

AGM minutes

THE INSTITUTION OF CHEMICAL ENGINEERS

Minutes of the Ninety Ninth Annual General Meeting

The NINETY NINTH Annual General Meeting of The Institution of Chemical Engineers was held as a fully virtual meeting on 14 June 2021.

PRESENT:

In addition to Professor S M Richardson (President) in the Chair, Ms L J Cutler (Deputy President), Mr I J Martin (Honorary Treasurer) and Mr J L Prichard (Chief Executive), 57 Voting members of the Institution attended the meeting. 15 non-Voting members and 10 non-members were also in attendance

APOLOGIES for absence were received from two members (a further 44 members registered but did not join the meeting).

NOTICE:

The President welcomed all members to the Ninety Ninth Annual General Meeting, introduced those on the 'virtual' platform, declared a quorum present and the meeting formally open at 08:05. The Chief Executive then read the notice convening the meeting.

DEATHS:

Members observed a minute's silence as a mark of respect for those members whose deaths had been recorded during the period 1 June 2020 and 31 May 2021. Special mention was also made of the Institution's Royal Patron, HRH The Prince Philip, Duke of Edinburgh, who had passed away on 9 April 2021.

MINUTES:

The motion was proposed by Mr Ken Rivers that the minutes of the Ninety Eighth Annual General Meeting held on 15 June 2020 and published in the April 2021 issue of *The Chemical Engineer*, should be noted as a correct record of the meeting. This was seconded by Mr Ainslie Just before being put to the vote. The motion was carried (37 votes in support; 1 against; 1 abstention) and the President confirmed that the minutes were duly approved as a correct record.

ANNUAL REVIEW:

Turning to the Annual Review, the President remarked that he could never have predicted that the majority of his time in office would be dominated by a global pandemic. Despite this he was extremely proud of IChemE's response when confronted with the biggest health crisis of our time, and its ability to continue its ambitious targets under Strategy 2024 through an incredibly uncertain year.

Highlighting how chemical engineering touched every part of society, it was a credit to the Institution's members that a team of volunteers reacted promptly to form a COVID-19 Response Team, which utilised the specialist experience and skills held by chemical, biochemical and process engineers, supported by other disciplines, to make a vital contribution to the response to the pandemic.

He wished to thank everyone involved, both IChemE members and staff, in continuing to deliver member services, which had been enabled mainly by a substantial increase in virtual activities. It was recognised that the transition to virtual operations in rapid timescales had been achieved as a result of previous investment in business systems.

A key project during 2020 had been the transition to a new contact relationship management system and although some members had experienced minor issues with the changes as part of the transition process, once it was fully in place the new system would allow better integration with the other new applications across the Institution's operations.

IChemE had continued to make significant progress in a number of priority areas, most notably in respect of climate change, which had culminated in the publication of the Institution's position statement in November.

Maintaining the Institution's reputation for upholding standards remained a priority and significant progress had been made during the year on Programme SMART, with a new three stage process for membership applications being trialled before the full launch in 2021.

The President expressed his gratitude to the Chemical Engineers Benevolent Fund for the increased support it had provided to chemical engineers in need as it realised that the pandemic had caused hardship for some of our members.

Finally, the President acknowledged the immense support of the Institution's many volunteers without whom much of the progress made during the past year would not have been possible.

The activities described in the Annual Review were all driven by the Institution's enthusiastic members across the world, working hard to demonstrate professional and technical leadership, addressing global challenges and helping to deliver a safer, more sustainable profession and society.

TRUSTEES REPORT & FINANCIAL STATEMENTS:

Professor Richardson then invited Mr Martin to read the Auditor's Report and present the Trustees Report & Financial Statements for the year ended 31 December 2020.

Initially reflecting on his presentation the previous year when there had been considerable uncertainty over how the Institution would be affected financially as a result of the pandemic, the Honorary Treasurer was pleased to report that the Institution had ended the year in a positive position.

Mr Martin confirmed that the accounts had been put together in accordance with the UK Accounting Standards. The accounts and the internal controls in place had been scrutinised and verified by the Institution's independent auditors, RSM, and had been given a clean bill of health with no audit or accounting issues identified. He thanked the Finance & Business Support Director for once again achieving a good audit report.

