



MINUTES OF THE NINETY THIRD ANNUAL GENERAL MEETING

Present: Mr R Graham Smith OBE FIMI - President of the IMI
Mr Adrian J S Smith FIMI - Chair of the IMI Group Board

and 20 members

In attendance: Mr C Thomas - Finance & IT Director
Mr M Thixton FIMI - BDO
Mrs A Stillion LIM - Minutes

AGM/01/14 WELCOME

The President of the IMI welcomed everyone to the meeting.

AGM/02/14 NOTICE OF MEETING AND APOLOGIES

The Finance Director read the notice convening the meeting and announced apologies for absence from Chris Harbott, Roger Miller, Edward Clark, Kevin Finn and Steve Martindale

AGM/03/14 MINUTES OF THE ANNUAL GENERAL MEETING OF 30 OCTOBER 2013

The minutes of the Annual General Meeting held at Fanshaws on 30 October 2013 having been duly circulated, were taken as read, confirmed and signed by the President.

AGM/04/14 INSTALLATION OF PRESIDENT

The Chair of the IMI Group Board was delighted to announce that Mr Graham Smith had expressed his desire to continue in office and was very happy to declare him President for 2014/15.

AGM/05/14 ELECTION OF VICE PRESIDENTS

The President reported that under the authority of Article 6.8 the Group Board had elected the following as Vice Presidents for the period 2014/2015:-

- Professor Garel Rhys CBE BA FIMI, Director, Centre for Automotive Industry Research, Cardiff Business School
- Mr John Neill CBE FIMI, Chairman & Group Chief Executive, Unipart Group of Companies
- Mr Ken Keir OBE FIMI, retired from Honda, June 2013
- Lord Brabazon of Tara DL, Chairman Parliamentary Privilege (Joint Committee) House of Lords
- Sir Michael Marshall CBE DL MA FRAeS FIMI, Chairman, Marshall of Cambridge
- Mr Peter Johnson FIMI, Chairman, NFDA
- Mr Richard Martin, Chair, Integrated International Payroll Ltd
- Professor Jim Saker, Director, Centre for Automotive Excellence, Loughborough University



- Mrs Sarah Sillars OBE Hon. FIMI, CEO, Semta

The President, on behalf of the IMI, thanked the Vice Presidents for their continued support, and particularly thanks Mr Joe Greenwell who had stepped down as a Vice President.

AGM/06/14 HONORARY TREASURER

The President informed the meeting that Mr Kevin Finn had accepted the Group Board's invitation to act as Treasurer, therefore in accordance with Article 6.8, Mr Kevin Finn had been duly installed as Honorary Treasurer for the period 2014/2015.

AGM/07/14 DECLARATION OF DIRECTORS

On behalf of the Group Board the President welcomed Mr Mark Crandon, Customer Programmes Manager, BMW UK Ltd as a Non-Executive Director, and Mr Alan Mackrill, Executive Director Awarding as an Executive Director. He also expressed thanks to Mr Edward Clark who stepped down from the Board in April 2014. Edward had supported the IMI for many years, previously as a member of the Council and more recently as Chair of IMI Awards Board and a Group Board Member.

AGM/08/14 ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2014

The President moved for the adoption of the Annual Report for the year ended 31 March 2014, which was issued to Members with the September issue of Motor Industry Magazine. This was seconded by Mr Steve Nash, and unanimously agreed.

Presidents Statement, in conjunction with visual extracts from the Annual Report:

"Welcome to this year's IMI AGM, my first as President. I'm delighted to Chair proceedings and to provide you with a brief summary of the Annual Report. When we look back on the 2013/14 financial period in the future, it will be the year when we say that major change happened in the IMI. Sector Skills Councils were set adrift by the Government in 2013 with the winding down of public funding. As a result, a cultural change began in the IMI with the move toward a merger of the two separate businesses and the introduction of a plan to transform the organisation onto a more commercial footing.

In the modern era of ultra modern industry, our professional association, born in 1920 and resplendent with tradition, is now poised to leap forward into the future. We have a new look coming, some of which you can see here today. We also have a commercially minded CEO with a commitment to move the IMI and the motor retail sector into the front line of the public policy agenda. There are a number of challenges coming at us from external sources, but from the Board down, and throughout the business, we are united in our determination to grow and succeed in our mission of making the automotive retail industry a widely respected professional sector with a reputation for excellence in every field.

So as we begin that new journey, I will share aspects with a summary from the 2014 Annual Report.

The steady fall in revenue and profitability up to March 2014 has tracked the decline in Sector Skills funding. However, IMI was successful in securing 6 streams of funding from UKCES for individual projects which were all completed successfully by March 2014. The UKCES EIF funding were for studies into Return On Investment in skills, including apprenticeships, up skilling technicians, and management & leadership training. Also the development and

promotion of the Professional Register, attracting new talent into the industry, and contributing to the reduction in the number of young people not in work, education or training.

