



Royal Pigeon Racing Association Review

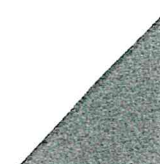
Report & Recommendations

November 2016

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Royal Pigeon Racing Association Review

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1 Introduction & Background

The Royal Pigeon racing Association (RPRA) is an historic and well respected institution with deep cultural and structural roots. The organisation was founded in 1896, and a complicated governance framework has evolved over the passage of time. As a consequence, the regulations by which the RPRA is governed are both extensive and highly detailed.

RPRA is run by a council consisting of 25 members, representing 13 geographic regions. Council members (councillors) are appointed on a proportional representation basis, according to the size of the RPRA membership in their region. Membership demographics mean that the North tends to have more councillors than the South.

The council meets on a formal basis twice each year and any policy decisions concerning the running of RPRA can only be made a) by the council, and b) at those meetings. There is an "executive team" comprising a General Manager, the RPRA President and 3 Vice Presidents, but the governance paradigm severely restricts their ability to manage the organisation efficiently.

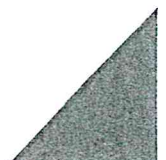
RPRA membership has been in steady decline for a number of years. There were 60,000 members in 1989, 29,000 in 2008, and the number has now dropped to 22,500. There are still some 2,000 clubs nationwide, as clubs naturally decay more slowly than membership. Many factors influence this decline, but overall interest in the sport is dwindling, and it has become a fairly expensive pastime.

In summary, RPRA has a cumbersome and arguably outdated governance structure which limits the ability of the organisation to respond effectively to changing circumstances. In addition, the administrative structure is heavy, very broadly spread, and costs are steep relative to the size of the membership base.

RPRA decided to engage an independent third party to bring external perspective, experience, and knowledge to bear on these challenges. We (Hall Associates Europe LLP) were engaged by RPRA to carry out an analysis and review of existing RPRA governance arrangements, administrative structures and operational activities.

Our preliminary findings and observations were presented to the RPRA council in Coventry on 28th October 2016.

Following completion of the review, this report sets out our final conclusions and recommendations for change.



2 Governance

2.1 Legal Status and Representation

RPRA is an unincorporated association and as such:

- It exists solely on behalf of its membership and to represent and further their interests.
- Its members own all of the assets of RPRA, and it cannot hold property in its own right.
- Its members are also collectively and personally liable for its conduct and for its debts.

In these circumstances, efficient and effective communication, coupled with strong governance and member engagement routines, is clearly vital. When looked at objectively, however, RPRA does not seem to necessarily represent all of its member's interests, or at least doesn't appear to be in a position where it can claim to be entirely sure of what the majority actually want.

We are given to understand that very few members actually attend regional meetings, which are the main forums for representation and information. In addition, member consultation outside of those meetings seems to be very limited. The 80/20 principle applies: there is engagement with a minority of members, but only a passive relationship with the majority.

We recognise that "apathy" among members is a fact of life, and that as with all membership bodies, active engagement is naturally difficult to achieve. Nonetheless, RPRA would be taking the initiative, reaching out and ensuring that consultation and the opportunity to participate is offered more directly to all members.

There are no regular surveys of the total RPRA membership. In fact we haven't seen evidence of any test of lay member opinion in the recent past. For most membership bodies, seeking the views of members at least every two to three years if not more frequently, would be seen as an essential component of the "democratic" process, and an important facet of good governance.

Arguably, RPRA reflects the agendas of local region representatives, the small number of members who attend meetings, and the 25 councillors. The latter are also the decision makers and populate all of the committees. This repetitive system is unusual amongst similar membership bodies, and begs the question; why does everyone need to be involved in everything?

2.2 Rules and Structure

The existing rule book is grounded in history, has evolved over many years, and is very elaborate, it is primarily about racing, but in fact encompasses every aspect of managing, administering, and governing the RPRA.

A fundamental principle underlying the recommendations contained in this report is that the system of one all-inclusive rule book which covers the entirety of RPRA rules and regulations is changed. In future, rules concerning Governance and administration would be quite separate from those concerned with racing.