While the accounts and notes were presented in significant depth in the annual report, the Honorary Treasurer focused on a number of key points.

Despite the Covid impact on both income and expenditure, IChemE had realised a net income of £421k at the end of 2020, significantly better than anticipated at the time of the last AGM.

IChemE remained grateful for the continued support of its members which allowed the acceleration of some of the strategic initiatives that had been paused in order to conserve funds.

The major impact of lockdown had been on the Institution's ability to run face-to-face courses and conferences which had led to a nearly £1.4m reduction in revenue. A re-working of the training programme by the commercial team to a more online offering proved successful, broadened access and set out an approach that the Institution would continue to build on going forward. The fall in revenue for courses and conferences had to some extent been offset by the reduction in the cost of delivery and this had been the most significant reason that overall the Institution's financial position had remained stable over the year.

The Honorary Treasurer provided an explanation of the situation regarding reserves, which were complicated by both the pension deficit and restrictions placed on legacy income as well as the Institution's wish to separate funds for specific purposes into designated funds.

The IT transformation project remained well managed and controlled and during 2020 £321k of the £1m set aside as a designated fund for this purpose had been spent. Phase 2 of the project would build on these foundations and would be focussed on enhancing and delivering value to members and would run through to 2022.

In relation to pension obligations, the Institution continued to progress the agreed recovery plan for the closed defined benefit pension scheme. While investments within the pension fund had performed well, increasing by 14.6%, unfortunately this has been more than offset by the lower bond rates which are used to determine the future expected obligations. The next triennial valuation was ongoing and further discussions would be held with the pension trustees. However, initial indications showed some improvement compared to the deficit shown in the 2020 accounts. The Institution's aim continued to be to address the existing funding obligations whilst ensuring it was able to fully achieve its aims as a charity to its members and to society.

The level of unrestricted reserves freely available at year end stood at £5.27m, an increase of £348k compared to the end of 2019. This was in excess of reserves policy which currently aimed at minimum reserves of £3.7m. The Trustee Board had considered the level of reserves held at year end and considered them to be sufficient to protect the Institution from the risk of insolvency or serious disruption to its work.

Finally, Mr Martin expanded on the support provided by the Chemical Engineers Benevolent Fund. The Fund, which was independent of the IChemE, was grateful to everyone who had generously donated and this had enabled a significant increase in support over the past year with 35 cases being raised, the majority receiving some assistance either as gifts, grants or loans. More recently the Fund had been working closely with IChemE to create a Career Solutions webinar series for graduate members and other members looking to transition between sectors.

In closing, the Honorary Treasurer confirmed that the Institution remained financially healthy despite the pandemic. The Chief Executive and his team had moved quickly to control costs and then to rebuild commercial activities with a stronger virtual bias. The Institution had continued to invest in IT and other elements of its strategy and the Trustees had recently agreed to build additional funds into the budget in order to support the acceleration of Phase 2 in order to enhance the benefits to its members.

APPOINTMENT OF AUDITORS:

The motion was proposed by Professor Jarka Glassey that RSM (UK) should be re-appointed as the Institution's auditors for the next session, and also that the Board of Trustees should be authorised to determine the Auditor's remuneration for the year ended 31 December 2021. This was seconded by Mr Mark Sutton before being put to the vote.

The motion was carried (42 for; 3 against; 2 abstentions) and the President confirmed that RSM UK Audit LLP would be duly appointed as the Institution's auditors for the next session and that the Board of Trustees were authorised to determine the Auditor's remuneration.

ELECTION OF HONORARY OFFICERS AND BOARD OF TRUSTEES:

The Chief Executive reported that eight vacancies had been announced in the call for nominations: the roles of Deputy President, Honorary Treasurer, Vice President (Qualifications), Vice President (Learned Society), Vice President (Member Engagement) and three Ordinary Members.

Two eligible nominations had been received for the role of Deputy President, two for the role of Vice President (Learned Society) and seven for the three Ordinary Member vacancies. Only one eligible nomination had been received for the remaining roles. The Nominations Committee had considered the applications against the person specifications set out in the role profiles and confirmed that all candidates satisfied the requirements.

