

INSTITUTE OF PHYSICS COUNCIL

Minutes of the meeting of the IOP Council held at 10.30am on
 24 July 2019, IOP Council Room, 37 Caledonian Road, London, N1 9BU

Present

Dame Julia Higgins (JH)	President, <i>Chair</i>
Jonathan Flint (JF)	President-elect
Julian Jones (JJ)	Honorary Treasurer
Brian Fulton (BF)	Honorary Secretary
Carol Davenport (CD)	Vice-President for Education
James McKenzie (JMCK)	Vice-President for Business
Mark Telling (MT)	Vice-President for Membership
Sarah Thompson (ST)	Vice-President for Science & Innovation
Tariq Ali (TA)	Member
Jim Al-Khalili (JAK)	Member
Tamara Cleford (TC)	Member
June McCombie (JMcC)	Member
Wendy Flavell (WF)	Member
Becky Parker (BP)	Member
Deborah Phelps (DP)	Member
Neil Thomson (NT)	Member
Anne Tropper (AT)	Member
Peter van der Burgt (PvdB)	Member

Apologies

David Boyce (DB)	Member
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In attendance

Paul Hardaker (PH)	Chief Executive Officer
Rachel Youngman (RY)	Deputy Chief Executive
Tony McBride (TMB)	Director of Policy and Public Affairs
Mike Bray (MB)	Chief Finance Officer
Gill Marcus (GM)	Governance Adviser (<i>Minutes</i>)
Steven Hall (SH)	Managing Director of IOP Publishing
Tony Slater (TS)	Mi-Voice Delivery Director (Item 4.1.1)
Lauren Evans (LE)	Mi-Voice Business Support Executive (Item 4.1.1)
Liz North (LN)	Head of Communications & Marketing (Item 5.1)

Closed Session

The meeting commenced with a trustee-only closed session.

1 WELCOME, APOLOGIES & GENERAL UPDATES

1.1 JH welcomed all to the meeting. Apologies had been received from DB.

1.2 It was noted that items 6.3 and 6.11 were unstarred on the agenda and would be discussed later in the meeting. Item 6.12 would also be discussed.

UKRI review of open access policy

1.3 SH presented a general update in respect of the UKRI review of open access policy, and explained that there would be much activity in this area before Council was due to meet again. PH noted that before Council was due to meet again in November, the IOP would be working with the Royal Society and other learned society publishers to discuss the future of Open Science, including Open Access and the important role of the learned societies in this. A comprehensive briefing with progress would be presented to Council in November as part of IOPP's annual Council update.

2 DECLARATIONS OF CONFLICT OF INTEREST

No conflicts of interest were declared.

3 MINUTES OF LAST COUNCIL MEETING (2 MAY 2019) & ACTION STATUS REPORT**3.1 Minutes of last Council meeting**

The minutes of the last Council meeting held on 2 May 2019 were agreed as a true record of the meeting and JH was requested to sign them.

3.2 Minutes of last Council meeting for website publication

The redaction of the minutes of the last Council meeting held on 2 May 2019 was agreed.

3.3 Action Status Report

The Action Status Report was noted.

4 GOVERNANCE**4.1 Update on AGM resolutions & Council election results**

There were six vacancies to fill on Council. The results had been made available on 22nd July and the following elected.

- President-elect, Sheila Rowan with 61% of the vote.
- Honorary Treasurer, David Delpy with 55.7% of the vote.
- Vice-president for Science and Innovation, Martin Freer with 59.5% of the vote.

The single transferable vote which took place to select the three Ordinary Council members had resulted in the following being elected: Alix Pryde; Martin Hendry; and Gayle Calverley-Miles. Council noted the backgrounds of each of the three Ordinary Council members and noted that both the gender and skills balance of Council had

been maintained.

4.1.1 **Analysis of Council election process**

Tony Slater (TS), Delivery Director and Lauren Evans, Business Support Executive, of Mi-Voice joined the meeting. TS spoke to a presentation and the following was noted.