Any reference to "rules" contained in this document relates solely to the rules concerning governance.

The main concern we hear about reducing the size of the council, is that "it means less regions, and people won't be able to travel to meetings". Because there is one rule book and racing is regionally structured, so are most other aspects of running the RPRA, including governance.

From an external perspective, it is hard to see how the "proportional representation" system which the RPRA follows, is in fact representative. An objective perspective would surely demand that all members would have an equal say, and decision making would not be biased by the numeric size of the region.

Having consulted widely with RPRA stakeholders, there appears to be no technical difference in racing from one region to another, and therefore geography has no impact on governance. The make-up of the council does not need to reflect a regional structure; they are unrelated in governance terms.

We are not proposing any reduction in the number of RPRA regions at this stage, only that the council structure is decoupled from its historic regional makeup and is based upon sounder governance principles in future.

The number and construction of the regions is a racing specific issue and thus a matter for the new council and committee structures to consider.

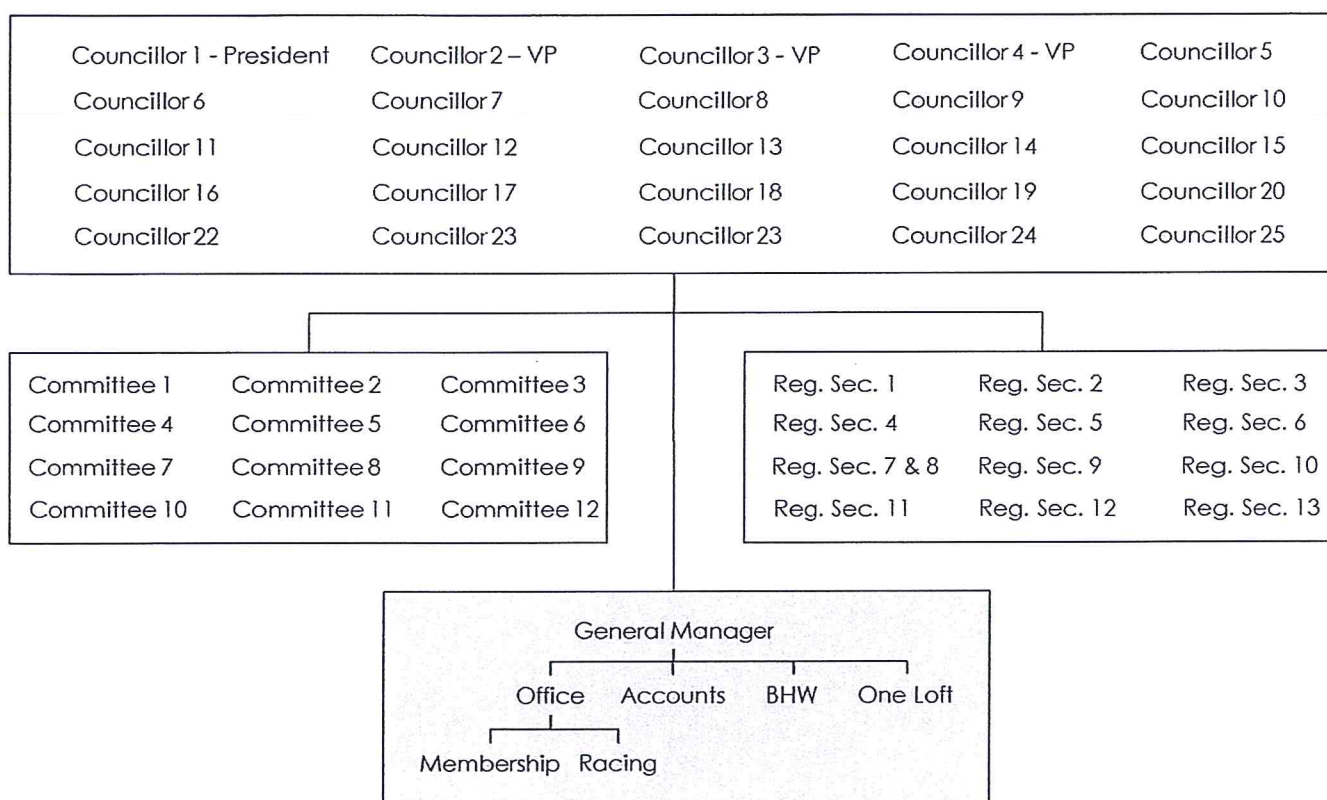
2.3 Current Governance

The current constituency of 25 councillors is a very large number and, despite the sheer size of the council, representation is skewed. Put simply, regional considerations appear to have undue influence versus individual member views.

Meeting twice a year is not enough for effective decision making. The "executive team" is not empowered to run the organisation. Councillors have no qualifications or training for a governance role. This is not, however, a criticism of the councillors themselves who give so much of their time to RPRA.

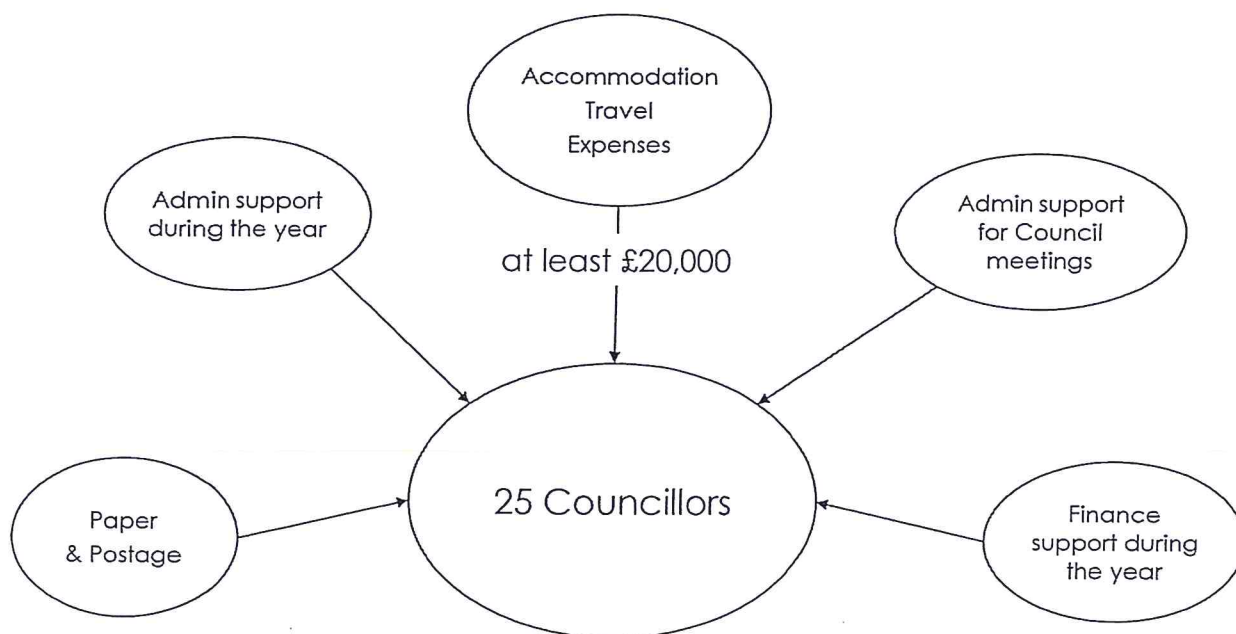
Like others in similar roles, they are volunteers and cannot be expected to have the necessary level of specialist expertise. Currently they are unfairly exposed because there are no independent or qualified advisors on the council. Other bodies similar to RPRA have more formal oversight and guidance.

