

TERMS OF REFERENCE

1. Name

The organisation is UK Naval Engineering Science & Technology (UKNEST). It is an Unincorporated Association (hereinafter called a Forum) within the characteristics defined by HMRC CTM 41305.

2. Vision

Thriving through great people and superior technology.

3. Mission

To provide a forum for the UK's professional naval engineering, science and technology community for addressing issues of common concern, fostering specific professional development needs, and giving a focal point for interaction with, and influencing the wider Government and industrial community.

4. Objectives

- Provide a forum where representative individuals can meet on an equal professional basis to discuss matters of interest or concern to the UKNEST community.
- Influence training, education and professional development organizations with strategic advice on the needs of the UKNEST community.
- Provide a representative focus for influencing Government/industry initiatives that will impact the UKNEST community.
- Communicate the value and special interests of the UKNEST community to appropriate professional and public audiences.
- Strengthen the collegiate spirit within the UKNEST community reflecting the shared interests between individuals and organizations.

5. Membership

Member organisations operate within an agreed Corporate Compliance Policy (Annex A).

Membership of UKNEST is open to public and private organisations with substantial interests in the naval engineering, science and technology



intellectual base, and significant UK professional assets.

Membership provides a place on the UKNEST Programme Board for a single representative.

Representatives will speak on behalf of their companies and will not seek to influence the actions of UKNEST or other Member organization for their self-interests.

Membership of UKNEST is on a one organization, one Representative basis, except where the Programme Board approves multiple membership for an organization whose structure suggests that more than one Representative might be appropriate. In this circumstances multiple membership fees would be payable.

Additional staff to support specific initiatives, particularly within Working Groups projects, is welcome but the Member only has “one vote” at the Programme Board.

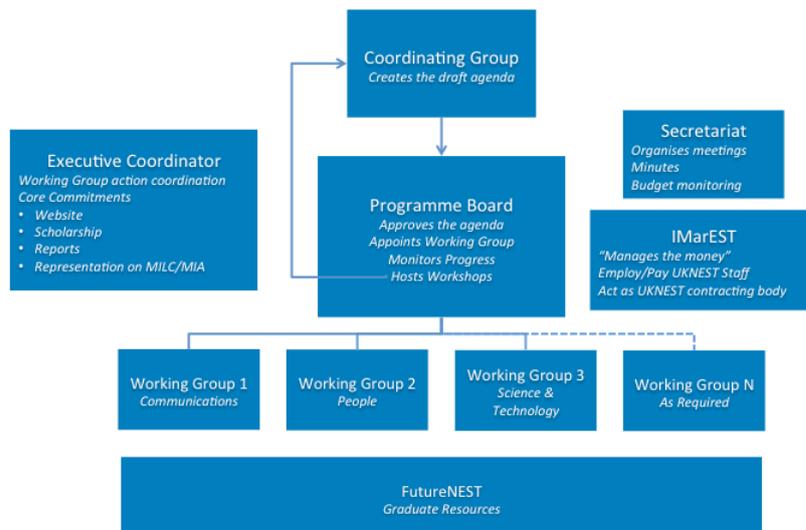
UKNEST is maintained on a not-for-profit basis with annual membership fees set at a level to permit execution of the Forum’s activity. Members fund the full cost of their own participation at meetings etc.

The current list of Members can be found on the UKNEST website:
<http://www.uknest.org/overview/member-organisations/>

6. Committees & Officers

Operating Model

The Forum operates under a Portfolio, Programme, Project Management (P3M) approach against a rolling Campaign Plan through an agenda that is set by a separate Coordinating Group whose members are co-opted by the Chair and/or nominated through the Members.



The Forum delivers through a number of Working Groups that address specific areas of interest. The Working Groups draw their representation from across the Members and are led by nominated leads (or joint-leads).

UKNEST operates on a P3M approach, tailored where appropriate, to manage the overall Campaign Plan. Each Working Group operates to Plans, with clearly identify financial commitments, that are approved and monitored by the Programme Board.

The administration of UKNEST is undertaken by the Secretariat and the Institute of Marine Engineering, Science & Technology (IMarEST). The relationship with IMarEST is defined by a Service Level Agreement (Annex B). The annual financial cycle between UKNEST and IMarEST is described in Annex C.

