

**IPSE Annual General Meeting**

**Wednesday 26 January 2023**

**1700h – 1800h**

**Conference Call**

Attendees			
Iain Sturrock (IS)	Co-Chair	Derek Cribb (DC)	IPSE Chief Executive Officer
Mandy Clarke (MC)	Co-Chair	Julia Hilger-Ellis (JHE)	Director
Rosie Halfhead (RH)	Director		

**1. Introduction (MC)**

MC introduced herself and welcomed all Members to the 2023 AGM with the focus on the 2021 / 22 accounts. Apologies were made for the technical issues experienced and thanked all for their patience.

It was noted that the AGM was recorded for the purposes of the minutes and the recording will be deleted when the minutes are received after the next AGM.

MC was delighted to welcome a good number of Members to the AGM and acknowledged that it was a hybrid meeting although all attendees were virtual. 12 Members were registered to attend today with a further 33 who had given their proxy in advance.

MC provided context to the purpose of the AGM and invited questions from Members after the presentations in addition to those received in advance.

MC set out the agenda for the meeting.

**2. CEO Report (DC)**

DC provided an update with highlights of the 2021/22 year.

- The climate for membership bodies remained tough, especially in the Small Business sector during the current economic downturn and is likely to continue for a further year or so. This had been exacerbated by IR35 and the migration of workers out of self-employment. The decline in numbers had been forecast given the market conditions.
- Per the previous AGM, a lot of time had been spent on stabilizing the organisation. This continued during 2021/22 but this limited time to focus on growth and transformation for the future of IPSE.
- IPSE delivered a break-even result, before accounting for the Dean Farrar Street lease exit costs (an adjustment at year end).

- IPSE had delivered a good service to our Members (despite the cost savings) and there is a continuing need for us as an organisation, dedicated to supporting the self-employed.
- A successful National Freelancers Day and Freelance Awards ceremony was delivered in the year and IPSE continues to expand the offering to Members despite the challenges faced.
- The balance sheets reflect IPSE as being fairly stable; the Lease Exit charge was c£140k and which took IPSE to its loss figure. DC provided background to the justification of the exit lease costs, explaining that these had already been re-couped in the 9 months since exit, and with the current premises costs being 90% lower than previously.

DC noted his thanks to the staff in helping to stabilise the organisation during this challenging time, and who had been dedicated and professional throughout.

### 3. Chairs' Statement (MC)

MC said that the Board is aware of the difficult marketplace with limited financial resources and is working to secure a sustainable future for the organisation. The Board had:

- Reviewed its strategy and future options per the Summer 2022 webinar report to members, and that this resulted in renewed commitment (from the Board) to an independent and Member focused IPSE.
- Carried out a skills audit of the Board was completed to identify skills that required enhancing.
- Completed the appointed NED search in late 2022 with Rosie Halfhead joining the Board. (The newly elected Director will be announced following this AGM).
- Director's stipends had been maintained at the reduced level of £6k per annum per Non-Executive Director and £8k per annum for the Co-Chair with no intention to amend this in the longer term.

IPSE continues to serve its Members, and the wider self-employed community with ever greater effectiveness. Member engagement had been stepped up and there is active campaigning on important issues (late payment etc.), pushing toward our vision for a fair environment where self-employment is an aspirational and sustainable career option. Post pandemic, there is an opportunity to grow the core membership in the medium term, with increased awareness of IPSE and more innovative membership offerings, to increase penetration and the power of our voice.

### 4. Voting on the Resolutions

MC set out that there were three resolutions which require Board approval. MC requested Members to cast their vote advising that the votes will be counted and added to the proxy votes before the final result being announced. *The poll was put on screen for Members to cast their votes.*

#### ***Voting results:***

- Resolution 1 – 35 in favour, 1 against
- Resolution 2 – 35 in favour, 1 abstain
- Resolution 3 – 34 in favour, 1 against, 1 abstain

***MC announced that all resolutions had been passed and thanked Members for their votes.***

### 5. Q&A (DC)

DC advised that some questions had been raised in advanced and addressed those in the first instance.

