

**MINUTES OF THE 323rd MEETING OF THE
RAF ASSOCIATION'S CENTRAL COUNCIL
CAVALRY & GUARDS CLUB
SATURDAY 14th DECEMBER 2013**

<u>Present</u>		<u>Apologies</u>	
AVM N Bairsto	Chairman	ACM Sir A Pulford (CAS)	
AM Sir Dusty Miller	President	Mr P Tagg (HT)	Hon Treasurer
AVM D Whittaker	Vice-President	Mr T Lee (TL)	Non Exec Dir
Dr B Pattison (BP)	Vice-Chairman	Mr G Middleton (GM)	
Air Cdre A Neal (AN)		Sqn Ldr A Morris (AM)	
Air Cdre A Opie (AO)		Mrs J Boothman (JB)	
Mr F Barrett (FB)		Sgt G Evans (GE)	
Mr A Poole (AP)			
Mr S Graham (SGr)		<u>In Attendance</u>	
Mr J Tisbury (JT)		Mrs J Easton (SG)	Secretary General
Mr I McEnnis (IM)		Mr J Calder (DFIT)	Director of Finance & IT
Mr B Chandler (BC)		Mr B Hounslow (DMO)	Director of Membership
Mr B Darke (BD)		Mr R O'Connor (DW)	Director of Welfare
Mr J W Lee (JL)		Mr M Bolton (DFM)	Director of FR & Marketing
Sgt W Swiggs (WS)		Mr S Hargreaves (SSM)	Support Manager & Sec
Mr T Feeley (TF)		Sqn Ldr D Gibson (DG)	Audit Cttee Chairman

The dedication was read by Mr John Lee and condolences were recorded following the recent death of Wg Cdr David Boak, Vice President SE & Eastern Area and on the death of Lady Jess Broom, the widow of Sir Ivor Broom, who herself was a long-time friend and supporter of the Association.

1. Apologies for absence

Recorded above.

2. Chairman's Opening Remarks

The Chairman welcomed everyone to the 323rd meeting of Central Council especially TF, who was deputising for GM, and DG from the Audit Cttee. The Chairman passed on GM's message of thanks to those who had contacted him recently and recorded the best wishes of the Council regarding his recent illness. He also thanked the SG for organising the trustee training on Friday 13th Dec.

3. Conflicts of Interest

AO mentioned his interest as a serving RAF representative in the contract bid for the RAF Families Federation.

4. Minutes of the 322nd meeting of Central Council

These were approved with the exception of the following points;

Item 7, paragraph 2 – JT mentioned that Area Councils not lead trustee members were asked for their comments in relation to a review of the Association's regional structure.

5. Matters Arising

The Secretary would ensure that the previous minutes were amended in accordance with the points raised under item 4.

Action: SSM

6. Finance

Management Accounts

DFIT presented the management accounts and reported a satisfactory position. The end of year forecast, aided by higher than anticipated legacy income, was above the budget target. There were no other significant profile changes. DFIT took questions on the Management accounts.

The Chairman mentioned the fortunate position around legacy income which was making the figures look favourable. The Council hoped that Fundraising would provide adequate resource to retain a positive fundraising profile. The Chairman commended the efforts made with the in-year budget.

DFIT answered questions on the Management Account. The Area subscriptions variance for October on page 3 of the management accounts related to monthly profiling, however, the end year profile was in line with budget.

Risk Register

The Chairman asked that lead members introduce their items on the risk register.

AP commented that the welfare items had been elevated to a high risk following the request at the last Council meeting. The Chairman asked if AP had enough resource to alleviate the risks in these areas. This was confirmed by AP. AO asked why there was a control score of zero on one of the items when it was clear that work was on-going to mitigate or alleviate the risks. DW confirmed that the risk score would reduce over time as the impact of the control measures take effect. TF asked a couple of specific questions around caseworker training and support for HWO's on universal credit. DW answered these specific questions and explained the strategy moving forward in ensuring AWO's offered the support and supervision to HWOs and Caseworkers.