The day-to-day functioning of the Forum is facilitated through the Working Group Leaders and the Executive Coordinator.

In addition to the principal UKNEST Forum, there is an ad hoc, organic organization (FutureNEST) that has evolved through the graduate trainees within the Members. FutureNEST provides additional resources for the development of specific initiatives in support of the Working Groups. Each Member organization will normally provide between 1 and 3 graduate representatives.

Programme Board

The activities of UKNEST will be directed by a Programme Board consisting of a single representative from each Member with an independent Chair. Additional co-opted representatives (from Members) may be invited to join the Programme Board at the discretion of the permanent members.

The Programme Board will meet tri-annually.

The role of the Programme Board will include the following activities:

- Setting membership fees, budgets and approving expenditure of UKNEST funds.
- Selecting the topics for development by individual Working Groups
- Appointing Working Group leads
- Receiving Working Group reports and advising on future agenda
- Directing the future development of UKNEST including its role within wider Government initiatives in the marine/maritime domain.
- Seeking and approving additional Members
- Agreeing any changes to the Terms of Reference

Whilst the majority of decisions are expected to be reached through consensus, in the event that a vote is required, each Member representative will have a single vote. In the event of equality of votes, the Chair will have a casting vote.

No Member Representative will receive direct remuneration from any contract or financial arrangement entered into by UKNEST unless approved by the Programme Board.

The Programme Board has the authority to approve expenditure by the Working Groups, Executive Coordinator and FutureNEST (including Travel & Subsistence) subject to Paragraph 7.

The business of the Programme Board will be recorded in published minutes.

Annual General Meeting

- Held in March, reports end of year accounts and achievements as per end of previous Sept and presents annual report to stakeholders. States objectives for year underway.
- Election and appointment of Chair and Deputy Chair (2 yearly cycle)
- Reviews service agreement with IMarEST and endorses continuation (or requests change for enactment for upcoming October)
- Formally Reviews (agenda item) ToRs, including Corporate Compliance, UKNEST- IMarEST SLA, Operating Cycle and ratifies this (or makes request for change with effect from the following October).
- Reviews and endorses accounts as at previous year end
- Reviews and sets financial reserve for next FY.



Coordinating Group

The Coordinating Group will consist of Working Group Leaders and other representatives co-opted from the UKNEST Member organizations. The Group will be chaired by the UKNEST Chair.

The primary role of the Coordinating Group will be to set the agenda for each Programme Board meeting.

The Coordinating Board will meet tri-annually before each Programme Board.

The business of the Coordinating Group will be recorded in published minutes.

Chair

UKNEST will be chaired by a single representative, drawn from the UKNEST sector. The position of Chair is unremunerated but related expenses are reimbursed.

The Chair will normally serve a minimum 5 Programme Board meetings with a minimum overlap period of 6 months. Longer appointments may be considered by mutual agreement between the Chair and the Programme Board.

The Chair will provide focus for the Programme Board and Coordinating Group. Through their network of contacts within the Naval sector, it is expected that the Chair will provide a primary point of contact with National initiatives and areas of concern.

The Chair will represent the interests of the Members on appropriate National Bodies, such as the Marine Industries Leadership Council (MILC).

The Chair will be nominated by the Coordinating Group and ratified by the Programme Board (Majority vote if necessary) with a minimum representation of 75% of the Members.

Deputy Chair

The Deputy Chair will be elected from the membership nominations of the current Members and will normally serve for a period of 2 years. Where possible, the roles of Chair and Deputy-Chair will be appointed to ensure an overlap. The Deputy Chair will be responsible for:

- Deputising for the Chair.

- Managing the interface with the IMarEST Secretariat function, reviewing performance and agreeing on behalf of UKNEST the service level agreement and associated fees on an annual basis.
- Monitoring and approving performance of UKNEST Secretary and Executive Coordinator on behalf of IMarEST
- Reporting on performance of Secretariat and UKNEST employees.
- Review and manage overall governance of UKNEST

Secretariat

The Secretariat function for UKNEST will be provided by the Institute of Marine Engineers, Science and Technology under the terms of the SLA.

