INCOSE UK Annual Report

YEAR ENDING DECEMBER 2016
Introduction from the President

2016 was a year of milestones for INCOSE UK. We firmly established ourselves as the largest Chapter in the INCOSE global family. We now have over 1000 individual members, and nearly 40 of the UK’s most progressive organisations, many world-leading in their field, forming our Advisory Board (UKAB). Our financial position has stabilised since the 2015 AGM. This was no mean feat, for example we pay our membership dues and certification fees to INCOSE in US Dollars; therefore, currency fluctuations alone were extremely challenging and likely to remain so. That said, we are on more stable ground and will continue to invest appropriately in the delivery of our mission and vision.

2016 was not just about numbers, we undertook a challenging series of activities and whilst space prevents me from acknowledging all of them, the following are representative of the depth and scope of our engagement with our membership and wider stakeholders:

- **IS 2016** – INCOSE UK was proud to play a substantial role in the hosting the 2016 International Symposium. IS 2016 was an outstanding success and drew attention to the calibre of INCOSE UK, its members and the quality of UK Systems Engineering capability.

- **ASEC 2016** was exceptional. Not only did we have a first class technical programme, we also had a significant number of members attending their first ASEC. We also exceeded our financial expectations.

- **Professional registration** – In June the INCOSE UK Council concluded that the future development of our professional registration programme required us to enter into a new partnership. This was an extensive effort and transition perhaps understandably not always as smooth as we would have liked. Nonetheless, the programme is on track and importantly, within our expected budget.

- **Consolidation of recent growth** - As mentioned in my opening sentence, we achieved the 1000 member milestone, the first INCOSE Chapter to do so and so cemented our place as the largest Chapter in the INCOSE global family.

- **National engagement** – we have been active in reinforcing the wider adoption and development of Systems Engineering practice, specifically supporting the following major initiatives:
  - SEMAP (level 7 apprenticeship in Systems Engineering)
  - Energy Systems Catapult / EPSRC
  - Royal Academy of Engineering workshops applying Systems Engineering to healthcare

Of most importance, INCOSE UK is driven by the efforts of its volunteers, be they Council officers, working group or local group chairs, or the representatives of our corporate members. There are, and will continue to be, excellent opportunities for INCOSE UK members to get involved.

I look forward to continuing to working with the INCOSE UK Council, our Advisory Board and Secretariat, to continue develop INCOSE UK for the benefit of our members and the global systems engineering community.

Ivan Mactaggart, INCOSE UK President
Contents
Introduction from the President.............................................................................................................. 1
Financial Summary.......................................................................................................................... 2
Structure and Governance.................................................................................................................. 4
Overview of INCOSE UK Activity ...................................................................................................... 4
Groups.............................................................................................................................................. 4
Events Held....................................................................................................................................... 5
Professional Development.................................................................................................................. 5
Professional Registration.................................................................................................................... 5
INCOSE Certification.......................................................................................................................... 6
UKAB ................................................................................................................................................. 6
INCOSE UK Awards............................................................................................................................ 7
Professional Registration.................................................................................................................... 7
INCOSE Systems Engineering Certification ....................................................................................... 7
Outstanding Service Award Recipients.............................................................................................. 7

Financial Summary

The financial year reported is from 1 June 2015 until 31st May 2016.
The following headlines summarise the financial picture

**Financial performance as forecast**

The financial year ending 31st May 2016 resulted in a £31.9k loss which was broadly in line with expectations given the significant investment in Professional Development.

**Savings measures take effect**

There were savings measures put in place in 2015 and these are beginning to have an effect, albeit not in time to affect the May 2016 results. The budget for 2016/17 indicates a loss of just £6k which is significantly smaller than the last two years.

**USD exchange rate an ongoing concern**

The recent fall in the USD exchange rate means that our payment to INCOSE Central for 2016 dues will be higher than forecast. The recent increase in dues from January 1st 2017 is already being eroded by further falls in the exchange rate, though this has been mitigated by grants to INCOSE UK from INCOSE being held in US accounts not being transferred to the UK.

