

Nuclear Institute Annual General Meeting

16:00, Thursday 19 September 2019

The Engine Rooms, Birchwood Park

Minutes

1. The President Elect, Gwen Parry-Jones, opened the meeting and thanked everyone for attending. She noted the lack of gender diversity on the top table, all three being female, unusually. She thanked the members for attending of whom 27 signed the attendance sheet.
2. The President Elect outlined some of the key achievements in 2018 including the review of the NI's governance by an external independent consultant as well as growth in both membership and events income. As well as the report and accounts detailing achievement the President Elect also pointed to the new user-friendly Annual Report which had been circulated at the AGM and can also be found [online](#). She thanked staff and volunteers for their efforts.
3. The President Elect noted that a motion had been put forward by 14 members to trustees in July to the following effect: "The trustees are requested to provide a detailed practicable plan of how they intend to ensure the survival of the Nuclear Institute and that it delivers the obligations under its charitable objectives, supported by credible contingency arrangements, by the end of 2019." She noted that the trustees had been in full agreement with the sentiments of the motion so it was not necessary to put it to the AGM for a vote. Additionally, it was confirmed that the Board of Trustees had decided to put together a small working group comprising a number of trustees and to which a representative of the 14 members had been invited. The terms of reference had recently been drafted and would be reviewed by the group on their first meeting. The group would be led by the President and would report to the full board by the end of December 2019. Key actions will be shared with the membership via the normal business cycle in the early part of 2020.
4. The President Elect responded to some of the issues raised by the group of 14 members with a presentation which explained that the problem of declining reserves was not a new one and something which successive boards have failed to get to grips with. The earliest example was a decision by the 2009 board to drawdown £200,000 of reserves with a five-year plan to replace them which was never realised.
5. The slides analysed the NI's performance in several key areas apart from the declining reserves which demonstrated that until 2015 actual performance lagged some way behind the budget and only in 2016 did this start to turn around. We were

unable to beat our budget predictions from 2013 to 2015 but in the last three years we have exceeded or only slightly (this year by £4k) not beaten the budget.

6. The key areas of performance that had contributed to the long-term decline in reserves included:
 - Trading surplus – 2016 and 2018 were the two best performing years in the last six years.
 - Investment performance – in 2014 and 2015 poor investment performance was matched by even poorer operational performance however more recently poor investment performance has been overcome by much stronger operational performance.
 - Average staff costs – these have increased by just over 15% in six years – current average of c.£44k includes all on-costs plus staff training costs.
 - Office costs – these have remained virtually unchanged since moving out of Allan House in 2013.
 - Audit costs – there was a period from 2014-2015 when costs escalated due to lack of internal capability.
 - Education and training costs – these have generally climbed at a time of increasing deficits – the E&T Committee has attempted to set more realistic budgets more recently.
7. By contrast, the other areas that were showing promise in recent years were membership growth, which had flatlined until 2016, and membership income which was finally growing. Trustee attendance at board meetings had also increased since 2014 and this had helped with sound decision-making.
8. The President Elect reaffirmed the board's belief that it is appropriate to review our future prospects and options and understand members' concerns on this critical matter.
9. The CEO, Sarah Beacock, provided a review of the year so far (2019) and a review of the key focus areas for 2020. A key part of the plans would be to increase the engagement across the membership and particularly with younger members who would be the driving force for the NI's next stage of development.
10. Honorary Treasurer, Nicola O'Keeffe, reviewed the 2018 accounts which included the increased income from membership (£222,771) and reduction in operating costs (£664,289). Trading income had increased to £836,262 whilst cost of sales reduced to £526,964. Investments had performed well below expectations which had an impact of around £45k on the deficit. Due to the impact on the reserves the board had reviewed and updated its reserves policy which would provide a trigger point at which action would be required. The plan for 2020 was to aim for a break-even position.

11. Special resolution: Vote to adopt the revised Articles of Association

The President Elect noted the reasons for updating the Articles at this point, due to the previous Articles having been drafted in 2009 and recognition of the fact that there had been many changes to charitable law and good practice since that time. The focus of the governance review was therefore on bringing us up to current good practice. The committee structure of the NI was also reviewed at the same time but only the Articles of Association require adoption in general meeting. The resolution was proposed by Gwen Parry-Jones and seconded by Mark Salisbury and by show of hands a majority of members voted in favour of adopting the Articles (15 votes for; 0 votes against with a further 9 proxies in favour/requesting the Chair to cast their vote).