- The year-on-year comparison set out in the presentation was based on the actual number of votes cast and showed a downward trend which had first started in 2010.
- In general, the more candidates in the ballot, the greater the impact this should have on turnout. However, having many candidates in a ballot can also discourage voters from using all their votes.
- The number of non-transferable votes at the final stage was only 17.9% of the total, which was a good result.
- There seemed to be an element of the electorate which was less engaged. Council believed this to be the student population. The presentation slide showing votes by membership grade supported this. Changing the Bylaws to empower more members to vote had not yet translated into votes. Ideally the IOP hoped to see a 20% to 30% turnout. Analysis of the data by demographics would be helpful and it was agreed that the Executive and Nominations Committee would review this at the next Nominations Committee meeting in November 2019.
- It was noted that the three Ordinary Council members elected under the STV methodology would have also been elected under a first past the post system if members had voted in the same way. However, it was acknowledged that STV may change voting behaviour.
- The scrutineers, JMcC and DP would pass on some recommendations for improving the process in future to TS.
- It was agreed, at the AGM to be held later that day, that the three Ordinary Council appointees would be announced in alphabetical order and there were no plans to provide further voting information more widely as this may only serve to confuse. However for archive purposes the elimination process carried out at each stage of the STV process would be retained.
- Council noted that a member had raised 2 concerns in relation to the process: first, that a March 2019 email had given the close date for voting of 17 July and subsequently the voting period was extended to 22 July. Second, the member had challenged Council's ability to move to a STV methodology. It was noted that the process had been compliant with the Bylaws and a reply had been sent to the member stating this, amongst other clarifications.

4.1.2 The two formal AGM resolutions (re-appointment of PWC as auditors and membership subscriptions for 2020) had been passed with a large majority by proxy votes already received. The two scrutineers, JMcC and DP, had scrutinised the process and were comfortable, despite the fact that it had been more complex this year because of the STV methodology applied. JH thanked JMcC and DP for their contribution.

4.1.3 The Annual Report and Accounts for the year ended 31 December 2018 would be presented to members at the AGM. The Letter of Representation to PWC was approved (subject to the amendment of the surname of TC) for signature by JH.

4.2 **Approval of the creation of an IOP Apprentice Award and an IOP Apprenticeship Employer Award**

4.2.1 RY spoke to the paper. The Senior Officers' Committee had already discussed the proposal. Subject to the correction of some factual errors pointed out by JJ relating to

equivalence in levels for Scotland and Ireland, the proposal was approved in principle. It was noted that it would be announced in November 2019 at the Awards Dinner, with the first award to be made in 2020.

4.2.2 BF would approve the final proposal with RY. Any Trustees with comments were invited to submit them to RY.

4.3 **Governance Review**

4.3.1 RY spoke to the proposal set out in the paper. The following was noted.

- The Resources Committee had requested that the Executive review dates of meetings to improve the efficiency of the governance oversight of statutory documents. An improved schedule of meetings for 2020, taking into account the statutory requirements of the organisation together with the business cycle, had been prepared and was in the course of being entered into Council members' diaries.
- There was an opportunity with the launch of the new strategy to carry out a comprehensive governance review. This was overdue given the current complicated governance structure. The Senior Officers' Committee had agreed with the Executive's desire to implement this. A scope for the review would be presented to Council in November for approval. It was believed that the review process would take approximately 12 months. Any recommendations for change flowing from the review, if approved, would be delivered through a phased implementation, it being acknowledged that consultation with parts of the membership may be required.

4.3.2 Council approved this course of action.

The meeting broke for lunch at 12.30pm with visiting members and staff, followed by the AGM at 1pm. Council re-convened at 2pm.

5 **DISCUSSION ITEMS**

5.1 **Reflection on Strategy Process and update on the strategy roll-out**

LN joined the meeting.

5.1.1 TMB spoke to a paper summarising Trustee feedback on the strategy process. It was noted that, overall, those who had responded thought the process was good but the following comments would be taken into account in future.