While a ballot had not been necessary for the Honorary Treasurer, Vice President (Qualifications) and Vice President (Member Engagement) positions, a ballot of the Voting Members had been held for the Deputy President, Vice President (Learned Society) and Ordinary Member vacancies. The turnout in the election had been 8.2% and the results were declared as follows:

Deputy President: David Bogle (536 votes); Max Lu (470 votes); **Vice President (Learned Society):** Alexandra Meldrum (625 votes), Keith Plumb (364 votes); **Ordinary Members:** Wendy Wilson (581 votes), Macsene Isles-Ahite (485 votes), Mark Sutton (387 votes), David Edwards (358 votes), Sanjoy Sen (331 votes), Toby Chancellor-Weale (263 votes), Alexander Routh (191 votes).

The Chief Executive then announced the confirmed appointments for the 2021/2022 year

PRESIDENT: Ms L J Cutler; **DEPUTY PRESIDENT:** Professor I D L Bogle; **HONORARY TREASURER:** Mr I J Martin; **PAST PRESIDENT:** Professor S M Richardson; **ORDINARY MEMBERS OF COUNCIL:** Mrs M D Isles-Ahite; Mr D M Sutton; Mrs W J Wilson; **CO-OPTED MEMBERS:** Dr R J Best (Vice President – Qualifications); Ms A Meldrum (Vice President – Learned Society); Mrs A Hosey (Vice President – Member Engagement); Professor P Ashman; Dr J V Atkinson

Finally, the Chief Executive announced the results of the elections held for the vacant seats on both Congress and the Learned Society Committee:

Congress: Chartered Member representatives (2 seats): M Talford, S Stanbridge; Early Career representatives (2 seats): H Hussien, F McIntosh

Learned Society Committee: Ordinary Members (4 seats): A Lake, S Flynn, H Tong Chua, A Dickson. An additional seat had become available during the election period as a result of a resignation and a fifth seat was awarded to H Furlonge who had received the next highest number of votes in the election.

ANNUAL REPORT OF ICHEME CONGRESS:

The President invited the Chair of Congress, Mr J N Hirst, to introduce the annual report of Congress activities.

Mr Hirst reported that while the operations of IChemE had been restricted by Covid regulations, the virtual nature of Congress meant that discussions had been able to continue as normal. Three sessions had been held over the past year with topics for discussion including, amongst others, the Climate Change statement, the Institution's 'value proposition' to members, the Equality, Diversity and Inclusion statement, and the commercial strategy. During the coming year, efforts would be made to increase member interaction with Congress.

Congress had robustly represented members' views and the Trustees had been receptive to the ideas and comments put forward. A prime example of Congress suggestions being welcomed and acted on was the transition of the Regions Committee to the nascent Member Engagement Committee. However, it was with some sadness that he reported that the majority of Congress comments on the Climate Change statement had not been adopted by the relevant committee.

Following the recent elections, Mr Hirst was pleased to welcome the eight new members which had brought the total Congress membership back to 34 out of 40 available seats. The interest in Congress of members in the early stages of their careers was particularly heartening.

An important part of Congress's role was to assess and report on the Institution's business strategy and accounts. While these had been adversely affected by the pandemic, Congress commended the work of the Trustees and the management team in controlling costs to a better than break-even position.

Finally, Mr Hirst was pleased to report that there had been a new focus on supporting members and he thanked the staff at Rugby for their wholehearted backing, without which Congress could not function, and for their patience and dedication in coming to terms with remote working.

QUESTIONS ARISING FROM THE ANNUAL REVIEW, FINANCIAL STATEMENTS OR CONGRESS REPORT:

The President then asked for members' questions arising from the Annual Review, financial statements or report of Congress.

Referring to the Congress report, Mr Ian Kemp (FICHEM) asked why the climate change recommendations submitted by Congress had not been accepted.

The President responded by advising that a tremendous number of comments had been received from the membership through Congress, the Learned Society Committee, Member Groups and individual members. The final position had been a majority view and a report in *The Chemical Engineer* earlier in the year had provided the proportions of members voting in different ways.

The Chief Executive further explained that Congress was representative of the membership but because the Energy Centre had decided to undertake a consultation of the wider membership in August, this had effectively resulted in two consultations of the membership which, together with responses from different representational groups, had meant the responses had been difficult to reconcile. The Institution had learned a lot from the consultation and realised there was a need to

be clear with the membership at the outset. It was acknowledged that a mistake was made on this occasion and this had been taken on board for future consultations.

