

Chief Executive Officer's Report

Prepared for the International Institute of Marine Surveying Annual General Meeting to be held on 18th June 2019

Overview

This detailed report sets out to cover the main and most important activities undertaken by IIMS over the past year.

2018 proved to be a very strong trading year for IIMS, with its subsidiary the Marine Surveying Academy returning a small profit from its activities in the areas of accreditation and training. Final accounts will be submitted to the UK authorities imminently.

All revenue streams of the Institute performed well in 2018. Financially IIMS is in good shape and due to strong over budget trading has been able to put a significant amount of money aside to cover the deposit required for the planned commercial mortgage to fund our new headquarters.

Trading in the first four months of 2019 has been equally positive and we are inline with our budget expectations for both businesses a third of the way through the year.

We have continued to progress our ambitious digital strategic plans with the recent launch of a third App developed by IIMS Fellow, Ruchin Dayal's eDot Solutions in Goa, this one a free member benefit entitled the *Marine Surveyor Search App*.

One other activity of note and to mention is the successful efforts IIMS has made to bring together the UK professional marine surveying bodies to work collaboratively in the area of certification and accreditation. More later.

The need for succession planning remains pressing. This has been raised over the past year or so, but the need becomes ever more pressing as some of our board and committee members prepare to retire and stand down. IIMS is keen to hear from anyone who would like to become involved with any of the committees. Peter Broad (Deputy Vice President) from the LNG commercial ship arena has agreed to join the management board from June and David Petridge (yacht and small craft) has indicated his desire to participate as a board member from September.

Last year at the AGM, IIMS was mandated to create a worldwide apprenticeship scheme for marine surveyors and to purchase headquarters for the Institute. I am able to give you very positive news on both counts in my report.

The IIMS secretariat (and MSA) remains a small but highly effective and productive team - one which punches well above its size and weight as has been shown over the past year and earlier – and one which I believe returns excellent value for money to its members.

And finally, on a personal note, I have been asked several times by the board and some members in general about my situation recently. I have now completed five years with IIMS and if I am honest the time has flown by. I love my role, even though it throws up unpalatable and unpredictable challenges at times. I have given a pledge to the management board that all being well, I expect to be around at the helm for another five years.

Progress update on two key approved votes from the 2018 AGM

Before I give an update on the various activities IIMS has been involved with, I wanted to start with bang up to date news on the two specific positive votes that were taken at the 2018 AGM. Both have taken up an inordinate amount of time to progress, but in a positive way.

Firstly, IIMS was mandated to look to purchase suitable headquarters by mortgage when the current lease on Murrills House (pictured below) expires in February 2020. The results of my extensive property search had proved fruitless. In a discussion with our existing landlord, Casson Beckman, who occupy the ground floor of Murrills late last year, it became apparent that he would welcome the opportunity to sell the freehold of the property to IIMS as part of his exit strategy from his business. We entered into a lengthy dialogue and the price was agreed at £650,000 but subsequently negotiated down to £625,000 to include the gardens and car park. This asking price has subsequently been verified by an independent land/building surveyor as a fair price.

In a strange turn of events, our current landlord would like to become our tenant occupying their existing space on a 10-year lease with break clauses at 3 and 6 years, paying £20,500 per annum to IIMS. This more than covers our expected monthly mortgage commitments and outgoings. Having agreed a price and scoped out the basis of the deal, it was put before the management board which unanimously approved the proposal. We then needed to consider raising the deposit of £125,000. At the time of writing, we have already managed to set aside the majority of this sum and expect to have what we need by Q1 in 2020.



The Institute is preparing to execute a conditional exchange of contracts in the coming weeks. What this means is that once IIMS has an approved mortgage expected by mid-December (a mortgage offer only lasts for 3 months) Cassons is obliged to sell and we are obliged to buy.

IIMS is launching a crowdfunding campaign to members and other supporters of the Institute to invite them to make a financial donation towards the property purchase tax and essential

maintenance. Any financial donation will not simply go to the bottom line of the business and be lost. Rather, we plan to invest it in paying for the stamp duty tax on the purchase with any balance left being put towards replacement windows and essential maintenance. All those who choose to make a donation (unless done so anonymously) will be recognised with a special, individual wooden **Founders Plaque** displayed at the offices for ever more. We have made it simple to do by setting up a 'Just Giving' page.