SGr mentioned the need for peer group mentoring and both he and TF offered their support to this initiative. DW explained that 'supervision' was the best practice model and this will be introduced for the AWO team in the New Year. The AWO role would be mostly office based and HWOs would be encouraged to do the visiting role, supported and supervised by the AWO team.

The Chairman asked whether the welfare team had the necessary resources to complete the task. DW confirmed that the recent mapping exercise had identified welfare gaps where volunteers would be recruited to complement the current staffing and welfare delivery. This would improve our geographical and holistic approach to delivering welfare. It would also encourage the RAFBF to send more welfare referrals to the Association. The Chairman agreed that we need to have a clear direction especially in advance of the welfare focus at the next Conference.

WS confirmed that the IT working group was looking at the quality of the IT services and the costs and provision of current IT requirements and would report to Council at the next meeting. The Chairman suggested that perhaps a visual presentation at the next meeting would be welcomed.

Action: WS

IM mentioned the fundraising risks and the development of initiatives (for example, the schools programme) to safeguard the Association's fundraising income. The chairman again sought confirmation that adequate resources had been allocated to this function. This was confirmed by IM.

JT mentioned the membership risks and that they were awaiting the final figures from welfare. There would be no short term solution and JT suggested that there were not enough resources

allocated to this area in order to properly understand the issues. The Chairman suggested we need to develop some KPIs to enable the Council to take a view on a sensible way forward.

JL mentioned the Clubs risk item and, following discussions with DMO, felt that the item should be elevated to amber or even red due to the uncertainty of the scale of the difficulties facing clubs. The Chairman requested clarification on the measure of why this risk existed. JL confirmed that the situation where more clubs were becoming insolvent and the potential for the club cttee (as a group or individuals) being liable for club debts. The clubs failure was mainly being caused by competition from larger commercial organisations. A Clubs meeting in January 2014 would allow the Association to understand the size of the potential problem after year end trading figures had been analysed. JL would report back at the next Council meeting in Feb 14. The Chairman suggested that the Audit Cttee consider this issue in order to defray the reputational risks.

DG mentioned that the Audit Cttee had discussed the issue at their previous meeting and although there appeared to be significant risk, it would not be appropriate to send a message that clubs would be bailed out if they got into financial difficulty. The recommendation was that each club was considered on a case by case basis. DG supported JL in highlighting the issue and confirmed that work was underway to understand the size of the problem and analyse which clubs are a priority for the future. The Chairman agreed a need to understand the financial situation of all the clubs and asked if there was a trend emerging about the financial position of clubs. The SG said that it was crucial to look at some KPIs for clubs and mentioned that work was underway with finance to understand the financial picture of the clubs for the Clubs committee to consider at the meeting in January.

The Chairman suggested that the issue be discussed at Area Council meetings and possibly included as an agenda item at the Conference as a plan to move forward was needed.

The President would be interested to see the outcomes of the Clubs meeting and suggested that unsustainable clubs will need to close and some will need significant external support, but that the vision for the Association should be central in any decision making.

JT mentioned that some ADs spent considerable time on clubs issues but BC did not feel that this was the case across every area. As the branches owned the clubs, if they withdrew their trading licence, the club would have to close. DG agreed that taking the issue to Conference was probably a good idea. DMO agreed to provide an update to Council at the next meeting.

Action: DMO

The Chairman agreed that the Clubs risk needed to be red. Ultimately, the Clubs that remain will need to be run well. The President added that the risk register should be forefront in the minds of the trustees as we move forward.

Budget 2014

The Chairman introduced the budget and discussed the budget cycle referring to the previous day's scrutiny of the budgeting process. He agreed that the requirement for business cases was sound and that financial resource would be available to the various directorates on submission and subsequent approval of a good business case. The planned 2014 Budget looked logical.