The declining level of profit belies a growth in activity across all of our product ranges. This is both the primary justification, and context for the new three-year strategic plan that began this year. The break down across the various income streams into the business is illustrated. The end of public funding will take a significant percentage out of our overall income and it must be met by the growth of existing business activity and by diversification into new markets. It's a task requiring considerable effort from the entire organisation and it forms a major part of our overall strategy going forward.

The six work streams, supported by UKCES, have significantly boosted IMI's profile and brought us into contact with many more individuals and businesses in the retail sector. The Return on Investment study brought us kudos from the industry and considerable press coverage as well. The press were particularly interested in the on-line calculator, that demonstrates to businesses how an apprentice can pay their way within the first year of employment and can even begin contribution towards profitability in just eighteen months.

The retail motor industry falls way behind other industrial sectors in management and leadership training in the UK. Less than 20% of managers hold a vocational leadership qualification. To tackle this challenge, one of the most significant achievements we have made in the past year is the development and launch of a common standard for management and leadership training across the automotive retail sector. The 'Automotive Management and Leadership Competency Framework' aims to ensure consistency of managerial training across the sector and a reduction in repetition of training. The common standard allows professionals to transfer their skills and training if they move from one company to another. I am proud to say that 29 manufacturers and dealer groups engaged with the IMI's standard, and at the time the annual report was published, 17 had completed mapping of their management training programmes against it. Early adopters involved in the project include Vauxhall, Toyota GB, Sytner, BMW, Marshall and fleet management company ARI. Additionally, as a result of the buzz created by the project, many independent operators have also taken the opportunity to put their managers through IMI Accreditation. This means for the first time independents can match their management credentials to agreed standards.

Feedback captured has suggested nearly 90% of employers believe the provision will prove to be cost effective in the long term. No wonder with a proven return on investment from management training of 212% established by the ROI study. This fact is vital in ensuring the infrastructure developed to raise the standard of management and leadership in the sector is upheld, and a sign of the quality of the work undertaken by staff at the IMI to make a tangible, positive impact on the sector as a whole. The key to the success of this project commercially is breaking down the cultural barriers to training managers.

In 2006 the Consumer Council's threatened a "Super Complaint" against the retail motor industry gave rise to Automotive Technician Accreditation (ATA). The scheme has grown in stature since that time, but ATA needed further development to ensure it kept pace with technology and industry evolution. EIF funding allowed this expansion and development of ATA across more automotive sub-sectors than ever before and led to an increase in the number of accreditations undertaken by 16,000 in the past four years, including 7,500 accreditations achieved in 2013/14.



Over the past two years an alternative method of reaccreditation via Assessed Outcome Modules (AOMs) has also been developed and applied. Development of AOMs ensured employers remained positive regarding reaccreditation. In addition to AOMs, 2013/14 also saw the introduction of two new accreditation routes. The development of the DAB accreditation represents a forward thinking, proactive approach to proving competence with new automotive technologies. The second new route came as part of the redevelopment of ATA Roadside Assistance and allowed accreditation of technicians undertaking diagnostic work at the roadside. All ATA technicians, totaling over 30,000 individuals, were migrated onto the IMI Professional Register, helping raise the profile of the scheme and provide achievers with more ways than ever to promote their businesses.

A major feature of 2013/14 was IMI's first major consumer campaign to promote the Professional Register. The BBC's Formula 1 presenter Suzi Perry was the face of the first campaign. She featured in adverts, on leaflets and other promotion material. She also engaged in social media activity for the campaign. She has 300,000 followers on twitter, which I'm told is an incredible reach. I'm pleased to say that Suzi has agreed to stay with us for this year's campaign too. The campaign reached 3.2 million people and was vital in ensuring that awareness amongst consumers, as well as industry, was raised.

With a population now in excess of 40,000 individuals, the Professional Register has become a wide ranging website that encompasses numerous sub-sectors and skills. This adoption by a wide population helps promote the fact that the automotive retail sector is full of competent, professional employees. The intention of the Professional Register was to not only promote the competence of the employees on it, but also to make the sector more transparent. This can be vital for the consumer, who benefits by better understanding the professionalism of the employee they wish to engage with.

In addition to the Professional Register itself, in 2013/14 the IMI continued its commitment to provide access to quality training solutions for individuals working in the sector to ensure they are able to perform their jobs effectively. To support Continuing Professional Development (CPD), a library of modules was developed. The library now offers a total of 90 CPD modules from a variety of training providers. These modules are delivered via a range of methods, including classroom based, e-learning and technical seminars, covering the differing needs of a variety of businesses in the sector.

The IMI's work in attracting and retaining talent in the automotive sector, and promoting automotive apprenticeships, has for some time now been a flagship activity for the organisation and an area where IMI can be seen as having a consistent and leading influence. I am pleased to be able to say that our work in the past year has helped us to cement our reputation in this area and can be seen as a real success story. In 2013/14 using EIF2 funding, the IMI continued to develop and deliver free learning resources to schools which highlight automotive careers, with two complete new programmes covering ICT and Literacy launched in the past year. The targets set for the reach of the 'Headlight' resources, developed as a result of EIF2 funding, exceeded their participation targets, with 638 schools engaged.

