

## Have your say!

This consultation covers a broad range of questions. If there are certain questions that you don't have an opinion on please feel free to leave them blank.

This document contains respondents between 23 and 23 inclusive.

### What do you think the purpose of Nominet should be?

To hold a database of .UK domains and subdomains and provide a registration service for these. I believe too that this should be integrated with Companies House so that there is an ability to register a domain name (or range of relevant domain names at the same time as registering a company).

### What do you think the Vision and Values of Nominet should be?

To be the best provider of Internet domain services.

### What do you think the development strategy of Nominet should be?

To eventually provide a wide range of domains and subdomains in conjunctions with Companies House

### Do you want Nominet to continue as a not-for-profit organisation?

If Nominet was to become a profit based business it should offer domain services at rates that are commensurate with those domain agencies operating in other countries. Perhaps offer NFP services for UK domains and profit services for registering non-UK based domains (e.g. .TV or .COM)

### What do you think should be done about the commercial discount arrangements?

Remove such discounts. They encourage cybersquatting! Perhaps Nominet could also help to reduce cybersquatting by working with Companies House.

### What do you think should be done about broadening membership?

Professor Garratt seems to offer a valid approach, but I do not know how this would be conducted.

### Do you want Nominet to reform the voting procedures to allow members to feel enfranchised?

It is always a good idea to engage all stakeholders in any organisation. If reforming the voting procedures achieves this, then this would be a good thing. However, one has to ask what the purpose of the changes are and whether they will achieve them. Motivation is not the same as removing demotivation.

### What do you think should be done about the membership and ownership structure?

The first or the second option would have the best chances of success. The other models would promote self interest above the interests of the organisation.

### What do you think should be done about the entrenched provisions?

The reason more normal models are proposed is because historically they have proven to be most effective. It takes a very autocratic approach to choose to do something different especially when there is no evidence of benefit.

### Split the present Chairman and Managing Director role

The combined role is built into Nominet's constitution. The splitting of these roles has been mandatory for listed companies since 1992. It seems very unwise that Nominet continues what is seen as bad practice here. It reflects badly on Nominet as it does not allow for either role to be developed fully nor for effective Board oversight of each role.

- I agree with the recommendation
- I don't agree with the recommendation
- I don't know enough to make up my mind

## Comments

A chairman is responsible for ensuring that powerful individuals do not exert unreasonable control over a board. The MD role is a subsidiary role that implements the mandates of the board. It is nonsensical to have both roles vested on the same individual

## Create a separate role of Managing Director who is a full Board member

This is good corporate governance practice and mandatory under the 2006 Combined Code. If the Chairman is 'the boss of the Board of Nominet' then the Managing Director is 'the boss of the day-to-day operations of Nominet' and is held fully accountable for them. This suggestion would require that the Managing Director becomes a statutory Board member, and that the current role of Chief Executive is absorbed into the MD role.

- I agree with the recommendation
- I don't agree with the recommendation
- I don't know enough to make up my mind

## Comments

Directors are those setting the strategic direction of the organisation. This is normally achieved through a board of directors. If the Managing director is not a full board member why is he/she given the title "director". A general manager would more accurately reflect the role of a person managing the operations of the company while not being a board member. A chief executive is another name for an general manager, so yes this role should be subsumed into that of MD.

## Revise Nominet's system of voting for directors

This is designed to clarify the present position in Nominet where a conflict can be acknowledged but the Board has currently no power to do anything about it. I am suggesting, for example, the keeping of a register of interests of Board members, the updating of these at each Board meeting and having a clear process for deciding if a conflicted Board member may speak to a topic, whether they can vote on a specific issue, and that these decisions are recorded in the Board minutes.

- I agree with the recommendation
- I don't agree with the recommendation
- I don't know enough to make up my mind

## Comments

The recommendation removes temptations to influence actions in favour of a director's specific external interests

Give the Board the power to appoint at least two experienced and independent non-executive directors to the Board in addition to the present NED composition.

There are four reasons for making this proposal:

First, to add wider diversity to the industry-specific experience of Directors elected from the membership. This is always an issue in membership-based organisations as many elected Directors do not have any previous directorial experience.

Second, to allow Nominet to be seen to be acknowledging their wider role in creating the 'public good' by bringing in some externally-orientated Directors with their critical, independent oversight to balance the Board's risk assessment and decision making processes.

Third, to give the Board flexibility in bringing specific functional experience onto it where there is an obvious need.

Fourth, to allow the appointment of a Senior Independent Director who can act as a point of contact for members wishing to discuss issues such as the performance of the Chairman.