The role of Secretariat will include the following activities:

- Recording and publishing minutes for Programme Board and Coordinating Group meetings.
- Coordinating the organisation of Programme Board meetings with the host Member, including circulation of pre-meeting information to Members.
- Organising Coordinating Meetings
- Managing the finances of UKNEST that will include collecting annual fees and the payment of any expenditure. (See 7. Finance)

Secretary

The role of Secretary will include the following activities:

- Recording and publishing minutes for Programme Board and Coordinating Group meetings.
- Coordinating the organisation of Programme Board meetings with the host Member.
- Organising Coordination Group Meetings.
- Administering UKNEST finances, including approval of expenses.
- Managing and maintaining key documents (ToRs, Constitution, Programme Plans etc.)
- Organising special events as required.

The Secretary (currently operating as a limited company) will, in parallel with his invoice, provide a breakdown of effort to the UKNEST Deputy Chair for review and endorsement. For any special events the Secretary will provide forward notice of the likely costs to the Deputy Chair for budget approval prior to the event.

The UKNEST Dep Chair will provide a half-yearly summary of performance to IMarEST to act in lieu of a performance appraisal which IMarEST direct

employees undertake. This will be used to confirm fairness of terms for both parties as part of the SLA annual review.

Executive Coordinator

The Executive Coordinator will be responsible for:

- Expediting and performing activities on behalf of the Working Group Leaders.
- Managing and maintaining UKNEST website, including updates.
- Administering the UKNEST Scholarship scheme (Applications, selection, day-to-day management etc.)
- Drafting UKNEST written representations to Government and other bodies.
- Organising Working Group major events (e.g. Careers Days).
- Coordinating the activities of FutureNEST
- Provision of ad hoc support as required by the Chair and Working Group Leaders.
- Managing the production of publicity material and wider documentation.
- Maintaining UKNEST brand guidelines and templates

The Executive Coordinator will be subject to competitive recruitment with final selection through the Programme Board or nominated Selection Committee.

The Executive Coordinator will be employed under the extant Terms and Conditions of the Institute of Marine Engineers, Science and Technology.

The Executive Coordinator will provide the UKNEST Deputy Chair with a monthly summary of work done for review and recording of effort spent.

In the event that more effort is required beyond the contracted days, the Coordination Group will review and decide whether to fund extra time or limit activity. In the case that extra effort is agreed the Coordination Group will instruct IMarEST to make additional payments at a pro-rata daily rate.

The UKNEST Deputy Chair will provide a half-yearly summary of performance to IMarEST to act in lieu of a performance appraisal which other IMarEST staff undertake. This will be used to confirm fairness of terms for both parties as part of the SLA annual review.

Working Group Leaders

Working Group Leaders are responsible for setting the agenda and encouraging membership for their Group to meet the objectives set by the Programme Board.

7. Finance

UKNEST is funded by annual subscription that is invoiced through the Secretariat who holds and administers the account. The subscription is subject to annual review by the Programme Board.

At no time can the Programme Board authorise financial commitments that would exceed the UKNEST funds held by the Secretariat at the time of entering into the commitment.

Representatives may have delegated responsibility for specific budgets associated with initiatives within their control (such as those managed by Working Group Chairs). The budget limits will be set by the Programme Board and the day-to-day running of the financial accounts will be undertaken by the Secretariat.

The AGM will agree a financial reserve to cover unexpected expenditure, such as dissolution, to ensure adequate funds to cover liabilities to IMarEST. This will include payment of notice periods for staff and closing down costs for accounts etc. The UKNEST - IMarEST SLA proposes a 2 month notice period, which would relate to financial liabilities of:

- Scholarships: up to 1 term
- IMarEST operational costs: up to £6k (to be reviewed at AGM)
- Termination meeting costs: up to £3k (to be reviewed at AGM)
- IMarEST fees: up to £2k (to be reviewed at AGM)

8. Dissolution

In the event that the Programme Board agrees by a simple majority vote to dissolve the UKNEST Forum, for whatever reason, any remaining funds will be equally distributed amongst those subscribing Members that exist at the time.

ANNEX A

Corporate Compliance Policy

This Corporate Compliance Policy governs the conduct of UK Naval Science, Engineering & Technology (UKNEST). UKNEST expects all its members to comply with the Policy and not to prejudice any of the aims or activities of UKNEST by any departure from it.

