



Governance consultation

Nominet is updating its Articles of Association, the document that describes how the company interacts with its members, and the way in which it is governed. This first consultation deals with Board composition, policy and fees. We are proposing to:- modify the composition of the Board: increase the board size, introduce a new category of appointed non-executive directors, and implement best practice with regard to length of service for non-executive directors- enshrine the company's practice of consulting on policy issues in the articles- give the Board the ability to regulate sale price as well as cost, by giving the directors the power to change all fees. This survey contains 7 questions. You can read the detailed version of the consultation paper on Nominet's web site.

This document contains respondents between 42 and 42 inclusive.

1. Board composition

Please read the details of the proposed changes.

- I agree with these proposals
- I disagree with these proposals
- I would like to make comments

Comments

Elected members should retain a majority on the Board. As the rules stand, there is nothing preventing a non-member from standing for election - so if the Board feels there is a shortage of talent within the membership, there is nothing preventing it from putting up one or more candidates for election. If they are obviously superior to the other candidates, they will doubtless be elected. If they are not interested enough to stand in an open election, that tells us they were not motivated enough in the first place. If there are to be three Executives and one non-exec appointed Chairman, then 6 elected non-execs, with two elected each year. I am not convinced however that three Executive Directors - plus an Appointed Chair - are really needed. I think 2 Executives plus a Chairman are enough. I suppose the answer to this question - and many that follow - depends on whether one sees Nominet as a member driven public organisation - or just a "normal" private company.

2. Executive Directors

Please read the details of the proposed changes.

- I agree with these proposals
- I disagree with these proposals
- I would like to make comments

Comments

I agree that the Chairman should be de-coupled from MD and Executive requirements. However I am unconvinced that there is a need for 3 Executive Directors as well as a Non-Exec Chairman. I suggest 2 Executives (CEO and CFO) and the Chair - with 6 Elected Non-Execs in a 3 year rotation. Consider also the cost of appointing 2 new Executive Directors (at least £120K PA each, judging from current rates on the board) and question the need for such expenditure.

3. Elected Non-Executive Directors

Please read the details of the proposed changes.

- I agree with these proposals
- I disagree with these proposals
- I would like to make comments

Comments

I agree with 3 year cycles. I strongly disagree with reducing the number of elected non-execs. If it is to be 3 year cycles, I can see the sense in 6 elected non-execs - plus chair and 2 Executive Directors. I echo what has been said before - that to have only one non-executive elected each year will result in a single power base being able to elect all three non-execs - whereas at the moment there is balance with at least two points of view being elected each year.

4. Appointed Non-Executive Directors

Please read the details of the proposed changes.

- I agree with these proposals
- I disagree with these proposals
- I would like to make comments

Comments

I strongly disagree. This is not necessary - non-member candidates are already allowed, so the pool of talent is not limited in the way that the proposal suggests. either as a member driven organisation or as a "normal" private commercial company.

5. Other proposals

Please read the details of the proposed changes.

- I agree with these proposals
- I disagree with these proposals
- I would like to make comments

Comments

Some of these proposals may be unobjectionable, but they are so vaguely expressed in the text that it is hard to say. Certainly Table A is meant for commercial companies limited by shares - why does a not-for-profit company limited by guarantee need parts of Table A. Some of these suggestions are rendered otiose by the new Companies Act; or worse they conflict with it. Some are clearly objectionable - such as the issue of allowing one director to run the company; and allowing directors with a clear conflict to vote on an issue.

6. Policy

Please read the details of these proposed changes.

- I agree with these proposals
- I disagree with these proposals
- I would like to make comments

Comments

7. Fees

Please read the details of the proposed changes.

- I agree with these proposals
- I disagree with these proposals
- I would like to make comments

Comments

The concept that Nominet is a "normal" company subject to competition is absurd. It has a monopoly for issuing .uk domains. Even the OFT doubted that there was any meaningful competition to Nominet in the wider domain registration market. In truth, nothing that any other registry can do will make any sort of immediate impact on .uk registrations. The need for quick reaction time does not exist - domains are registered on 2 year cycles. It is hard to envisage a situation where .uk domains will be dropped in significant numbers - and if they were to be then no doubt they would be caught anyway! Likewise, the power of setting membership fees needs to be separated from registration fees. Both should remain in the hands of the membership.

8. Please give us your contact details

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