The IMI also looked to promote automotive careers as an appealing option to young people. Under the EIF2 funded developments, approximately 7,000 students were engaged with the 'Headlight' resources offered by the IMI, which was supplemented by 82,911 hits on the AUTOCity website, where these resources can be found. I'm pleased to say that the number of apprenticeships starts for 2013 were up by 5% on the previous year. So we are gaining traction, but there is still much to do.



Outside of EIF funded activities, membership continued to be of central importance to the IMI to fulfil its function as a professional body. Last year saw an 86% retention rate thanks to refreshed membership renewal communications and the IMI welcomed 811 new members. With IMI members now listed on the Professional Register we also continued to add to the value of membership with new benefits in 2013/14. A major addition to membership in 2013 was the launch of an exclusive benefit for those members that hold CAE and AAE status. In partnership with Andrew Marsh, of Auto Industry Insider, IMI began publishing quarterly technical updates exclusively for CAE and AAE members. IMI Membership activity remained strong around the 31 Membership Association networks, which held 153 events throughout the year. Many of these events were designed to supplement CPD points accrual.

IMI Awards continued to go from strength to strength, reinforcing its position as the Awarding Organisation of choice for motor industry qualifications. IMI Awards expanded its network of centres to 561 worldwide by the end of March 2013. This includes 512 UK centres and 49 overseas centres. This figure moves forward on a daily basis and as of last week we had 582.

Over the course of the year IMI Awards' range of products and services continued to grow to meet customer demands. This included the introduction of Multi-skilled Vehicle Collision Repair qualifications and also new Level 1 and 2 Service and Maintenance Engineering qualifications, specifically designed to enable school age learners to progress onto further qualifications and employment. The influence of IMI awarding activity in the sector cannot be overstated, with 20% of the industry's workforce currently engaged on IMI qualifications, accreditation or recognised programmes. In the last financial year IMI Awards registered over 100,000 learners.

There was good news across the spectrum of IMI Awards activity.

- There was an 8.9% increase in QAA registrations
- A 7% increase in all accreditations
- A 68% increase in qualifications take up in Scotland
- And international non-regulated qualification registrations were up by a massive 73%.

The international market is substantial one. The board ratified a decision to exploit this market and have recruited an International Business Development Manager to lead growth in this area. The growth in the number of centres, and the expansion of the portfolio of qualifications and accreditations, has not diminished our customer service in any way. 95.5% of approved centers report total satisfaction with IMI Awards service provision. This is a great basis from which to build still further. It also apt, given that we are launching our own Customer Service Accreditations this autumn, that we practice what we preach.

And here are few final highlights from the report covering various areas of the business.

Our Skill Auto competitions are rightly seen at the pinnacle of technical excellence for apprenticeships in our sector. Over 100,000 young people and teachers visited the 2013 Skill Auto final which was held at the Skills Show at Birmingham's NEC. If you have the opportunity, I encourage you to visit the NEC this year to see our finalists in action competing for gold. The Skills Show will be held from 13-15 November.

Our efforts to reduce the number of young people not in education, employment or training were hampered by the removal of the original level 2 qualifications from the point's league tables within schools. Despite this setback, there were still 110 young people nationally coming through our AutoStart programme.



IMI Sector Skills Department delivered six suits of National Occupational Standards (NOS) and secured funding to develop a further ten NOS in 2014/15 for England and Wales, and for a review of seven SVQs in Scotland. The Sector Skills Department issued 7,934 apprentice completion certificates in 2013/14. The Federation of Industry Sector Skills & Standards (FISS) awarded a Grade 1, the highest audit level available to the Sector Skills Department for its systems and processes that support IMI apprentice certification activity.

And that concludes the summary here today. If you have not already seen the annual report or would like further information, please contact the Communications Team at the IMI or visit the website to download a copy. Thank you.”

AGM/09/14 REVENUE ACCOUNTS AND BALANCE SHEET OF THE INSTITUTE FOR THE YEAR ENDING 31 MARCH 2014 AND THE AUDITORS REPORT

Following the Auditors Report, presented by Malcolm Thixton of BDO, the President moved that the Statement of Accounts and Balance Sheet as submitted to the meeting should be taken as read and proposed that the Statement of Account and Balance Sheet for the year ending 31 March 2014 be adopted. This proposal was seconded by Mr Adrian Smith, and unanimously agreed.

AGM/10/14 APPOINTMENT OF AUDITORS – 2014/2015

The President, on behalf of the Institute, thanked Malcolm Thixton and his team at BDO for their work carried out on behalf of the Institute. The President moved that BDO be appointed as the Institute’s auditors, as required by Section 485 of Companies Act 2006 for the period 2014/2015. This was seconded by Mr Adrian Smith and unanimously agreed.

AGM/11/14 ANY OTHER BUSINESS

There was no further business.

The President announced that the next meeting would be Wednesday 28th October 2015, thanked members for attending and formally closed the Annual General Meeting.

Signed.....

Date.....