Murrills has an extraordinary history going back some 500 years. With help, I have managed to trace some of its illustrious past (including two fascinating Royal connections) and this forms a special 12-page feature article to be published in the June Report magazine, which I encourage you to read. Assuming all goes well, IIMS expects to complete on the purchase of Murrills House in Q1 2020.

The second vote taken by members at the 2018 AGM gave the tacit approval for the IIMS head office team to develop an international marine surveying accreditation scheme that would set a minimum acceptable standard against which surveyors worldwide could be measured using objective criteria. Hilary Excell and I have worked tirelessly on this project, which will become known as the **Marine Surveying Practitioner** scheme; and we now have a framework and a broad understanding of what the standard will look like, how it will be assessed, how the evidence will be documented and how to bring it to market. We have a provisional launch date of Q1 2020 when the first applications will be accepted. Remember, this is not a mandatory requirement for IIMS members.

The first detailed activity we undertook was to assess the need and likely response from the market if such an accreditation scheme was launched amongst a targeted group of well-known and respected industry organisations. Those early responses with quotes have been documented in an 8-page brochure which can be found on the IIMS AGM Agenda web site page and I would urge you to read it. We were delighted to receive positive feedback to our proposal; and as we have continued to talk with potential users of those surveyors who will become enrolled in the MSP scheme over recent months, nothing has changed. It seems that becoming an accredited MSP might well give a surveyor a competitive edge. Insurers, P&I Club, vessel owners and operators, brokers, even members of the public, have broadly welcomed the initiative, although they are yet to see the small print and fine detail. Two other UK based surveying membership organisations – YDSA and SCMS – also wish to be involved and we have added them to our wider group who are developing the standard and programme.

IIMS has registered the newly designed MSP logo as a trademark and has secured a web site address in readiness.

We are currently working through the various surveying specialisations and starting to scope out how the assessment will work, how many specialisms a surveyor can apply for and so on. I cannot stress enough how exhaustive we have been so far and the scale of this piece of work. We are determined to make it as fit for purpose as we can for launch.

The cost of accreditation, which will be managed by the Institute's wholly owned subsidiary, the Marine Surveying Academy, is yet to be finalised, but IIMS members will be offered a discount.

The management board have been kept in the loop with developments at our quarterly meetings and have had the opportunity to steer our thinking and to voice their thoughts.

Head Office matters

Personnel

Cathryn Ward resigned her position as Education & Events Co-ordinator and left the business in March to be replaced by Lorna Robinson, who comes from a background of 8 years working in pre-school education.

Certifying Authority Administrator, Tania Bernice, has changed her working hours with effect from April and is now part time working four days per week. Dave Parsons covers her work on a Wednesday with no loss of service to our customers as a consequence.

Jen Argent has settled in well as Management Accountant since joining in the summer of last year. She has worked hard and particularly with some success to reduce the historical old membership debts to an acceptable level. She is now on a shortened maternity leave of her own choosing and expects to return in late July. During her maternity absence, Elly Bryant, myself and our external accountants (FAB) are keeping on top of financial matters.

Staff training

Another training away day/night is planned for the whole team in September following the success of the past two.

New employee benefit

A new cost-effective benefit was rolled out for staff in recent weeks. The Employee Assistance Programme offers access for staff and their partners to a series of confidential helplines on a variety of topics from counselling to bereavement support and from legal information to medical advice.

ICD database

Moving to our new database structure created in Zoho Creator has taken far longer than expected but is nearing completion. The Certifying Authority and education departments are both ready and are effectively paperless now. Membership will follow soon.

IT challenges

There have been a few IT challenges over the past year, but none of them show stoppers. Some of the most serious issues have been caused by iffy scheduled Microsoft Windows updates. We have replaced two PC's and one laptop.