JL asked about the Grand draw expenditure and income and whether the expense was worthwhile. DFIT advised that all expenditure would be reviewed to determine the return on investment; however, it would be necessary to consider the extra value and exposure of the Grand Draw.

JT noted a difference between the £25k funds designated for the schools programme and DFMs options paper for the schools project. DFIT advised that the £25k was the provisional amount allocated at the last meeting and the business case would dictate the final cost and subsequent funds allocated to this project. The Chairman confirmed that there was flexibility within the budget

to allow additional spends in areas where a business case supported additional resource, and in those areas that were considered a priority by Council.

BP asked whether there had been any reaction from the Pension fund trustees regarding our agreed contribution. DFIT advised that he had discussed the matter with the Chairman of the Pension Fund Trustees and with the approval of the budget he would update the Chairman.

Action: DFIT

The Chairman confirmed that a projected salary increase of 2.2% had been included within the budget and the SG added that there was verbal agreement from the GMB union that they would accept this offer.

The VP asked about vehement safeguards to prevent diversion of funds from agreed expenditure. DFIT advised that he would retain central control to ensure that spend was made in accordance with budget submission. The Chairman reiterated that any unauthorised diversion of funds would be viewed as a serious disciplinary matter.

AO mentioned that the RAFBF had received some LIBOR funding for their home, Princess Marina House and suggested that the RAF Association might benefit from a similar application for its own homes at Rothbury, Richard Peck and Flowerdown. The SG advised that this avenue for funding had been noted and work was in progress to add support to homes to the list of future LIBOR projects.

Approval of the Budget 2014 was proposed by BC and seconded by AP. All Council members present voted in favour of the Budget and therefore the Budget for 2014 was approved unanimously.

7. General Purposes Committee (GPC) Report

JT, GPC Chairman, updated members of CC on the work of the GPC. Following almost no comment from trustees on Huddle regarding the review of the RPI escalator rate for members' subscriptions, JT suggested that the electronic means of GPC discussions was not working effectively. As such he proposed that Council meetings be reduced to 4 meetings per year and the GPC meet face to face between each of the Council meetings. There would therefore be 4 meetings of the GPC between the 4 meetings of Central Council.

This suggestion prompted a number of trustees to reiterate the need for face to face Huddle training to improve electronic communication. The SG explained that an amount of preparatory work was on-going to provide a framework for Huddle including a standardised file sharing, version history and file naming system. This was being produced ahead of 2 planned training sessions for the New Year. One training session would be held at the Huddle offices in London and the other at CHQ in Leicester, dates TBC.

The Chairman clarified JT's proposal that the GPC would meet face to face and that the number of CC meetings would be reduced. The VP objected to the proposal on the basis of a potential danger that decision making would be made by an unauthorised body (i.e. the GPC) if the number of CC meetings reduced.

The Chairman confirmed that the purpose of the GPC was to only make recommendations to Council and not make decisions on behalf of Council. It should be feasible to only have 4 full meetings of Council plus one shorter meeting immediately following Conference, but reminded Council of their preference not to approve business out of committee.

The President suggested that Council approve the GPC meeting more frequently face to face and that we should do some work to look at the cycle of Council meetings rather than simply reduce the number of meetings in the first instance. The Chairman agreed and reminded trustees that Council

meetings were not a luxury, but a necessity to administer the affairs of the Association. Although there would be an additional T&S commitment with more face to face GPC meetings, the Chairman felt that this was a justified expense. He also recommended that the Council should postpone a decision on reducing the number of their meetings in the short term. DG suggested that the Budget and Conference cycle should influence the design and sequence of CC meetings. BP agreed that it would be prudent not to reduce the number of CC meetings at the present time.

The Chairman reiterated that it was the GPC Chair's judgement whether to convene face to face meetings of the GPC, dependent on workload. The Chairman and BP proposed and seconded that the GPC can meet face to face between Council meetings if needed. All trustees present voted in favour of the proposal.