Here is an illustration of the cumbersome and arguably counter-productive nature of the existing structure:



2.4 Cost of Governance

The overweight shape of the council also results in excessive costs of governance. Supporting the council on a day to day basis, producing weighty reports and organising large scale meetings, soaks up resource and cost that RPRA simply can't afford. In addition to efficiency gains, there appear to be cost saving opportunities from streamlining the governance structure:



est. £40,000 total per year

3 Future Governance

In the course of this project, we have researched the governance models of a number of membership organisations whose fields of activity, organisation and structures are not dissimilar from those of the RPRA. These include:

- ✓ Badminton England
- ✓ British Association for Shooting and Conservation
- ✓ British Automobile Racing Club
- ✓ British Bee Keepers Association
- ✓ British Model Flying Association
- ✓ British Orienteering
- ✓ Club and Institute Union
- ✓ National Rifle Association

We have also looked at the governance models of a number of professional bodies with Royal Charters and charitable status; although these organisations are markedly different from RPRA, the governance constraints associated with their status are strict and, as a result, their models provide excellent examples of best practice.

Drawing on our experience and expertise in the governance field in order to identify examples of best practice, we have used the outcomes of this work to inform our research and support the recommendations that we have made in this report.

3.1 Future Council

We are recommending the adoption of a leaner, and in our view, more effective council structure which would comprise fewer councillors, 6 appears to be the optimum number, but would also include independent, and qualified, advisors.

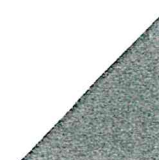
Councillor 1 - President	Councillor 2 - VP	Councillor 3 - VP	Councillor 4	Councillor 5	Councillor 6
	Independent Advisor Legal	Independent Advisor Finance			

This new, streamlined council would convene on a formal basis each quarter and consult regularly with the regions and the membership as a whole, with the clear objective of keeping in touch with member opinions and needs at all times. We are also suggesting that to enhance efficiency, at least some of the meetings could be by conference call or similar, rather than face to face.

Generally speaking, members of membership organisations put themselves forward for election to a governing body because they have a good knowledge and understanding of its activities and because they have a strong motivation to contribute time and effort to enable it to flourish.

However, given usual demographic characteristics, it is unreasonable to assume that they will necessarily have significant understanding of the attendant legal and/or financial roles, responsibilities and liabilities - and even if they do, there remains a need for the governing body to be able to access independent, dispassionate advice to inform discussion and aid decision-making.

We are therefore recommending that the composition of the council would include two co-opted independent advisers, one of whom would have appropriate legal knowledge and experience, and the other would have financial knowledge and experience. It may be that the RPRA's lawyers and accountants could help to identify suitable candidates. Our experience shows that, more often than not, people are willing to take on these responsibilities pro bono or for a modest fee.



We are also recommending that all councillors would be given an induction briefing and appropriate training to bring them up to date on the strategy and management plans of the organisation, and to ensure that they fully understand their role and responsibilities.

3.2 Future Process

As an unincorporated association that exists for its members and to represent their interests, and also where the members are individually and severally responsible and accountable for its assets, liabilities and the way it is governed and managed, it seems essential that the system of governance is designed and conducted in a way that enables all members to play a part, would they choose to do so.

With this critical principle in mind, the ultimate control of the RPRA would be exercised by the "Members in General Meeting" (see below), and they alone would have the power to create, amend or remove rules.

The Annual General Meeting (AGM) would be held on a pre-determined date each year, with a calling notice sent in advance to all members. The business of the AGM would be to receive the annual report of council and the annual accounts, and to appoint the auditors. There would be no other business unless it was specified in the calling notice. The AGM would be chaired by the President, who would also chair the RPRA council.

Voting at an AGM could be by attendance in person, or by the appointment of a Proxy. Members would be able to appoint the President as their Proxy and could either direct the vote, or give him/her discretion to vote how he/she decides.

All members could attend an AGM, and the regions would be entitled to send a spokesperson to the AGM, but expenses would only be paid for attendance by those who are required to be there by virtue of their roles on council i.e. the President, council members, and independent advisors.

A Special General Meeting (SGM) could be called at any time by the council, or by a requisition in writing signed by at least 50 Members. It would be perfectly feasible to call an SGM to occur on the same day as the AGM if there are rules to be discussed, or if 50 members have called one. An SGM would also be chaired by the President.