1. General

Meetings of competitors under the guidance of UKNEST are not prevented by competition law. However, UKNEST members must not use the forum provided by UKNEST in order to coordinate their commercial activities or to influence the conduct of a competitor. Each UKNEST member must exercise its independent business judgment in pricing its products and services, dealing with its customers and suppliers, and choosing the markets in which it will compete. Our inclusiveness of non-private sector organisations such as engineering societies, universities and government organisations helps to ensure commercial agendas are not discussed at UKNEST meetings. Any activity that could create even the appearance of a restriction or distortion of competition must be strictly avoided.

2. Individual Responsibility

Whilst UKNEST expects all its members to comply with this Policy in the course of its dealings with UKNEST, members must take individual responsibility for complying with competition law and are advised to seek legal advice if they are unsure about the application of these rules.

3. Discussion Topics

UKNEST can discuss issues of general concern to UKNEST members, share non-sensitive (historical, aggregated and/or publicly available data) and report on pricing trends and market trends within the maritime engineering industry over a period of time in general terms but UKNEST must not talk about commercially sensitive issues or current market information, or exchange data, which allows the practices of individual companies to be easily identified (other than information already in the public domain).

It is not possible to provide an exhaustive list of objectionable discussion topics, as the competitive significance of many issues is dependent upon the context in which they are raised. However, this Policy prohibits any discussions or exchange of information between UKNEST members that might constitute or imply an agreement or concerted practice concerning:

- prices or price factors, including discounts, rebates, and reductions;

- costs and demand structure;
- profits and profit margins;
- output and sales;
- product data if it contains commercially sensitive information such as cost and supply elements;
- technical data that relates to current and future research and development into new products;
- production capacity and forecasts;
- market shares and sales territories;
- investments and marketing plans;
- credit conditions or any other terms or conditions of sale;
- exclusionary practices;
- selection, rejection, or termination of customers or suppliers.

Members are permitted to exchange opinions and experiences in relation to general industry studies/statistics/market research provided that confidential information relating to individual companies is not disclosed.

4. Meetings

Agendas are circulated to members in advance of the meeting and include a note about this Policy. Attendees are required to confirm their agreement to abide by the Policy by signing the attendance sheet prior to the start of the meeting. Minutes are produced as an official record of the meeting. The neutral UKNEST chairmanship is part of the overall governance of UKNEST to ensure it focuses on:

- promoting the naval enterprise
- improving national NEST skills
- improving national R&D in NEST technologies

The UKNEST Secretary will assist the chairman in ensuring an equal treatment of all UKNEST members at meetings and the Chair/Secretary will ensure that meetings adhere to this policy and therefore remain compliant with the competition law.

Breakout meetings before or after the formal UKNEST meetings at which individual competitors exchange commercially sensitive information are strictly prohibited.



ANNEX B

UKNEST – IMarEST SERVICE LEVEL AGREEMENT TEMPLATE

Scope

UK Naval Engineering Science & Technology (UKNEST) is an Unincorporated Associated within the characteristics defined by HMRC CTM 41305.

In order to fulfil its obligations in the UKNEST Terms of Reference, UKNEST utilises the services of IMarEST to perform various administration, Secretariat and financial functions as further outlined in this letter.

Services

The Services to be provided by IMarEST to UKNEST comprise of:

- Employing the UKNEST Executive Coordinator. The UKNEST Terms of Reference outline the responsibilities of the Executive Coordinator.
- Performing the Secretariat function which includes:
 - Recording and publishing minutes for the Programme Board and Coordinating Group meetings;
 - Coordinating the organisation of Programme Board meetings with the host Member, including the circulation of pre-meeting information to Members;
 - Organising Coordinating Group Meetings;
 - Contracting on behalf of UKNEST with third party suppliers to include the payment of expenses associated with meetings and holding seminars;
- The administration of UKNEST finances in accordance with the IMarEST financial accounting rules which is to include:
 - Managing the finances of UKNEST that will include invoicing and collecting annual fees, payment of scholar bursaries and the payment of any expenditure. In addition, IMarEST will produce regular financial updates and prepare the annual accounts for UKNEST;

Any amendments to the Services outlined above shall be agreed by UKNEST and IMarEST and confirmed in writing.