12. The President Elect requested questions from attendees:

Frances Yates asked about plans to gain more members and retention of members – it was noted that there was still a high level of turnover of both young members and those approaching or already retired. The main reasons for lapsing membership tended to remain as ‘left the industry’ or ‘retired’. To try and improve the situation we intend to look particularly at the membership benefits for younger members to encourage them to remain as members and in particular to upgrade to a professional grade of membership.

The CEO pointed to a number of recent surveys and engagement activities to seek the views both of current members and lapsed members. These views are helping inform our plans.

On the motion about the NI’s sustainability – Kirk Mayer thanked the President Elect for the full, clear responses to the concerns of the group of 14 members who had submitted a motion to request a sustainability plan, and for the prompt actions that continue to be taken by the Board. He welcomed the decision to set up a separate sub-group with a specific remit to consider the NI’s future as well as the invitation to a member of the 14 concerned members to be a representative on that group.

Ali Tehrani thanked the Trustees for commissioning and sharing the recent governance review. He asked if the NI was benchmarked against equivalent organisations as a part of this process, and if so, did this show the NI as ‘outlier’?

The CEO advised that drawing conclusions regarding financial health was not specifically within the remit of the governance review, however it did include checking current practice against Charity Commission guidance. She noted that 42% of charities have no reserves, although this may not be the most appropriate benchmark to consider. Instead, we have benchmarked against other membership bodies, which confirmed the challenges facing the NI are not unique and that our position aligns with other, similar sized bodies.

Ali Tehrani also noted the good progress in recent years but asked about the confidence with regard to the level of reserves. The Hon Treasurer explained that the revised reserves policy had been set on the basis of the risk register to determine the costs that would need to be covered. Whilst still a challenge to retain reserve levels this method gave a certain level of confidence around the triggers that would require more fundamental action. However the challenge around performance of investments was also fundamental and something that was largely out of our control.

Ian Currie commented that the challenges facing the NI reflect many of the challenges facing the nuclear industry, with a number of NNB projects currently suspended and facing an uncertain future. He posited that the challenge may be too big to turn around and asked if Trustees had considered the option to merge with a larger institution.

The President Elect noted the suggestion as one possible option and advised that when agreeing the ToR of the Working Group they will be able to take this option on board.

Robert Alford asked about plans to make best use of a circa £40k underspend on the 2019 E&T budget. The CEO highlighted the important role the E&T Committee needed to play in agreeing priorities and delivery plans. There is a need to re-energise the committee, with input from local branch representatives. In 2018/19, the committee had decided to have a more local focus reduce costs while maximising impact.

However it is important that we are demonstrating impact and value, including possibly options to work with other programmes to maximise impact as well as how to measure that impact in terms other than financial.

The Honorary Treasurer acknowledged the tension between controlling spending and maintaining a visible programme of activities. She pointed to the decision to move to local low cost, high impact activities as an example of thinking differently. Other options may include seeking company support for initiatives, training, etc.

The CEO commented that we tend to think of our charitable activities as being STEM outreach, engaging the next generation and other related events. In fact, the full range of NI activities support our charitable aims, including promoting nuclear professionalism in the overarching context of protecting the public.

Ali Tehrani suggested that it might be useful to provide more than the required two weeks' notice in future for consideration of large documents like the revised Articles of Association. The President Elect noted the concern and would ask that trustees take this into account with any proposed changes in the future.

Tim Soetens asked about the role Small to Medium Sized Enterprises would have in the NI's future plans? The CEO confirmed that engagement with companies of all



sizes was a key part of the NI plans, including the growth of Corporate Memberships and involving companies in the NI communities, as active supporters and contributors. She advised interested organisations to contact the NI Stakeholder Engagement Manager (a.mcivor@nuclearinst.com).

13. There was no other business. The President Elect thanked everyone for their contributions and closed the meeting at 16:50.

Members present:

In person – Gwen Parry-Jones (President Elect), Nicola O’Keeffe (Hon Treasurer), Neil Thomson, Mark Salisbury, Alastair Laird, Ian Currie, Kirk Mayer, Ali Tehrani, Mike Roberts, Alys Gardner, Robert Alford, Tim Soetens, Henry Preston, Rebecca Walker, Caroline Engevi, Hannah Paterson, Andrew Butcher, Keith Carter, Frances Yates, Catriona Hudson, Saralyn Thomas, Georgia Pawson, Zara Hodgson, Laurence Williams, Sarah Beacock (CEO), Andy McIvor (Stakeholder Engagement Manager), Amy Hitchcock (Events Assistant)

Attending remotely – Mehdi Askarieh, Iain Gray.