Elections to the council would proceed as follows:

The President would be appointed by the council and would be chosen from one of the two Vice Presidents. He/she would serve for a three year period. Similarly, Vice Presidents would be appointed by the Council and selected from the three available councillors.

Councillors would be elected to serve for three years, or such lesser term as council might require, and would be eligible for re-election for a subsequent term of the same length, but nobody could serve for more than six years. Candidates for election to council would be nominated by council as eligible for election. In identifying candidates, the council would consult widely and would include the regions and all other stakeholders in that process.

The membership at large could also nominate candidates for election to the council. Such nominations would have to be supported by ten members. No member could support more than one nominated candidate. As is the case with the vast majority of membership organisations that apply modern governance principles, elections would be by postal or on-line ballot, with single transferable vote (see appendix 8.1).



3.3 Roles and Responsibilities

The future roles and responsibilities of the RPRA council can be defined as follows:

Compliance and Strategic Leadership:

- Ensuring that the RPRA complies with the law and the Association rules, does not breach any of the requirements set out in the rules, and that it remains true to its objects and purposes as an association for its members.
- Providing strategic leadership of the RPRA.
- Approving the strategic direction, developed as an implementation plan in conjunction with the Chief Executive and the staff team (see section 4 regarding future structure and senior management roles).
- Ensuring that the appropriate level of consultation has been carried out, and that the strategic direction is consistent with the rules and the best interests of the association and its members.

Monitoring the Effective and Efficient Delivery of the Strategy:

- Ensuring that the strategic plan provides the Chief Executive with the necessary resources and assets to deliver the agreed strategy and that these are being deployed appropriately.
- Ensuring that the Chief Executive has competent and properly motivated human resources to deliver the forward plans and that succession plans are in place.

Stewardship, Assurance and Risk Management:

- Ensuring that a relevant governance structure is maintained for all committees and reviewing the structure periodically.
- Monitoring the strategic plan and all activities to ensure that:
 - Progress is being made.
 - All activities are appropriate, in accordance with the rules of the RPRA, and uphold the highest standards of ethical and professional behaviour.
 - The member and volunteer groups and structure are aligned to the strategy and are well motivated and organised to deliver both its short term plans and long term objectives.
- Operating a risk management process to identify and respond to significant and material risks to the RPRA's operational and financial capability to deliver its long term objectives.

Stakeholder Management:

- Operating a process to identify and manage all key stakeholders.
- Identifying key issues and creating an action plan to engage members and other stakeholders both pro-actively, and in response to their needs and expectations.



4 Future Structure

RPRA has traditionally appointed a general manager to head up its administrative function. The general manager role is enshrined in the rulebook which sets out basic duties required of the post holder, some of which are more in line with a "secretariat" role than those of an executive manager.

Despite its long standing place in the rulebook, the need for a general manager has been questioned during our consultations with council members. In our considered opinion, an association of the size and scope of the RPRA certainly does need a senior "manager", but also one who is fully empowered to:

- ✔ Manage the business affairs of the association.
- ✔ Act as spokesman and figurehead for the RPRA.
- ✔ Reduce the President's workload, which in our view is untenable as things stand.

This would be standard practice amongst similar bodies, and the outside world would expect RPRA to have someone at the forefront of the business side of the association. In fact, we would suggest that "Chief Executive" would be a more appropriate title, as this would illustrate the importance of the role more clearly.