Branch news

IIMS India branch held a highly successful one day Conference in Mumbai late in 2018, orchestrated by Capt Purnendu Shorey MIIMS and his colleagues from Offing. A great line up of speakers ensured the success of this well attended event.

Later this year, IIMS UAE branch will hold their bi-annual Conference to mark the 10th anniversary of the branch formation. The event will be held onboard the QEII, now permanently moored in Dubai and converted to a Conference venue. Don't miss the chance to participate in what promises to be a memorable occasion.

Other reports will be available for the AGM prepared by Regional Directors and in-country representatives.

Membership

The process of tidying up the membership has been undertaken with non-paying members being suspended and then removed. It was a long overdue process and reduced the final 2018 financial year profit with the write offs. Consequently, this has reduced our overall membership in number.

We continue to get a steady number of new membership applications and expressions of interest in joining the Institute and the Professional Assessment Committee, which has a couple of new members, is being kept busy.

Capt Chris Kelly will have a full report.

Certifying Authority update

Fraser Noble will give a short verbal overview on IIMS CA matters, of which there are quite a few to report. IIMS is involved as part of the MCA Technical Interpretation Forum and also with the proposed amendments to the various codes that are now underway.

The MCA's CA BCC meeting was held in February with around 40 attendees. I presented the proposal to form a Council of CAs to develop an assessment and certification programme for anyone carrying out coding examinations. There is now a deadline to meet. The MCA's III Code audit deadline is September 2020. Any such scheme needs to be active by then. Currently we are scoping out a training module for code examiners and will then meet as a group of CAs to advance the certification process ready for implementation.

The MAIB draft report into the Clipper fatality incident was issued to IIMS and other associated parties for review and comment. It has yet to be formally published. The MCA continue to show a keen interest in this case and following their extensive investigations last year, they have been back again this year to collect what they term as 'fresh evidence' from the IIMS offices. I have nothing further to report at this stage.

The Institute is poised to sign a new tonnage agreement with the UK Maritime & Coastguard Agency. Anyone wishing to carry out tonnage measurement surveys through the IIMS must have attended one of these training days and completed some sample tonnage surveys to prove their competency before being authorised. Stipulated in the new agreement is the need for all UK organisations authorised to provide tonnage measuring services to have demonstrated appropriate training provision in the subject.

Surveyor complaints

This remains a thorny topic and shows no signs of disappearing or abating – in fact it is worsening. The past 12 months has seen an unacceptably high number of complaints coming into the IIMS offices at semi regular intervals. Some of the complaints are serious in nature and not easy to defend, especially when the surveyor buries his head in the sand too as is sometimes the case. Paul Homer and I spend a considerable amount of time acting as the middlemen trying to mediate between surveyor and complainant. It eats up time and is far from easy. Poorly constructed reports often remain the primary cause of the complaints, not always the quality of the surveying work carried out.

In recent discussions with some of the insurance companies, they too have noticed an increase in the number of claims against surveyors they are having to handle, process and finally pay out on. Ultimately if the number of complaints is not checked, more expensive PI cover insurance premiums start to look inevitable. I feel like a broken record each time I mention this subject, but it is one that surveyors must take note of.

Brief round-up of recent conferences, events and training

At the tail end of 2018, IIMS launched the Marine Surveying International Fest, a rolling 24 hour online only conference dedicated to the surveying profession with one new presentation starting on the hour every hour, delivered by experts in various worldwide locations. Hailed a great success by those who participated, the team is working on version two for broadcast later this year.

The IIMS Baltimore Conference held in January, hosted by James Renn at the MITAGS Conference Centre, was a great event both financially and in terms of the record numbers who turned up for the two days of excellent presentations. James has rebooked the same venue for 2020. My thanks to him.

Our trip to visit the Sunseeker works in Poole, Dorset attracted a dozen or so members. Those in attendance got a thorough 'access all areas' of the Sunseeker facility followed by several great presentations delivered at the neighbouring RNLi headquarters.

The two-day event in Dublin, Ireland held in March was an unqualified success, attracting nearly 20 delegates of whom just a handful were IIMS members along with three students. The content delivered was both excellent and relevant for those who attended, well received too and IIMS will surely be back again soon.