Story Book Pensioner Service

AP mentioned that this initiative was gathering momentum from an original suggestion from BC about providing a service for lonely, older beneficiaries. The Welfare department have looked at similar initiatives, namely, 'Silverline', to see if we can dovetail into existing provision. Work was on-going.

PR & Communications Plan

This paper had been written following a meeting at CHQ. It concluded that our messaging was passive, our presence too low and that we were potentially missing local PR opportunities. Other items that were discussed included suitable straplines and the various audiences with whom we wish to communicate.

JT asked for Council's endorsement of the recommendations contained within the paper. He further added that the PR & Communications strategy piece would be challenging and that the PR and Communications team at CHQ might require additional resource. The work done thus far had been a good start.

The President mentioned the confusion over of logos and messages and asked that the GPC look at this issue as a separate sub task.

Action: GPC

The Chairman agreed and suggested that we may need to look at resources and the application of those resources as well as some professional consultation, as we were dealing with various images and emblems that the membership hold very dear.

WS suggested that the GPC have sight of the research undertaken by Leicester University a number of years previously. The SG agreed to forward this to the GPC Chair.

Action: SG

DG suggested that more engagement with BFBS would be fruitful as they were a very professional media organisation with a wide distribution beyond the Armed Forces. He felt that they would gladly welcome further engagement from RAFA.

BC agreed that the Association should promote more energetically, particularly around challenge events. WS commented that we should be referring people to the website as a first port of call.

FB suggested that we need to gain profile on national radio (BBC Radio 1 & 2) as well as BFBS. DG agreed that BFBS would be a stepping stone to greater exposure.

The Chairman agreed the direction and recommendations within the paper with the addition of the President's comments. A suitable business case would be required for any additional resource.

8. Audit Committee Report

DG presented the Audit report to Council. One proposal was to look at alternative venues for Council meetings, particularly on RAF Stations due to the engagement and PR opportunities that could be gained.

The Chairman mentioned that this had been discussed previously and a decision had been made to keep Council meetings in London. He was reluctant to re-open the debate but agreed to consider alternative venues if there was evidence to suggest there were significant advantages of holding meetings elsewhere.

BP mentioned that this had been tried previously at RAF Wittering and that he was not sure that there were any significant advantages. Notwithstanding this, the Chairman tasked the SG to examine alternative locations for a Summer Council meeting in 2014.

Action: SG

DG reported that the Audit Cttee believed the initial investment allocated to the RAF Centenary celebrations was too low. The President confirmed that the initial £20k allocation was for the initial market research only and that more resource would be required in due course, once there was a decision on the various activities to be planned.

DG confirmed that the next meeting of the Audit Cttee in March 2014 would involve the auditors.

The Chairman thanked DG and the Audit Cttee for their continued work.

AO mentioned his concern about a gap in the provision of internal audit. BP confirmed that the Audit Cttee was initially created to provide an internal audit facility. DG agreed that there was some need for visibility within CHQ, and this would happen during 2014.

9. Investment Update

The VP reported that Rathbones had been performing very well and had delivered a significant return on investment that had outstripped every index over the last 5 years. Targets to increase income return by between 2.7% and 3.25% and to increase the capital value by between 7% - 10% were given to Rathbones for future performance. Although there were uncertainties in financial markets, the increases appeared achievable. The Investment Cttee was working with Rathbones to update some protocols and the targets have been accepted.

AO agreed that the performance was good but asked if the performance was benchmarked against other charities rather than international standards. DG asked about ethical investments.

The Chairman reassured the Council that Rathbones management of both issues on behalf of the Association was kept under constant review.

10. Policy Issues

Home Position Paper

AP introduced the Homes positioning paper and directed Council to the recommendations on page 3 of paper 10a. He referred to the decision to rename 'respite' breaks to 'wings' breaks.

The Chairman appreciated the work that had gone into the paper and the research and commented that it was of a very high standard.