**Unrecoverable VAT a permanent issue**

It is now clear that our unrecoverable VAT situation (mentioned last year) has become a permanent feature and is included in the budget. Ironically this is down to the success of increasing membership and professionalisation income which is VAT exempt.

**Low savings rates impact our income**

Our savings account will drop to zero percent interest (from 1%) in December, losing another £2k per annum. It seems unlikely that we will be able to find an alternative account that will yield anything more than a derisory rate of interest.

**Positive impact of the new professional registration pathway**

Our professional registration transition programme will realise some income from registered members – we received no income under the previous arrangement.

**Success of IS2016**

There was a ‘windfall’ due from the success of IS16; the exact amount is not yet confirmed but is expected to be in the order of $20k and $30k.

In summary, though stable we have a little way to go before our everyday income matches or exceeds our everyday expenditure. Our reserves are still sufficient to give us time to get back on track, demonstrating why it was necessary to build them up from surpluses in the ‘good’ years.
Structure and Governance

The structure of INCOSE UK at the end of 2016 is as follows:

Overview of INCOSE UK Activity

There has been a large amount of activity in 2016, and we have been working hard to communicate this effectively through our strong LinkedIn and Twitter presence as well as our regular electronic magazine “Preview”.

A summary of the key activities are in the sections that follow

Groups

There were over 30 meetings of the various INCOSE UK groups over the course of 2016. Current active groups are as follows:

<table>
<thead>
<tr>
<th>Working Groups</th>
<th>Interest Groups</th>
<th>Local Groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agile Systems Engineering</td>
<td>Enterprise Systems Engineering</td>
<td>Bristol</td>
</tr>
<tr>
<td>Architecture</td>
<td>Model Based Systems Engineering</td>
<td>London</td>
</tr>
<tr>
<td>Human Centric Systems Engineering</td>
<td>Railway</td>
<td>Midlands</td>
</tr>
<tr>
<td>Model Based Systems Engineering</td>
<td></td>
<td>North West</td>
</tr>
<tr>
<td>Systems Engineering &amp; Project Management (SEPM)</td>
<td></td>
<td>South Coast</td>
</tr>
<tr>
<td>Service Systems Engineering</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Node: INCOSE UK Council

- President: Ivan Maclaggart
- President Elect: Kirsty Akroyd-Wallis
- Communications Director: Hazel Woodcock
- Outreach Director: Duncan Kemp
- Technical Director: Prof. Jon Holt
- Professional Development Director: Ian Presland
- Events Director: Ian Gibson
- Finance Director: Philip Savvides
- Past President: Richard Beasley
- UKAB Chair: David Venn
- UKAB Deputy Chair: TBA

Node: INCOSE UK Ltd

- Company Secretary INCOSE UK Ltd/Head of INCOSE UK Secretariat: Emma Jane Taylor
- Corporate members elected: 8
- Individual members elected: 2

Node: INCOSE UK Secretariat

- Lynn Davis: Professional Development
- Phil Robinson: Publications
- John Goodall: Finance
- Julia Hamilton: Membership
- Keira Bird: App Scheme
- Jacob Pye: Intern
- Matt James: IT Manager
- Ben Irvine: Web Developer
- George Hodges: App Scheme
In addition there is a number of progressing work streams directly linking to Academia:

- Schools.
- Students.
- Research
- Academia and Industry.

Events Held
The highlights from 2016 were as follows:

- Training Day at Lydiard House
- International Symposium at Edinburgh International Convention Centre
- ASEC 2016 at Scarman Centre, Warwick University

We have instigated a new review process for ASEC which has now been used twice and has proved to be very successful

Looking forward to next year we will be as a minimum holding a training day in June and the Annual Systems Engineering Conference in November.

Dissemination of information through LinkedIn and Twitter has been strong. Preview has moved to electronic format

Professional Development
During 2016 INCOSE UK increased promotion of both professional registration and INCOSE certification. We continued support of Professional Development events for UKAB companies and more generally, for example, through Engineering Council NEC events.