Mr Robert Peeling (FICHEM) asked whether, given the large number of Trustees that had been elected this time, there were plans in place to adjust terms of office to ensure a sustainable management of changes to Trustees in the future.

The Chief Executive explained that the Nominations Committee had been asked to look at terms of office during the election period but because the terms had already been specified in the role profiles they would not foreshorten any of the current terms. The Committee would review the issue with a view to adjusting some terms of office to avoid wholesale changes of Trustees at one time in future elections.

Responding to a question from Mr Andrew Bailey (MICHEM), the Chief Executive advised that the By-laws articulated the requirement for two regional members. The UK Board had not sat for a period and as Jane Atkinson had been the last person to be elected as Chair of the UK Board, on this occasion the Trustees had agreed that the term would be rolled over, in particular to allow time for the Regions Committee/Member Engagement Committee to confirm the valid structures for member representation on a geographical basis moving forward.

Mr Haji Alhaji Mohammed (MICHEM) asked what IChemE was doing to provide synergy for chartered members across less developed countries, such as Nigeria.

The Chief Executive responded by reporting that a paper on Business Architecture principles had been presented to the Board of Trustees. As part of the migration from the Regions Committee to the Member Engagement Committee discussions were taking place to look at how the Institution would communicate both the migration and the Business Architecture principles to members. The significant resource committed over the last three years to IT investment had enabled the Institution to consolidate its Customer Relationship Management (CRM) database. It was not possible for the Institution to provide physical support in every location but by delivering more digital content it would provide the same access to all resources to every member wherever they were in the world, as long as they had an internet connection.

Finally, in response to the question raised by Professor Geoff Maitland (FICHEM) as to whether the increase in funds allocated by the Board of Trustees to digital projects was part of the original £1m set aside, the Honorary Treasurer advised that it fell within the remit of Phase 2 of the project and would be part of the additional £500k that was set aside at the end of 2020.

The President thanked members for their questions.

DECLARATION RESULTS OF THE POLL ON THE SPECIAL RESOLUTIONS:

The Chief Executive declared the results of the poll taken ahead of the meeting in relation to the proposed amendments to the Royal Charter and By-laws as follows:

Special Resolution 1 : Changes to Royal Charter

Votes in favour : 893 (88.6% of votes cast)

Votes against : 66 (6.5% of votes cast)

Abstentions : 49 (4.9% of votes cast)

Special Resolution 2 : Changes to By-laws

Votes in favour : 847 (84.1% of votes cast)

Votes against : 88 (8.7% of votes cast)

Abstentions : 72 (7.1% of votes cast)

The Chief Executive confirmed that the resolutions had received a clear majority exceeding two-thirds of the votes cast, and subsequently declared that both resolutions were duly carried.

FORMAL HANDOVER:

Professor Richardson thanked all IChemE members for their support throughout his term in office and wished Ms Cutler well as she lead the Institution into its centenary year. Professor Richardson then handed over the Chain of Office to Ms Cutler and congratulated her on becoming IChemE's 80th President.

VOTE OF THANKS:

Ms Cutler called on Dr Andrew Jamieson who proposed a vote of thanks to the President, Honorary Officers, retiring members of the Board of Trustees and retiring members of Congress.

Dr Jamieson remarked that the Institution was an organisation which depended very heavily on the willingness of members to give up their time to commit to various activities, none more so than being a member of the Board of Trustees.

On behalf of IChemE's members, he expressed his sincere thanks to Mr Ken Rivers who was retiring as Immediate Past President, to Mr Ainslie Just, Professor Jarka Glassey and Mr Tom White, who were retiring as the Vice Presidents for Qualifications, Learned Society and Regions respectively, and also to Mr Keith Plumb at the end of his term as an Ordinary Member. He also extended his thanks and appreciation to the three retiring members of Congress.

Finally, he thanked Professor Stephen Richardson who, although not retiring from the Board, was stepping down from his extended term as President. At the start of his presidency Professor Richardson had made the stated intention that he would be available to listen to members and to respond, and Dr Jamieson remarked that he had done just that.

In closing he wished Ms Cutler a successful year in office as she assumed the role of President.

CLOSURE:

The President, Ms L J Cutler, declared the meeting closed at 09:00.