## 6. Submitted Questions for the Board

- **QR1** - At previous AGMs, the Nominations Committee has given a report on the election cycle. I appreciate that this year the AGM is close to the election date (a good move), but it gives little chance for those responsible for the election to give feedback to the membership. Can I urge the Board to provide a member's report about the election, successes, lessons learnt, ways to improve engagement and candidate numbers, feedback from successful and unsuccessful candidates at each stage etc. within the next three months while the election is fresh in everyone's mind?

**AR1** – The Board will be looking at the election process at the March Board meeting to consider its improvement for the future. Some helpful comments had been received and which will be fed in. Any changes made will be circulated to Members well in advance of the next elections, noting that some aspects will need to remain confidential to encourage honest feedback.

- **QR2** - Please share some of the key metrics of the election - how many candidates stood, how many were vetoed at the application and interview stage, and how many members voted in the election?

**AR2** – 7 candidates came forward, 4 were shortlisted based on the 'best fit' for desired criteria and the skills matrix. The Board will analyse the voting figures at the next Board meeting.

- **QR3** - For future elections, will the Board include a "None of the above" option in elections? It would give feedback back to the Board about whether the candidates on offer reflect the views of the membership if members could express that they would normally vote but cannot find a current candidate who has their support.

**AR3** – The Board will consider this at the meeting in March.

- **QR4** – After the Summer governance meeting, members were told that Ian Woods had left the Board of Directors. Companies House list the current Directors as MC, DC, JHE, IS and IW. LinkedIn has a post from someone saying that they had been appointed as a new NED and obviously, there is the new elected Director. Please can the Board provide details of each Director, when their term began, when their term ends and when they are eligible for re-election/re-appointment etc. It would be useful if this information were documented somewhere publicly so that it can be easily referenced, either on the website, the forum or both.

**AR4** – A helpful suggestion and DC said that the Governance section of the website will be updated to highlight the Directors with this information.

- **QR5** – Does the Board believe that the various iterations of governance changes have achieved the goals of governance best practice, greater democracy and transparency, and better Member engagement?
- **AR5** – DC advised that the new Articles were approved before Christmas and were a clear improvement on the previous set (Members voted by over 90% to pass the Articles). DC provided context to the Board's belief of the level of authority and oversight to be effective as a Member organisation. DC added that the Board reviews its internal governance regularly, saying that Member engagement is at the core of the strategy, the key to IPSE's survival and hoped to deliver a step-change during 2023.

## 7. Questions raised online (O)

- **OQ1** – When we sold our shares in IPSE US and the associated companies, there were some residual shares that we did not sell that resulted in a payment (or might result in a payment) if IPSE US hits certain membership numbers. Is IPSE US still a thing? Have we received any money? Are we likely to receive any money?

**OA1** – DC gave background to the interest in the IPSE US start-up and explained the principal of the two types of shares. DC advised that the founding shares had been sold in early 2020 and that before their sales their book value of c£220k had made up the largest proportion of the £240k asset base that year. The remaining preference shares of c\$80k is still held but written off in the accounts for the last 2 years – there is no value ascribed to them. DC advised that IPSE US looks to have closed or is about to close. There is no expected revenue from or value in these remaining shares.

- **OQ2** – How many Members were there at the end of 2020/21 and 2021/22?

**OQ2** – DC advised that the numbers were not to hand but advised that there had been a decline of approx. 25% per year in 2021 and 2022. DC advised that from 2016 to January 2020, Member numbers had declined by 5-10% (av) per year. In the last 6 months to January 2023, the decline had slowed and that this was expected to continue for a further year as people retire or join payroll, before we start to see growth. DC provided context to IPSE being focused on single issues historically, saying that we needed to pivot from a historical approach of being 100% policy focused and to broaden our approach to give wider support to the self-employed as well as policy and campaigning. However policy, including IR35, would remain a key area for IPSE. DC advised of some new benefits that will be announced imminently as part of the strategy for the future in order to properly support our Members.

AGM meeting closed at 18.00h.



Signed

Dated 14.02.2023

Name Mandy Clarke