IIMS continues to run three-hour, online report writing courses twice a year and they are always well attended. The content has been freshened up and modernised.

Kim Skov-Nielsen presented an excellent online seminar on synthetic fibre rigging that attracted around 20 delegates in March.

The annual Western Mediterranean Large Yacht & Small Craft Working Group training day brought in a strong contingent to Palma during April. The two days of training included a morning at the island's premier Volvo Penta dealership with some excellent product training given, followed by some superb presenters who talked on many aspects of surveying from how to identify electrical problems to superyacht project management, rigs and masts. On the final morning, eight surveyors took part in a hands-on sea trial. Thanks to John Walker locally for facilitating this.

Our one day Certifying Authority training day in May was a success attracting a mixed collection of experienced coding examiners as well as some general surveyors with coding aspirations. The day was very much a practical, hands-on event allowing those present to undertake two mock codings on the available vessels. Thanks to Fraser Noble for orchestrating proceedings on the day.

A one-day tonnage training course was held at Itchenor on the UK South Coast hosted and delivered by John Excell, Chairman of Large Yacht & Small Craft. In total four craft were measured including a sailing yacht, motor boat and rib. The day closed with a round table discussion comparing the various measurements.

Remaining 2019 conference, seminars and training events

August

Thursday 1 and Friday 2 August - IIMS Australia seminar and workshop. Brisbane.

Wednesday 6 and Friday 7 August – IIMS Singapore seminar and eCMID AVI seminar.

September

Monday 23 September - Certifying Authority Training Day - Portsmouth area.

October

Monday 7 October - Inland Waterways training day - UK location to be confirmed.

Tuesday 15 October - Tonnage training - European location to be confirmed followed by an IIMS training day on Wednesday 16 October at the same location.

November

Monday 4 and Tuesday 5 November - IIMS Scotland Large Yacht & Small Craft Working Group training. Venue to be announced.

Monday 25 November - Large Yacht & Small Craft Working Group training day - Portsmouth area.

November 20 - UAE 6th bi-centennial Conference aboard the QEII in Dubai celebrating the 10th anniversary of the formation of the branch.

Date in December to be confirmed - Second Marine Surveying International Fest 2019 online.

Education update

John Noble will present a report.

The Institute had a strong Professional Qualifications intake in April and things look positive for the next influx in July too. Over 160 are currently enrolled and both demand and the level of enquiries remain high for our education services.

There remains a growing need to refresh the education committee and anyone prepared to join and contribute is welcome to put their name forward.

We have continued to update some of the thirty plus modules and Unit 1 An Introduction to Marine Surveying is currently getting a makeover.

Continuing Professional Development App update

The Continuing Professional Development (CPD) App continues to draw in submissions regularly and is functioning well with few glitches. The CPD engagement with members still needs work and more than 50% of the membership do not see it as a sufficiently important aspect of membership to participate in as they do not engage with the process. Members are reminded that training carried out through other surveying or recognised organisations is acceptable as long as it can be evidenced.

Last year we received and processed 1,112 submissions for points, of which all but 145 were accepted. Lack of evidence remains the primary reason for IIMS to reject a submission.

Recently launched member benefits

Copyright photo bank

IIMS has launched a new member benefit in the form of a photobank comprising several hundred images to browse and use. Images range from high to medium resolution and are suitable for use in brochures, marketing material, web sites and so on. The images have been arranged into seven categories: Superyachts, Workboats, Yachts & Small Craft, Ribs, Equipment, Miscellaneous, Commercial Ship and Offshore Vessels. The page on the web site is password protected but can be accessed at <https://bit.ly/2uIpaIN> using the password Surveying (case sensitive).

Audio podcasts

Another new member benefit was launched in January and is freely available to members only. Over the course of the past 18 months, IIMS had made a number of audio files from a range of training sessions and seminars it has carried out on an array of surveying topics. IIMS has now brought an initial collection of forty plus audio podcasts together in one place on the website under the title of 'Train as you Travel'. A member must be logged in to the web site. Once logged in, a member can choose to play an audio podcast directly from the web page or may select to download it to their device to play anytime on the move. The content can be accessed at <https://bit.ly/2PI4eQs>.