The council would also empower streamlined committees to manage and run pigeon racing. The current arrangement of almost all councillors sitting on the majority of committees creates unrealistic workloads for the volunteer community, and is adding to inefficiency and the cost burden. There would be fewer committees, with their focus on racing, not administration, for example:

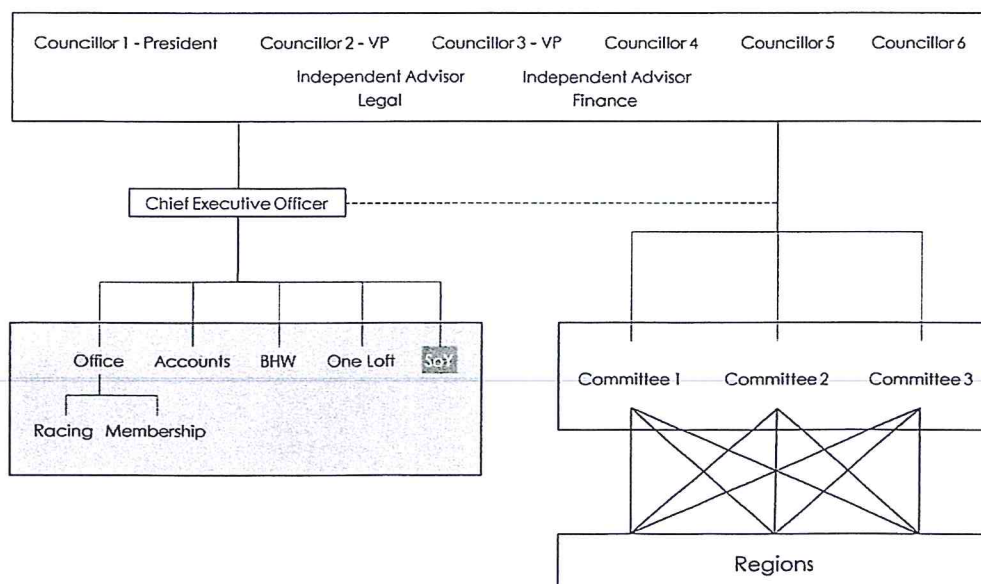
- There would still be a committee responsible for PED, and all of the associated technical aspects.
- There would naturally be an appeals committee (which must be an "independent" body anyway).

Equally, there would no longer be a need for committees such as The Reddings, as this would fall within the Chief Executive's remit, or for emergency and rules, as these would be governance matters for the new council to manage.

Each committee would consist of a six member team to ensure efficiency and effectiveness, and be chaired by one of the councillors, not the President.

The council would set the framework for racing, empowering the committees and the regions to take on more decision making responsibilities. As much as possible would be dealt with at the local or committee level, speeding up response times and improving overall efficiency. This in turn would free up the council, allowing councillors to focus on strategy rather than detail.

4.1 Future RPRA Organisational Structure



5 Headquarters

5.1 The Current Position

We are referring to "headquarters" in this report as a term to describe the general administration and operational activity currently carried out by RPRA at The Reddings location.

There is room for further efficiencies and cost savings within the headquarters organisation and functions. However, one of the key, current limitations on realising any gains is The Reddings building itself.

RPRA would be headquartered in a compact, modern, open plan office. (The Reddings is a labyrinth which in itself restricts efficient practices, and current working conditions for the staff involved are extremely poor.) The amount of space required will actually reduce as efficiencies are achieved over time, and this makes renting a desirable option, but there are adverse tax implications.

Leaving aside the question of "rent" or "buy", there are a number of options:

- Relocate close by within commuting distance for existing staff.
- Search nationally for the most suitable and cost effective solution.
- Relocate to Welshpool and utilise the unused space in the BHW office.

There is another "option"; retain The Reddings and redevelop the site. Whilst this may or may not be a feasible way forward, RPRA is not in the property development business and has quite enough challenges ahead without the added complications that this might bring.

Moving far afield (including to Welshpool) would risk the loss of experienced staff, and based upon our current understanding of the situation, the first option would appear to be the most appropriate solution. Either way, if we disregard redeveloping the site, disposing of The Reddings and relocating remains a priority.

The tax implications of disposal are significant and need careful consideration, but would not be allowed to impact upon decisions on improving working conditions and making the RPRA headquarters function more efficient and effective.

5.2 Future Headquarters

Given the current limitations of The Reddings, the Governance structure, and the Rulebook, the headquarters function fulfils the administration need placed upon it.

