

We consider that, based on the options suggested, Option 3 - a cap of 3% of the total votes cast - would be the most appropriate option (though we have a preferred alternative which is detailed below).

This is for the following reasons:

- The existing policy effectively allows one or two large members to control Nominet.
- A cap of 10% on votes cast would not be sufficient to give smaller members a significant say
- A one member, one vote system would be subject to abuse and would not recognise the legitimate interest of large members.

However, we recognise that this would make it difficult to pass resolutions requiring 90% support.

We therefore suggest that the constitution be amended to reduce this to 75% support. 90% is extremely high and we are not aware of any successful examples of such a high requirement elsewhere. The effect of a very high requirement is to prevent the board from actively considering any matter falling within this rule that would be in any way controversial. 75% should be sufficient to indicate the overwhelming support of members. Nominet could also consider compulsory voting, or a requirement that tag holders at least return ballot papers to maintain their status.

We would make an alternative suggestion to the four offered. We would like Nominet to consider a system whereby votes cast are divided into three categories for large, medium sized and small members. Each category of voter would count for one third of the total votes cast. This would ensure that all members have a say, and also that the preferences of different types of member can be identified, whilst protecting the legitimate interest of large members and preventing abuse. Within each category voting could be either one member one vote or weighted voting. This would reflect the method used by many boards of public sector organisations to determine constitutional matters where different categories of stakeholders are likely to have different perspectives (as in the Social Housing sector).

Part of the problem however is the lack of involvement of smaller members in the formal business of Nominet. We would therefore also recommend that Nominet allows online voting via the secure web site, thus making it easier to vote and encouraging participation. We would also like to see more attempt to involve smaller members in the business of Nominet, particularly members in the North. This may encourage smaller members to vote.

We do not believe that a failure to engage with small members is a good reason for constitutional change. Nevertheless, we feel that some change is required to allow Nominet to function effectively, and recommend the additional option outlined above, or failing that option 3.

Yours Sincerely,

Matt Palmer
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