

SKI CLUB OF GREAT BRITAIN®

Minute of the Meeting of Council held at Canterbury Court, London

8 July 2022 at 10:45

In attendance: Trevor Campbell Davis (Chair) (TCD), Stu Bevan (SB), Anthony Harris (TH), Martin Jordan (MJ), Ed Killwick (EK), Jean Lovett (JL), Walter Macharg (Treasurer) (WM), Angus Maciver (AM), Elizabeth Morrison (Secretariat) (ELM), Alison Wareham (AW).

Apologies: Amanda Pirie (AP), John Simpson (JS)

Observing: Owen Chapman (Head of Memberships) (OC), Katy Ellis (Head of Holidays) (KE), James Gambrill (General Manager) (JG), Jitendra Shetty (Finance) (JtS).

AGENDA

1 Chairman's welcome and introductions

TCD welcomed everyone to the Council meeting.

He reported that following discussion, Amanda Pirie had agreed to resign her membership of Council. On behalf of Council, TCD recorded his appreciation of the work she had done as a member of staff and as a Council member, and offered his very grateful thanks. TCD noted that AP may be invited to return to Council sometime in the future as a co-opted member.

2 Minutes of meeting held on 26 May 2022

The minutes of the Council held on 26th May 2022 were approved and following any appropriate redactions should be uploaded to the website.

3 Matters arising and agreed actions from previous meeting

Please see the Action Tracker for more information.

It was agreed that a new action should be added.

ACTION	Complete cooperation agreement with the Schnauzer Club of Great Britain regarding the SCGB trademark.	AH		Aug-22
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OPERATIONAL MATTERS AND REPORTS

4 Finance

WM reported to Council that a representative, [Redacted], from Rathbones had attended the most recent meeting of the Finance and Audit Committee (FAC). He had presented to FAC members on the current investment strategy, levels of risk, and responded to questions from members. During the discussion with [Redacted], FAC members requested that Council discussed and agreed the approach to ethical investment, including sustainability.

Council agreed that further work should be completed to consider how the SCGB could more actively encourage a more sustainable approach in all its activities, including further consideration of the option of carbon offsetting for holidays. As more resorts cease summer operations, this seemed increasingly important.

ACTION	Share investment portfolio for further discussion at meeting on 27 July 2022	WM		Jul-22
	Develop strategy/policy to include our approach to anti-slavery, social justice and inclusion, and sustainability	JG		Nov-22
	Develop proposals for increasing commitment to sustainability	KE		Oct-22

WM reported to Council that the annual Audit fieldwork was complete and that the draft report was expected imminently. This will be presented to the FAC on 20th July 2022 and reported to Council on the 27th of July 2022.

Council discussed the revenue gain which had occurred because of changes in currency markets and agreed that it was important for the public record that this was acknowledged in the Statutory Accounts narrative.

On behalf of Council and members, TCD recorded his thanks and appreciation of the very high-quality work being carried out by the FAC. While there are still risks, members should be increasingly reassured that the Club finances are being managed well.

ACTION	Draft narrative for accounts to explain impact of change in exchange rate	WM		Jul-22
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Overall, a strong month for the Club revenue, including some partnership income earned in the previous financial year which was notified after the year end cut off. The commission from sales of insurance to non-members is above budget. The revenue from holidays business was a small negative due to a customer refund. There were no holiday sales.

Specific issues impacting the Club (membership) operation:

- The decline in stock markets has given an unrealised loss of £175k in the month. Latest advice is that market falls continued in June, with a further net loss of some £100k.

Specific issues impacting the Holiday operation:

- The gross profit of £15k is due to accrual reversals greater than final cost now received, at Chalet Flaine – the refund of deposit was higher than had been allowed for.
- The holiday team have drafted a detailed budget by holiday for 2022/23, which supports the overall revenue and margin for the year targeted in the current budget.

Investments

The net value of investments as of 31 May 22 was £3.611m against £3.702m on 30 April 2022. During the month Rathbones bought investments of £213k and disposed of assets worth £316k, with realised gain of £78k and unrealised losses of £175k. During the month the company received dividends of £6k.

Cashflow and balance sheet

The consolidated bank balance on 31 May 2022 was £583k. The net cash outflow was £139k in the month, with settlement of holiday suppliers, which was in line with our forecast. We continue to forecast to maintain a positive cash balance throughout the financial year without borrowing any additional funds.

At this stage we do not expect to generate sufficient cash both to meet working capital needs and to repay loan facilities before next winter; the position will be kept under review. The cash forecast model suggests a balance of over £600k at April 2023, so there may be an opportunity for loan repayments by then.

The loan from Rathbones is £734k, the NatWest Bank BBIL loan is £100k payable in 10 years. Liabilities to customers and suppliers are £695k, comprising deposits and final balances received from customers towards future holidays (£36k), deferred membership subscription fees (£434k) and other creditors and accruals (£225k).

5 IT infrastructure update

SB reported on the very good progress that is being made, under the headings of website, systems, implementation strategy, and timelines. He noted that he was more confident that the finance estimates were accurate.

SB commended the work being carried out by Guy and the team to Council.