There were some specific questions from TF and DG about brochures for the homes and Hemsby chalets. AP mentioned that the marketing of the homes and other welfare assets was being looked

at and that one 'generic' brochure would be produced for the Homes. The VP agreed that the name 'Wings breaks' was an improvement on 'respite breaks'. FB asked that the Wings prefix was disseminated down to Area Councils so that they can understand the thoughts behind the change of wording. AP reminded the Council that the paper was marked confidential due to the costing element contained within. However, the rest of the paper could be made available more widely.

NRC Paper

The SG introduced the amended Nomination and Remuneration Committee (NRC) Terms of Reference paper. AO pointed out that the word 'board' should be replaced by 'Council'. Taking account of AO's comments, the NRC ToRs were proposed by JT and seconded by AN. All trustees present voted in favour of the paper and the decision to approve the ToRs was unanimous.

Action: SG

11. Conference 2014

The Chairman officially appointed IM as the Annual Conference Committee (ACC) lead on CC.

IM introduced the paper on Conference 2014. The Chairman agreed that we needed to make some changes to Conference and that hopefully they would be welcomed by the majority of attendees. He asked that the European drinks be coordinated alongside the Conference programme.

TF mentioned that only 2 nominations had been received for the 3 places on the ACC following Conference 2014. This would mean that, once again, there would be no election for places on the ACC and he asked whether it would be possible to co-opt.

BP confirmed that co-options were not possible because they were not allowed in the rules. However, he understood that a resolution might be put forward by a member through the Northern Area Council to change the rules to allow for co-options.

There was confirmation from the President (as Chair of Conference) that Council members would not be sitting on stage during the Conference proceedings. However, each Council member would be profiled in the Conference programme complete with a photograph so that members could easily identify their elected Council.

DG suggested that a Who's Who board of Council members be erected in the entrance to the Opera House at Conference 2014.

Action: SSM

12. Membership Initiatives

JT introduced the membership initiatives paper. He suggested that Tier 1, Serial 1 was completed and should be removed. The President suggested that it had only been completed for this year and should remain as an initiative for future years. It was agreed that this serial would be moved to an enabler rather than an attractor.

The following serials were complete and would be removed; Tier 2, Serial 4 and Tier 3, serial 3.

Tier 3, serial 6 was on-going and would be colour coded green. DFM had provided some options for the schools programme relating to Tier 3, serial 8. The SG mentioned that the GPC would review these options in the first instance.

13. RAF Centenary

The President explained that a paper was going to the Air Force Board (AFB) regarding the RAF centenary planning. The AFB was organising a Cttee to plan and execute the centenary

celebrations. The four RAF charities were continuing with market research to inform the plans and the President would provide an update to Council at the next meeting of CC in February 2014.

14. AOB

The Chairman commented on the potential relocation of the Scotland area office. DMO informed Council that the information was for Council's notification only at this stage. A full report of the options and any subsequent approval by Council would be taken at the next meeting in February 2014. The staff in the Scotland office, which was potentially affected, were being consulted.

The President supported the inclusion of a 'do nothing' option detailing associated costs and benefits of remaining in the current location. BC felt that the current office was not fit for purpose and that the Association had a duty of care to the staff to provide suitable office accommodation. The Chairman thought it was important to remain in the Scottish capital and suggested that there would need to be a strong business case to support a move outside of Edinburgh. There were other considerations, including; the high costs of office space in Edinburgh, the continued RAF or military presence at Leuchars, the location of the RAFBF offices in Edinburgh and where best to be situated to support the changing geography of the RAF family in Scotland. Other suggestions were an out of town Business Park or a reserve force headquarters.

The Chairman reiterated the need for a strong business case to support any recommendation.

AN provided copies of the RAFBF's Annual review. The RAFBF's reorganisation had reduced full time posts at the RAFBF head office from 80 to 53 equating to an £800k saving. There was also a reduction in the number of areas. There was a new Chairman of the RAFBF and the outgoing Chairman would remain as a Vice Chair. Lord Craig had been made a Life Vice President of the RAFBF.

