

SKI CLUB OF GREAT BRITAIN®

Minute of the Meeting of Council held in person at the Workspace, Kennington on 28 June 2023 at 12.00

The day was composed of a regular Council meeting and a future looking strategic discussion.

In attendance: Angus Maciver (Chair) (AM), Stu Bevan (SB), (Martin Jordan (MJ), Jean Lovett (JL), Elizabeth Morrison (Secretariat) (ELM), Evelyn McKinnie (EM), Walter Macharg (Treasurer) (WM), Trevor Campbell Davis (TCD), Chris Radford (CR)

Apologies: Anthony Harris (TH), Rick Krajewski (RK)

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

AGENDA

1 Chairman's welcome and introductions

AM welcomed everyone to the meeting and noted that it was excellent to get together in-person. He set out the agenda for the day, namely that the morning session would cover regular Council items and the afternoon session would be future focused. This forward-looking session would provide an opportunity for Council to review previously agreed strategic objectives and agree two or three new strategic priorities for the Club.

2 Minutes of meeting held on 30 May 2023

Following a minor amendment and additional action, the minutes of the Council held on 27 April 2023 were approved and subject to appropriate redactions would be uploaded to the website.

Action	HRAG to provide recommendation re if staff bonus should be individual or based on team's performance	JL	WM	April-24
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3 Matters arising and agreed actions from previous meeting

Please see the Action Tracker for more information.

4 Holidays and Chalets

KE reported to Council that the holiday programme for 2023/2024 is almost complete. The programme will be issued in print format around the 17th July, and will go-live for sale on 24th July. It is hoped that holidays will be launched on the new website as soon as possible (but this should not impact on sales through the existing website).

A few new “bucket list” trips have been added eg Japan and Colorado hat-trick. Overall prices have increased and due to changes in currency markets, Switzerland is likely to have the highest cost increase. Where it has been possible to do so, prices have been held low or at a level similar to the previous season.

Council commended and thanked KE, and the holidays team for pulling the programme together.

5 IT Infrastructure Programme

The website is running approximately 2-3 weeks behind which will also have a knock-on the integration testing and initial population of the site. An additional £3190 has been added to the forecast to cover additional complexity in the membership journey and as the cost to import historical holidays was not budgeted and additional £3000 has been add to the forecast to cover this. Further work is required to understand fully how Customer Community Login-based licences are defined and the financial implications of potential excess logins. The finalisation of the visuals for the website has taken longer than planned but should be signed off shortly. RedBullet have started work on building the site.

The finance team are working with the IT implementation team on the payment processing supplier to be used for the new systems. We currently use AcessPay. The new systems will work with GoCardless. AccessPay may require additional costs to interface with Salesforce. GoCardless is integrated with Salesforce but has higher on-going costs. A review of the comparative costings and functionality is underway. Council discussed this developing situation and what the likely impact on the IT infrastructure programme timeline would be if a significant change was made in the implementation plan.

Action	Paper to be developed to explain background re GoCardless and Access Pay, with risks,	GC	SB	Jul-23
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	costs, options, and recommendation for Council			
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6 120th Celebration

Council discussed the plans and guest list for the Gala Dinner. Council members attending will be expected to host a table with a mix of journalists, industry guests, and members (including reps). It was agreed that each Council member would receive a briefing pack with useful background information.

Action	Briefing pack issued to Council members re 120th celebration gala dinner.	JG	TCD	Jun-23
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7 Reps and Resorts

MJ reported to Council on the outcomes of recent meeting that he and others had attended with Carnalutti to consider further the legal position of reps, with a specific focus on reps in France.

MJ noted the key message from the meeting was that under the French Sports code, unqualified people who receive remuneration, cannot organise skiing, on or off piste. Thus, reps cannot take any responsibility for organising skiing. For season 2023/24 the role of reps should be repositioned from organising skiing to organising social events. Reps can ski as SCGB members with other Club members. Decisions on route choice etc should be a shared responsibility. Every Club member is responsible for their own safety and that of other group members.

Council discussed the repositioning of the rep service. And the consequent need for rep training. OC described that plans to make the rep training in October more interactive are underway.

Council also noted that all documentation would require to be updated to reflect the repositioning. Council noted that core messages (for members) will need to be agreed first and that documentation would require to be approved by the Human Resources Advisory Group (HRAG), and the Reps and Resorts Advisory Group (RARAG) before being shared with Council for information.

Expansion of the Reps Programme: Council enquired about the progress with French resort discussions and were informed that they were going well with Meribel, Tignes, Flaine and La Plagne the current front runners. Council was content with progress and were in broad agreement that the Club should pursue placing Reps in France for the 2023/24 season in supportive resorts.

Action	Updated rep documentation to be approved by HRAG and RARAG, before being shared with Council for information.	OC	MJ	Sep-23
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8 Membership Update

OC reported to Council that presentation of the data showing membership numbers had been revised. The data is now using forecast numbers compared to actuals. Due to fluctuations in membership numbers due to the pandemic, trend data is not now being presented. Council asked for further clarification about what is being measured.

OC noted that overall membership had declined further in May 2023.

Please see Appendix A for further details.

9 Finance

Management Accounts to May 2023

WM reported the management accounts for the first month (May) of 2023/24 to the Council.