- Greater clarity about the individual components (e.g. strategy and business plan) and how they related to one another would have been beneficial at the outset.
- It would have been advantageous to know more about the communications plan and how the strategy would be used from the outset.
- Greater clarity at the outset about the timing and sequencing of events would have been beneficial.
- Consultation with members was good and this should be repeated in future iterations.
- Evidence gathering could start earlier in the process in future.

5.1.2 LN presented the communication of the strategy and RY spoke to the following.

- Small teams were being created to work on the programmes to deliver the strategy.
- A reporting framework and operating budget for 2020 were being developed that enable reporting to Council on risks, performance, finance and people. The

budget would be submitted to the Resources Committee in the autumn.

- She hoped to keep engagement with the strategy strong. This might not be just through committees but rather through other opportunities to engage the membership.
- The connections between the programmes was being mapped out. It was hoped to be able to build an evidence bank.
- From autumn, reporting on progress (to include also those areas which had not worked) would commence against an operating budget. JJ commented that quantitative reporting was necessary and that this would provide evidence for the evolution of the plan. RY noted that the strategic plan will flow through to the operating plan, team plans and individual objectives. The Executive was currently considering how best to report on the plan and would try a balanced scorecard model.

5.1.3 BP urged collaboration with others and TMB assured Council that work was going on behind-the-scenes with partners since the Executive recognised that much of the strategy could not be delivered without collaboration; long-term alliances were important. TMB believed that the IOP needed to build its profile and this would be particularly important in the education arena over the next 12 months.

5.1.4 Alongside delivery of the new strategic plan, business-as-usual was continuing uninterrupted and in addition, there was a business transformation programme in place to review processes and efficiencies.

5.1.5 ST asked whether the website could be used as a means of offering people the chance to get involved in the plan. RY explained that the branches were keen to get involved and currently consideration was being given as to how to use the Fellows. The Executive did not wish however to segment groups and would rather work across communities.

LN left the meeting.

5.2 **Plans for 100th Anniversary**

5.2.1 RY explained that this initiative would be resourced internally and remain connected to the delivery of the strategy. Consideration was being given as to how to create a legacy. This would be partly achieved through the apprenticeship and technician awards. The Anniversary would be a showcase of past, present and future.

6 **ITEMS FOR INFORMATION (taken as read unless unstarred)**

6.1* **SENIOR OFFICERS' COMMITTEE (10 July 2019)**

The report was noted without discussion.

6.2* **HONORARY FELLOWS COMMITTEE(10 July 2019)**

The report was noted without discussion.

6.3 **RESOURCES COMMITTEE (4 July 2019)**

6.3.1 PH spoke to the paper which had been circulated to Council on 22 July 2019.

5-year financial plan

6.3.2 Annex B of the paper set out a summary of the 5-year financial plan and sensitivity analysis. The 5-year financial plan showed almost £66m to be spent on delivery of the

plan over five years with the addition of overheads and business operations totalled £95.8m in total. However there would be a target of 20% reduction in overheads over the five year period.

- 6.3.3 £11m of contingency was built into the plan together with £14.5m of discretionary investment, totalling £25.5m of discretionary spend. The plan did not rely on the renewal of large government contracts, yet it was unlikely that these would all be lost, and therefore there was further contingency in this respect, together with any fundraising income.
- 6.3.4 The reserves policy and investment strategy had been designed taking this financial model into consideration.

Reserves policy

- 6.3.5 PH explained that in the newly agreed policy the reserve target range to 0.75 to 1.25 times operating expenditure (from 1.5 to 2 times in the last 5-year plan). In coming to this conclusion, the Executive and the Resources Committee had taken into account the risk profile over the next 5 years and the new financial model.
- 6.3.6 ST asked how the IOP would make best use of the funds. PH explained that the reserves objective of 0.75 to 1.25 of operating expenditure was important as it would release money back into the delivery of the new strategy. Some ideas currently being considered included incorporating in Ireland, procuring a new HQ building for IOP Ireland, tackling the long-term issue of buying out the pension fund, populating the Challenge Fund to grow partnership working and diversification through IOP Enterprises and other joint-venture programmes. More proposals would be shared with Council as the delivery programmes develop.
- 6.3.7 Council noted these initiatives, noted the policy and the fact that it would be re-visited annually and noted that the Resources Committee had reviewed the policy.