The President welcomed the announcement of Lawrie Haynes as the new Chairman of RAFBF. He will take up post wef 1st Jan 2014.

15. The Chairman confirmed that the revised date of the June 2014 meeting would be Saturday 28th June 2014. All other 2014 meeting dates remain extant.

16. Information Papers

- Welfare Information Paper

The Chairman commented on the high number of volunteer enquiries received by StoryBook Wings following their recent profiling and advertisements on BFBS. This had been a very good result. BP asked about the funding source for the RAF Specialist Employment Consultant. DW confirmed that this post was funded by the RAF.

- Membership & Ops Paper

There was significant discussion about the target number of rafa YOUTH members recruited and whether this was value for money. DMO commented that whilst uptake had been slow, momentum was growing and that AD's, BSOs and the Youth Community Manager were all working hard to promote the initiative. Numbers now stood at 530. He further added that he would need to update Council next year on whether the targets would be met and when the scheme would become cost neutral. Although a number of trustees suggested that feedback was mixed about the added value of rafa YOUTH over the traditional youth membership organisations, there was a strong request that more was offered to cadets participating and that the cadet squadrons themselves were consulted about what they would like from the scheme. The SG mentioned that the Youth Community manager was doing a great job but that with additional resource, more could obviously be done. JT agreed that momentum was growing but suggested using the membership contingency fund to

resource another staff member to support rafa YOUTH. It was agreed that T&S would be available for trustees and members to support the initiative at Cadet Sqns in the interim and a business case would be compiled in support of additional staff resource for rafa YOUTH.

Action: SG/ DMO

Affinity Partnerships

DMO mentioned that following negotiations with the affinity partner 'Doshbox' it had been decided to discontinue this business relationship wef 31 Jan 2014 due to the partnership being no longer value for money. Alternative options to provide similar affinity deals were being considered and a solution would be reported at the next Council meeting.

Action: DMO

- Fundraising & Marketing paper

The Chairman asked about air show income. DFM confirmed that the figure related to income at all events to which RAFA sent CHQ staff. The Chairman confirmed that the income trend of fundraising activities (which was requested at the last meeting) was contained within the information paper.

The Chairman asked DFM to explain Direct Response TV (DRTV) fundraising. DFM confirmed that DRTV was essentially advertising through 30 second TV marketing adverts. The purpose was to recruit donors by direct debit. The costs were slightly higher than and half as effective as door to door fundraising, but the benefits included: excellent exposure and profile, low reputational risk and the initiative will add to the portfolio of fundraising streams.

- RAF FF paper

The Chairman commented that the successful bid for the renewal of the contract would soon be announced. AO mentioned the additional remit within the new contract for reservists and single service personnel. He suggested this could be used to the benefit of the Association.

- Status of Branches paper

The Chairman commented on the number of recent branch closures. BP asked if any of the closed branches had been offered Registered Members Group (RMG) status. JT confirmed that it had been offered but it was unsuccessful in these cases.

- Clubs report

The Chairman reiterated the upgraded risk of the Club issue and the associated potential reputational risks to the Association.

- Personnel report

The Chairman highlighted and welcomed the item on staff engagement. He offered to meet with staff at the Areas, Homes and CHQ in due course, to reinforce the trustees' appreciation for all staff.

Action: SG

- Financial Authorities & RAFATrad

The Chairman confirmed that the financial authorities' policy had been updated as requested. JL and JT proposed and seconded the authorisations within the policy and all trustees present voted in favour of the proposal. The financial authorisations were approved unanimously.

The Chairman confirmed that the RAFATrad requirements would be refreshed and that any changes would reflect the changing needs of the Association. There was a suggestion that the profits of RAFATrad could be used to target youth initiatives.

The next meeting of the Central Council will be on Saturday 15 February 2014 at 10am at the Cavalry & Guards Club (TBC).

N Bairsto
Chairman