The Club's total revenue for May was below budget by circa 17%. This includes membership receipts which are below budget. During the month no income was projected from advertising and partnership and ILG. There was an unrealised loss on investments in the month. The budget currently forecasts that the operating profit will be in the region of £100K.

The Club is continuing to forecast a very small overdraft in August and September 2023. This is the impact of the expenditure on the IT project, plus bond and insurance premiums payable in the summer. The cash forecast model projects that the Club will generate net positive cash flows after September 2023.

WM and others have met with Rathbones to review investment performance and consider the future of the loan.

Rathbones offered a reduction in the loan margin. After discussion at FAC the view was that the Club should repay the loan, in a few months after the low cash holding position in the summer.

The Club have tested the market for FX hedging with another supplier. The conclusion being that the rates the Club are currently receiving are competitive, and forward purchases remain the best value method of hedging. Council agreed that there should not be any change to suppliers, at this time. FAC approved forward purchases of Euro and CHF to cover the majority of forecast supplier costs next season.

10 Any other business

None

There being no other business the Council meeting closed at 13.10

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.

STRATEGY MEETING

1 Background and review of 2022/2023

JG reported to Council progress over the past year:

He intimated that overall, 2022/23 has been a very successful season overall and marked a full return to normal operating capacity following COVID-19. The Club had set ambitious targets for growth in membership, holidays, and partnerships. Resorts with reps increased by eight, the largest in year expansion in recent history. The Club stabilised and expanded the staff team to provide a better service to members. Marketing activity was increased to drive higher awareness of the club, web traffic and membership. JG noted that there is a correlation between higher levels of marketing activity and membership joins. However, awareness of the club amongst skiers has dropped. Skiers respond better to specific messaging about the club's services and benefits: holidays, reps, insurance, discounts etc. rather than general 'join the club' messaging. Further work is needed to establish what it is that skiers are prepared to pay for via a membership, since many of the past benefits of membership are now provided by others for free. JG reported that Pay Per Click (PPC) and events like the Snow Show have demonstrated positive returns on investment and he recommended that these activities should be expanded.

2 Review of Strategic Objectives 2022/2023

a) Reduce losses and grow membership by 5%

Membership decreased and is 4% down, although significant numbers of new members joining.

b) Reduce average age of membership by one year each year

The average age of new joiners was 47 bringing our overall average age down.

c) Ensure club is stable both financially and operationally

90% of the team retained from 21/22 and the Club made an operating profit.

d) Increase quality of all club services

Average NPS scores for reps and holidays is above target and 21/22 level.

3 Ski Industry Research

JG shared a very helpful and comprehensive Ski Industry Research report which Council members noted provided a useful background perspective for them.

4 Diagnosis and Analysis of Problems

JG identified several areas for Council to discuss further:

- The Club provides less opportunities for members to ski together:
 - The original and innovative reps service has been through several iterations and names and is materially less valuable and less visible than it has been historically.
 - Reduction in Freshtracks holidays.
- The Club has created too many brands, neglecting opportunities to grow the Ski Club brand, resulting in a reduction in brand awareness.
- Core services from the past including information and advice and reps have diminished, making the product less attractive especially when the competition has increased especially in terms of information and advice.
- Focused on reaching out to a younger demographic but haven't made the offering more attractive to them.
- Lack of innovation and investment in the right areas and in the right ways, especially use of technology.
- Connections within the Snowsports industry have diminished.
- More inward than outward looking, rather than creating member value.
- Last major piece of strategic worked lacked focus, choices, and coherent actions, which resulted in the wrong resourcing plan and execution.

5 A New Strategic Approach

CR presented work developed by the Membership Advisory Group. The work suggested that the Club should develop a new strapline and align strategic priorities behind this. Council discussed the proposed strapline of "have better ski holidays".

CR proposed that the Club should develop one (and only one) brand the "ski club" and that all other brands such as Freshtracks, Mountain Tracks, Ski + Board should be retired. Council members discussed these and agreed with the overall strategic approach. Council requested that further work was required to flesh out details and consider the unintended consequences of such an approach.

6 Council Discussion

Council discussed the idea of only allowing members to use any of the Club benefits such as insurance and information and agreed to review this further with more data surrounding the implications. Council also expressed a desire to target younger, possibly lower budget, members and to plan to target more families with specific family offerings. There was also a general consensus that the Club could do more to support the sustainability agenda within skiing.

Annex A

May 2023 Membership Overview

MAY	2023	2022	% Var
Total Households	10758	11649	-8%
Total Members	15694	17802	-13%
Total Paid Household	10166	11094	-9%
Platinum	2904	2477	15%
Standard	7262	8617	-19%
Family	3313	3670	-11%
Individual	6853	7424	-8%
Average Age Households	58		
Average Age Members	52		
Average Household	1.5		

MAY	Households
FORECAST RENEWALS	371
ACTUAL RENEWALS	303
FORECAST JOINS	70
ACTUAL JOINS	31
NET MONTHLY INCREASE FORECAST	4
NET MONTHLY INCREASE/ DECREASE ACTUAL	-103
ATTRITION RATE	31%

TOTAL JOINS	31
Standard	18
Platinum	13
Family	6
Individual	25
Average Age	55
TOTAL LOSSES	133
Standard	131
Platinum	2
Family	45
Individual	88
Average Age	46
<i>Snozone excluded</i>	58