IMarEST Fees

The Fees payable to IMarEST will be agreed yearly in advance between IMarEST and UKNEST and approved by the UKNEST Programme Board. The fee will be made up of four distinct elements:

1. Salary and employment costs for the Executive Coordinator;
2. A Secretariat fee based on actual costs incurred;
3. A support costs fixed fee (covering finance, HR and governance);
4. A management handling fixed fee.

IMarEST shall charge UKNEST for Service 2 on an as-incurred basis, subject to approval by the UKNEST Deputy Chair, and on a monthly pro-rata basis for service elements 1, 3 and 4.

UKNEST agrees to pay IMarEST £[XXX¹] for performing the Services during financial year [20XX/YY²].

Term

This letter, and the Services outlined herein, is to be reviewed by UKNEST and IMarEST on an annual basis and reported at the UKNEST AGM. It is expected that each review will take place at the start of every financial year.

Confidential Information

All information furnished or otherwise made available by either UKNEST or IMarEST shall be kept in confidence by the other party. All data and know-how submitted or otherwise made available from one party to the other shall remain the property of the originating party.

Intellectual Property

UKNEST and IMarEST do not believe that any intellectual property will be generated in the performance of the Services. In the event that any Intellectual Property is generated this will be owned by UKNEST.

Warranty

IMarEST represents and warrants that:

- It will perform the Services with all reasonable care, skill and due diligence;
- The Services will be performed by suitably qualified and experienced personnel;

¹ The cost of the services provided by IMarEST will be subject to regular review by UKNEST Deputy Chair, or delegated representative.

² Insert as appropriate



- The Services provided will not infringe or violate any intellectual property rights or other right of any third party;
- The Services will be performed in accordance with the UKNEST Corporate Compliance Policy;
- It will comply with all legislation applicable to the provision of the Services, including but not limited to, health and safety, anti-bribery and corruption, data protection and export controls; and
- It holds all insurance required by law and in adequate cover for the performance of the Services.

Termination

In the event that Programme Board agrees by a simple majority vote to dissolve UKNEST, the Services being provided by IMarEST will no longer be required from a date which is to be mutually agreed between the parties.
 UKNEST may also terminate the Services provided by IMarEST by providing IMarEST with two months’ notice in writing.
 Reconciliation of any costs will be agreed between the parties.

Relationship of UKNEST and IMarEST

Nothing in this Letter and the performance of Services outlined herein shall be deemed to constitute a partnership, joint venture, agency relationship or otherwise between the parties.
 Neither party shall assign or transfer any part or all of its rights under this letter without the written consent of the other party.

Disputes

Any question or disagreement which may arise in relation to the Services or associated with this letter shall be referred to an appropriate representative. The parties shall aim to agree an appropriate resolution or further actions required to resolve the question or disagreement within a reasonable time.

IMarEST confirms that it agrees to provide the Services to UKNEST as outlined in this letter.

Signed on behalf of IMarEST:
 Date:

Signed on behalf of UKNEST:
 Date:

ANNEX C

ANNUAL OPERATING CYCLE

UKNEST & IMarEST FY: 01 October to 30 September			
Month	Activity	UKNEST Input	IMarEST Input
Oct	CG mtg	Prepare budget presentation	Accounts audited Fees for next FY invoiced.
Nov	UKNEST PB mtg With scholars	Budget and year ahead Campaign Plan agreed	Year-end accounts reported,
Dec	Prepare annual report	Executive Coordinator	
Jan	Prepare annual report	Executive Coordinator	
Feb	UKNEST CG mtg		
Mar	AGM & UKNEST PB mtg Annual report presented to seniors	Annual report and AGM Review and report achievements, Report objectives in year underway Confirm terms of reference	Report financial situation at year end with budget plans for year underway.
Apr			
May	UKNEST CG mtg		
Jun			
Jul	UKNEST PB mtg Working group plans for next FY presented	Set budget demand	IMarEST prepares Budget spreadsheet statement including underspend to carry forward
Aug	Scholar applications		
Sept	Service Level Agreement	Review content and agree fee for next FY	Review content and agree fee for next FY Financial year end, accounts closed
Oct	Scholar selection and awards	Advise IMarEST of Scholarship payments	Set up Scholarship payments