Investment strategy

- 6.3.8 PH explained that the investment strategy would flex to match volatility in the market. A move to the new strategy would be carried out in a measured way from autumn by the CEO, the CFO and the Honorary Treasurer supported by LCP, the professional advisers.
- 6.3.9 It was noted that there would not be a dedicated fund raising campaign to raise funds for the 100th anniversary.
- 6.3.10 Council approved the reserves policy and investment strategy.

BP left the meeting.

6.4* AUDIT & RISK COMMITTEE (27 June 2019)

The report was noted without discussion.

6.5* EDUCATION COMMITTEE (19 June 2019)

The report was noted without discussion.

6.6* DIVERSITY & INCLUSION COMMITTEE (13 June 2019)

The report was noted without discussion.

6.7* SCIENCE & INNOVATION COMMITTEE (6 June 2019)

The report was noted without discussion.

6.8* ANNUAL REPORT OF THE HEALTH, SAFETY AND ENVIRONMENT COMMITTEE (23 May 2019)

The report was noted without discussion.

6.9* AWARDS COMMITTEE (22 May 2019)

The report was noted without discussion.

6.10* IOP Publishing Ltd Board (10 May 2019)

The report was noted without discussion.

6.11 MEMBERSHIP COMMITTEE EVENTS AND THE TECHNICIAN COMMITMENT

6.11.1 Council noted the paper and noted that the IOP was the first learned society to become a member of the Technician Commitment.

6.11.2 AT noted IOP's recent report on the role technicians play in helping students with mental health issues.

6.11.3 BF noted that this technician initiative was not well known about in his own institution. He hoped that Heads of Physics and those in business with whom the IOP had contacts would be made aware that the IOP was an early adopter of this initiative. He believed this to be a profile raising opportunity which should be seized.

6.11.4 It was agreed that the communications around this initiative should be more widely disseminated and should be followed up with visits, talks and other events in collaboration with others.

6.12* UPDATED POLICY BRIEFING NOTES

6.12.1 JF welcomed the policy briefing notes and commented on the information contained in the UK Spending Review 2019 briefing note, in particular paragraph 4 (the balance of investment). He asked for clarity in respect of the areas in which the IOP should focus and commented that the approach should be balanced and appropriate.

6.12.2 TMB explained the work being carried out on fundamental research. Analysis showed that there had been a relative decline in public funding for discovery (or fundamental) research in the UK. Having reviewed the data it appeared that non-mission research had dropped from 18% to 12% of UK department research spending. The IOP was commissioning research together with the Royal Society of Chemistry, Royal Society of Biology and Council for Mathematical Sciences to understand this further.

6.12.3 JJ felt it was important to have these terms well defined. The terms 'fundamental', 'discovery' or 'applied' research were losing their relevance and portraying this issue as a straight funding choice (or a false dichotomy) must be avoided. It was noted that the incoming Honorary Treasurer, David Delpy, had a lot of experience in this area which would be useful to call upon.

7 ANY OTHER BUSINESS

7.1 JH gave a vote of thanks to the outgoing Council members who would be stepping down on 30 September; Julian Jones who had served two terms, Sarah Thompson,

Neil Thomson, and Deborah Phelps.

7.2 JF re-iterated the vote of thanks he gave to JH at the AGM and added his thanks also to the retiring members of Council.

8 DATE OF NEXT MEETING

8.1 There will be a dinner on 27 November at 7pm at IOP followed by a Council meeting on 28 November 2019 from 9:30 am until 3:30 pm.

8.2 The official opening of the building at 37 Caledonian Road would be taking place on 4 October 2019.

8.3 There being no further business, the meeting closed at 3:30 pm.