Safety briefings

IIMS has created a web page dump with free access to more than 200 safety briefings that have been published in recent years. In many cases, the reports in full, which are categorised into subsets, can be downloaded and saved for future reference. Access the safety briefings page at <https://bit.ly/2V4QgtP>.

The Marine Surveyor Search App was launched on 1 March and has caused a positive stir in the market place. Subsequently further updates have been released as we continue to fine tune and tweak the App. Our work in this area is exciting and now lifts us above all the other surveyor organisations. My thanks to Capt Ruchin Dayal and his team at eDot in Goa.

Several people have made contact with me (and others) asking about appearing on the App. Our reply? You need to be in membership at this time to feature. The App can make a very positive impact I believe on our marketing efforts to attract new members.

Our early responses from our PR campaign have been encouraging with over 17 different media streams publish our release about the App.

Although very early days, we have had over 160 App downloads. Over 500 surveyor listings have been viewed. Over 30 telephone calls have been made via the App and more than 50 emails sent.

So far, 8 surveyor ratings have been made and 7 invalid contact details notified to us.

Publications

Handy guides

Remarkably the collection of 'What a marine surveyor needs to know about' handy guides has now reached twenty in total following the recent publication of the biggest book in the series so far entitled *Paint failure, corrosion and rectification* by Peter Morgan and Roger Weatherhead. The

handy guides sell consistently and are also now available in downloadable eReader pdf format as well as in paperback. Other manuscripts will be brought to market in due course.

Report magazine

The Report Magazine, edition number 88, will publish on 1 June. The publication has received critical acclaim from those who have communicated with me about recent editions. The current and back issues are available at <https://bit.ly/2ztbJkE>.

Web site & Social media

The IIMS LinkedIn feed has grown exponentially and has mushroomed to over 3,500 followers. This is now a highly influential group in its own right and has attracted some important followers.

The IIMS Twitter feed has over 1,600 followers.

The IIMS YouTube channel now boast over 160 unique presentations recorded at various conferences.

The IIMS web site continues to attract 15,000 plus unique visitors per month. There are now over 1,500 searchable stories and features.

External work being undertaken by IIMS

On a number of occasions, IIMS gets drawn in to work on matters not directly related to the Institute, sometimes by default but more often through choice.

Here are some examples of activities we are currently involved with:

Australian government review into the performance of AMSA, the Australian maritime regulator. Following a number of changes to the way regulation works in Australia in the past year or so, the Government has instigated a report into the performance of the agency. IIMS has made a submission as part of the enquiry with a number of concerns about the current survey regime. The enquiry is yet to happen, but we have received acknowledgement.

The Institute of Diagnostic Engineers

Jeffrey Casciani-Wood, well known to all IIMS members, is also President of the Institute of Diagnostic Engineers. A 40-year-old organisation, they have hit hard times. Jeffrey reached out to me and IIMS has been advising them on how to implement a turnaround plan. Initially we have rebuilt and repurposed their web presence on a commercial basis with a new site. Other collaborative activities are likely.

UK Maritime & Coastguard Agency

I have had one meeting with the new Chief Executive of the MCA and another is planned for late June. Fraser Noble sits on a technical committee chaired by the MCA along with other Certifying Authorities the aim of which broadly is to agree common understanding of terminology and to assist with the redevelopment of the various codes.

Additionally, I have continued in my role as Chair of the Certifying Authority Professional Standards Working Group. We are now making significant progress and expect to be announcing a common standard for all CAs and coding examiners leading to a certification process plus a training module.

UK marine surveying apprenticeship trailblazer scheme

I have continued to attend meetings as part of the development programme. From the original crowd, only two of us now remain. The programme is set for sign off and government approval and funding. IIMS is still well positioned to potentially deliver on the education content.

Small Craft Surveyors Forum

IIMS continues to play a leading role with the SCSF, a group of professional bodies including NI, RINA, SCMS, YDSA and IMarest.

Mike Schwarz

Chief Executive Officer

16 May 2019