Regulator (T(20)57).

6. Nominations and Succession Committee

- 6.1. The President introduced and the Board noted the proposals from the Nominations and Succession Committee for the award of Honorary Fellowships in 2020 (T(20)54).
- 6.2. Several Trustees commented on the process which had been followed by the Nominations and Succession Committee and the Working Party which had reviewed the nominations received. The in depth review had brought to light a number of proposals to improve the procedure in future years.
- 6.3. Following discussion the Board approved the proposals for the award of Honorary Fellowships in 2020.

7. Members Annual Information Event

- 7.1. Mr Wilson introduced and the Board noted the proposal for the notice for the Members Annual Information Event, including the Annual General Meeting of the Institution of Engineering and Technology, to be held in September 2020 (T(20)55).
- 7.2. The Board noted that the Charity Commission had advised that because of the effects of the COVID-19 pandemic, charities might need to hold their Annual General Meetings differently in 2020 and vary from the details specified in a charity's governing instrument. Following discussion, the Board agreed that it would not be possible to satisfy the requirements in the Bye-laws for a quorum of 25 Members and Fellows attending in person. Nevertheless, the Members Annual Information Event, including the Annual General Meeting of the Institution of Engineering and Technology, should be held as a virtual event for the benefit of the membership. It was suggested that the event should be more interactive than in previous years.
- 7.3. Following discussion the Board approved the notice for the Members Annual Information Event.

8. Company Directors

- 8.1. Mr Wilson introduced and the Board noted the proposal for the appointment of company directors (T(20)56(revised)).
- 8.2. Following discussion the Board approved the following appointments of company directors:

- 8.2.1. Dr Bicky Bhangu as director of IEE Conventions Limited, from 1 October 2020;
- 8.2.2. Dr Bicky Bhangu as director of IET Services Limited, from 1 October 2020;
- 8.2.3. Mr E L Almond, Mr N Fine, Mr G J Grant, Dr G Katragadda, Mr I Mercer, Mr S Sanyal and Mr S M Verghese as directors of IET Solutions (India) Private Limited.

9. President's Address

Professor George reported that in consideration of COVID-19, her President's Address on 8 October 2020 would be presented as a virtual event.

10. Feedback on Board Meeting

The President invited Trustees to give feedback on the Board of Trustees meeting.

11. Classification of Board Papers

11.1. The Board noted that four of the papers that had been considered at the meeting were Private and Confidential. The Private and Confidential papers had been so-classified because they contained:

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

11.1.2. 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;

11.1.3. information which if disclosed might result in premature publicity of courses of action that might not, in the end, be followed;

11.1.4. legal advice or Counsel's opinion, or were otherwise covered by legal professional privilege or concerned active legal proceedings;

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

12. Dates of Next Meetings

12.1. Wednesday, 19 August 2020 at 2.00 pm (refurbishment project virtual workshop).

12.2. Monday, 7 September 2020 at 4.00 pm (virtual meeting).