- a) Website: Wireframes are now complete and ready for sign off. While this had taken longer than anticipated, it had been a worthwhile exercise. It is expected that this will be ready to go out to tender shortly. The technical steering group will shortly make recommendations to Council about this.
- b) Systems (holiday): Two in-depth and very positive sessions had been held with [Redacted]. Initially a discovery session and then a presentation of how a bespoke system could work. It is likely that Mountain Tracks may go live on the new system first. A change of payment provider will be required to enable Club to offer Apple/Google payments.
- c) Systems (membership): Again, good progress with a new member management system is being made. Discovery work to develop the full digital offer and experience, including adding badges, is underway. This carries greater risks and ensuring appropriate mitigations are in place will be business critical.
- d) Implementation strategy: The business-critical need for all the risks to be identified and steps taken to mitigate each of the risks was noted. It will be critical that with any of the new systems, there should be a fail-safe operation in place to enable the systems to roll-back. There will need to an element of dual reporting and recording to ensure safe-start.
- e) Timelines: Expected to implement the new website and membership system by end of March 2023. The new system for holidays is scheduled for summer 2023.

6 Membership

OC reported that membership numbers had decreased in June 2022. Council discussed possible reasons for this. It was clear that it was in part due to the cessation by SnoZone of the existing agreement, whereby their members would receive membership of the SCGB. Council discussed the origin of the agreement and were concerned not to have been alerted earlier to its possible termination. Council instructed staff to contact all SnoZone members and encourage them to join independently.

Council discussed the potential impact of the economic situation, with rising food, energy and fuel costs on membership numbers. Council acknowledged that it is a difficult time for all wintersports organisations. While Council believed that current members are more likely to be financially resilient, it will be important for staff to keep a close eye on renewals and alert Council promptly to any further declines. Early season holiday bookings are looking strong.

ACTION	Contact all SnoZone members and encourage independent membership of the SCGB	OC	Staff	Jul-22
	Monitor renewals and promptly alert Council to any further declines	OC	Staff	Jun-23

7 Partnerships and discounts

JG reported on the current position regarding partnerships and discounts. Many of these partnerships are very financially valuable to members, however it is not clear enough if members are fully aware of the potential savings they could make. JG outlined proposed changes to partners costs and expectations. Council agreed that the primary objective was to attract and retain (new) members.

8 Holidays planning progress and brochure

KE reported to Council that the holidays brochure is now complete and had been sent for printing. Several hundred members had already requested copies of the brochure. This was similar to previous years.

Overall, while the cost of holidays had increased by circa 1%, this was below inflation. Costs had been reduced by adding more holidays to Italy, using cheaper hotels, and making changes to the single room supplement. The number of family holidays on offer, with lower margins, has increased.

The potential positive and negative impact of foreign currency changes were discussed.

Council discussed the appropriateness of developing and issuing a hard copy brochure. Pros included the belief that many (older) members prefer hard copy, it supports effective public relations, and looks good on the coffee table. Cons included the belief that many younger members prefer to read online print, costs of printing and posting, detrimental impact on the environment, and poor visible commitment to sustainability.

ACTION	Council requested a paper detailing the financial envelope for the holiday programme	WM	KE	Aug-22
	Issue all Council and Advisory Group members with hard copy of holiday brochure	KE		Jul-22

Additionally, KE reported that adverts for seasonal staff are now live.

CLUB STRATEGY

9 SCGB Plan 2022-24 and Return to Resorts

This item was a separate session of Council on the 8 July 2022.

JG presented the current context for members and skiers, including numbers, locations, demographics, members responses to surveys and emails. His presentation highlighted several possible actions for Council to discuss and agree. Council discussed the importance of:

- raising awareness of club benefits;
- a greater social media presence;
- the need to engage younger members; and
- having a longer-term strategy for the survival of the Club.

Council agreed that the “return to resorts” agenda was critical for many members who responded individually to the recent letters from the Chairman and acknowledged that this work was part of the wider strategy for raising awareness of the Club.

JG reported that many conversations with resorts (past, present, and possible future) had already taken place. Some resorts were keen to support with offers of accommodation and lift passes for

reps, others were more reluctant to commit in the first year but might reconsider thereafter. Council were unable to consider at this meeting the range of resorts for possible SCGB presence in the plan period of 2022-24, or to put in context those suggested for next season. JG reported that it should be possible to raise the Club's presence in resorts from 16 in 2021/22 to at least 24 in 2022/23 and gave some indication of where this might be achieved. Council approved additional expenditure of up to £50,000 (if required) in order to achieve this increase. Council agreed that a consistently high-quality of rep service would be important as more resorts host reps. Council also agreed that guidelines for the management of reps should be reviewed and revised if appropriate.

ACTION	Share reps debrief	OC		Jul-22
	Prepare comprehensive marketing materials for each rep	OC		Aug-22
	Develop plan for the return to resorts: should include (not exhaustive list) timeline, number of British skiers normally visiting, historical information relating to SCGB, presence in resort, culture, offer from resort etc	OC		Aug-22
	Create reps checklist and briefing for in-resort contacts	OC		Oct-22
	Revise guidelines for the management of reps and share with Council before the new season.	OC	JG	Oct-22

10 General Manager's Report

JG reported that considerable improvements had been made to both the travel insurance claims response rate, and the resolution of claims. The Club's direct relationship with the underwriter was supportive when claims were made. The travel insurance product was deemed to be excellent value for winter sports coverage. Council agreed that the benefits of Platinum membership which includes insurance could be highlighted more.

He also reported to Council that following a slow start, [Redacted] strong applicants were now being interviewed for the member engagement post.

10 Any other business

None.

The meeting closed at 17:10.

Where the minutes contain commercially sensitive or personal information, the relevant extract will not be included in the published online record and will be marked as redacted.