A new set of “U” guides has been established and the first two covering professional registration and certification have been published.

Professional Registration
In mid-2016 we started our professional registration transition programme expected to run to mid-2017. Assessment is against same UK SPEC as mandated by the Engineering Council (EngC) and IEng and CEng routes remain offered through INCOSE UK as before, though now with significant benefits:

1. INCOSE UK will actively participate in the review and observe the PRI.
2. INCOSE UK will offset our costs in supporting professional registration
3. INCOSE UK now offers a single payment option covering INCOSE membership and EngC registration

Registration transfers from our previous programme are currently being formalised:

- 27 Chapter members chose continued registration with INCOSE UK.
- 10 are ready to begin work on application via our new agreement.
- 4 UK Chapter members with long held aspirations to transfer their registration to INCOSE UK are now able to begin this process.

14 UK Chapter members have volunteered to become interviewers and/or mentors to support the new process.
INCOSE Certification

As of September 2016, the UK Chapter has

- 7 ESEPs
- 53 CSEPs
- 28 ASEPs

UKAB

The UKAB provides a forum for UK Systems Engineering organisations to influence the activities that INCOSE UK undertakes, and the systems engineering best practice that INCOSE UK promotes.

There are currently 38 member organisations from across UK industry, Government and academia.

The chart below shows a breakdown of the sectors represented by the UKAB.

Benefits of membership are as follows:

- Demonstrates the organisation's commitment to the professional Systems Engineering within the UK to both staff and customers
- Demonstrates the organisation's desire to advance the state of the art and recognition of the Systems Engineering discipline
- Belonging to a group that can claim to represent the “voice of industry” as a sounding board for Government and Academia on Systems Engineering issues
- Opportunity to influence Systems Engineering in the UK - state of the art, direction and structure - through INCOSE UK, the leading Systems Engineering body
- Recognition of the organisation’s commitment in INCOSE UK publications and at INCOSE UK events
- Free copying and distribution rights to all INCOSE UK event proceedings and Working Group products within the organisation.
- Opportunity to share best practice and to tackle common issues collectively with other organisations practising Systems Engineering.
• One-to-one contact with key systems engineering points of contact within other organisations

INCOSE UK Awards

Professional Registration

The following individuals achieved Professional Registration in 2016

CEng: Steven Addiscott
CEng: Richard Lewis
CEng: Robin Nickless
CEng: Mark Powell
CEng: Laura Shrieves
CEng: Adam Stead

INCOSE Systems Engineering Certification

The following individuals achieved INCOSE Systems Engineering Certification in 2016:

<table>
<thead>
<tr>
<th>ASEP</th>
<th>CSEP</th>
<th>ESEP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mark Best</td>
<td>David Harriman</td>
<td>Jonathan Holt</td>
</tr>
<tr>
<td>Andrew Clapham</td>
<td>Katherine Heathcote</td>
<td></td>
</tr>
<tr>
<td>Philip Jackman</td>
<td>Jonathan Kebbell</td>
<td></td>
</tr>
<tr>
<td>Oliver Lam</td>
<td>Andy Martyniuk</td>
<td></td>
</tr>
<tr>
<td>John Marsh</td>
<td>Christopher Noonan</td>
<td></td>
</tr>
<tr>
<td>Matthew Mendell</td>
<td>Katy Pilkington</td>
<td></td>
</tr>
<tr>
<td>Rosie Oliver</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ian Smith</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Robert Welby</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Outstanding Service Award Recipients

The following individuals were recognised for their outstanding service on behalf of INCOSE UK:

<table>
<thead>
<tr>
<th>Rick Adcock</th>
<th>For strong leadership contribution to the Academic activities of INCOSE, contribution and now editor-in-chief of BKCASE, and long term contribution to the UK Chapter of INCOSE.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professor Michael Wilkinson</td>
<td>For sustained contribution to the UK Chapter, taking up several leadership positions (at short notice) and for strong technical contribution to INCOSE work, particularly in the field of Systems Architecture.</td>
</tr>
</tbody>
</table>