I suggest that good practice for these independent NEDs is that they are part of the Board's annual evaluation, and that they have a maximum term of three three-year contracts subject to satisfactory performance.

- I agree with the recommendation
- I disagree with the recommendation
- I don't enough to make up my mind

## Comments

These NEDs would need to recruited using a vigorously applied and properly conducted recruitment process

Ensure that the Board has on it three Executives who are also statutory Directors

This is a further step in achieving better balance on the Board by having the Managing Director and other supporting roles as Board members as part of their employment contract. This would allow broader regular Board oversight mechanisms of the business and the development of Nominet.

- I agree with this statement
- I disagree with this statement
- I don't know enough to make up my mind

### Appoint a professionally-trained Company Secretary as an Officer of the Board

This role has proved crucial in many Boards, especially those onto which many members may be appointed without previous directorial experience. The Company Secretary is expected to ensure good practice and legal compliance around the boardroom table and to act as 'the conscience of the Board' when necessary.

- I agree with the recommendation
- I disagree with the recommendation
- I don't know enough to make up my mind

#### Comments

It would be advisable to refer to the companies act 2006 for information relating to the need for company secretaries. I believe the right person in this role brings good governance.

### Create a clear job description for each director

This is to go beyond the existing job description that is contained currently within the call for members' nominations to the Board. It needs to state their corporate legal duties and responsibilities, time commitments and the personal liabilities to which they will be committed. Such job descriptions must apply equally to the Chairman, the Managing Director and any other executives who are statutory directors.

- I agree with the recommendation
- I disagree with the recommendation
- I don't know enough to make up my mind

#### Comments

How else do they assess whether they have achieved their goals?

### Create annual evaluation and development plans for the Board itself, each committee and each individual director

This is standard practice and is contained in, for example, the Combined Code, the NHS Monitor Code, and, please note DBERR's Building Better Boards recommendations. They, and others, advocate using the Learning Board Model in which I declare an interest.

- I agree with the recommendation
- I disagree with the recommendation
- I don't know enough to make up my mind

#### Comments

I totally agree with this approach. It improves the effectiveness of the board which benefits the whole organisation.

Ensure that the Board nomination, selection, induction, competence building, evaluation, renewal and de-selection processes are reviewed regularly

This can be started immediately without the need for constitutional change.

- I agree with the recommendation
- I disagree with the recommendation
- I don't know enough to make up my mind

#### Comments

There is no value in delaying it. If changes are needed they are needed now.

Publish in the Annual Report the reasons for, and cost of, the legal fees for directors seeking independent advice concerning their directorial roles

This is to make these costs transparent and, given the recent experiences, to demonstrate the future effectiveness of the induction and competence building processes. Hopefully, it will reduce the tendency to litigation amongst future directors.

- I agree with the recommendation
- I disagree with the recommendation
- I don't know enough to make up my mind

#### Comments

I would go further and suggest that repeated legal fees be borne by the individual director. They are the beneficiaries so why should others fund this.

Review and publish the remit and membership criteria of the Audit, Remuneration and Nominations Committees

In March 2009, I realise that a start has been made on the Audit Committee. In many businesses it has been found wise to combine the Nominations and Remuneration Committees.

- I agree with the recommendation
- I disagree with the recommendation
- I don't know enough to make up my mind

#### Comments

Keep it transparent. It really helps when litigation happens. All organisations end up in legal wrangling at some point. This makes it clear that the organisation has nothing to hide financially.

Reconsider the role and processes of the Policy Advisory Body so that it becomes more an 'outward facing' part of the membership's connection and sensitivity to the external stakeholders and the public good.

- I agree with the recommendation
- I disagree with the recommendation
- I don't know enough to make up my mind

### Comments

Introspective boards are a waste of time and money. The purpose of the organisation is to serve its customers/stakeholders. These should always be foremost when any policies are defined or discussed

### What does being a member of Nominet mean in this changing world?

Unless the members are actively involved it means nothing. (perhaps a badge for some)

### What are Nominet's obligations to the wider range of stakeholders who are now affected by, or have potential or actual regulatory powers over its actions?

Nominet should be able to make decisions and set strategies without bringing these to the members. The members should be confident in the authority and governance shown by the board of Nominet such that they trust them to act in the interest of the members. Therefore the board of Nominet needs to show best practice at all times so that their trust is not misplaced.

### What do the answers to these questions mean to redesigning the governance system of Nominet?

Nominet must seek excellence in their directors so that the trust of members and stakeholders is not misplaced

### Please give us your contact details

#### Name

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