There is minimal room for further cost saving or efficiency gains as things stand. Improvements can only be realised once the structural changes have been implemented and RPRA administration has been relocated. One very important benefit of the latter will be a staff friendly and healthy working environment. In addition, this will create the opportunity to expand job sharing and skills transfer.

A more efficient office would be able to accommodate future council (and committee) meetings, reducing both costs and inconvenience. It would also present a fresh, modern face of the RPRA to the outside world.

This streamlined structure would:

- Reduce the support requirement and demands on staff.
- Deliver significant savings on the costs of servicing council.
- Open-up the opportunity for further reduction in staff levels.



6 British Homing World

6.1 The Current Position

BHW is a critical income source for RPRA through the sale of the weekly journal and the associated advertising income.

1,000 or so individuals do subscribe directly, but the majority of copies are sold via WHS and other newsagent outlets. There is therefore no reliable data concerning who actually purchases and reads British Homing World, or any statistical indication of how many are members of RPRA.

Equally, there is no record of how many of those who subscribe to the journal are also members. It is assumed that subscribers include many non-members, but there is no evidence to confirm this.

Source material and adverts can easily fill more than 100 pages a week. However, poor quality source material requires significant rewriting. The typeface is small, and articles are squeezed into a dated layout style. The editing processes are old fashioned, but are an imposed necessity due to the volume of poor source material.

These factors lead inevitably to a reduction in quality, certainly compared to most periodicals produced nowadays. Whilst the journal is highly cherished and seen by many within RPRA as the flagship, it has to be said that to the external observer it unfortunately presents a "cheap and cheerful" image of the RPRA.

Staffing levels at BHW are high compared with a modern editorial function, but there is a need for specific "pigeon knowledge" to compensate for the source material. There are also non-editorial related functions carried out at Welshpool, such as subscriptions and advertising administration, and accounts.

6.2 The Future of BHW

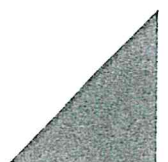
Immediate savings could be made by absorbing the non-editorial functions into the RPRA headquarters activity. However, further improvement relies upon modernisation and a major cultural change. One key aspect will be to re-educate the contributors, and basically impose disciplines regarding the quality of input and the media used.

The demographics of the contributors and the readership mean that this situation will in any way change over time. The impact of natural change is illustrated in appendix 8.2 to this report, and the decision for RPRA is simply whether or not it can afford to wait for this to take its course, or to initiate more immediate action.

Welshpool happens to be the historic home of BHW, but there seems to be little real logic in RPRA carrying the cost of a second administrative location. Longer term, all current BHW activities could be transferred to the new headquarters, allowing the disposal of the property in Welshpool.

Although the property is a physical asset, it has marginal value due to its location and size, which also precludes using it as the RPRA headquarters. Any move would obviously risk the loss of experienced staff, but this will become less material as BHW upgrades its methods over time. For now, RPRA would consider alternative uses for the "surplus" office space.

We have sought external expertise in framing our suggestions, but recommend that RPRA seeks the views of a "Publishing" specialist to confirm improvement potential and to assess any outsourcing options.



7 The Vision

At the council meeting on 28th October, we presented a high level vision of the future for RPRA, assuming that the proposed changes are implemented.

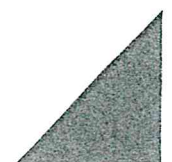
There is no doubt that RPRA can be governed and managed in a far more efficient and effective way. As a consequence, there are significant improvements and savings that can be made, some quickly and some longer term. The prerequisite is a fundamental refresh of historical structures and practices.

Streamlining governance is the key first step on the critical path. This will enable the executive team to move forward and implement change. However, the complexities surrounding the office locations and the general structural changes required, mean that the transition is likely to take at least 2 years.

Following, or in tandem with, the governance change, the priorities would be; relocation of RPRA Headquarters, disposal of The Reddings, BHW cultural change and modernisation, and achieving the cost and organisational improvements arising from each.

When the new structure is bedded in, and the transformation is complete, RPRA would become a leaner, more efficient and effective body:

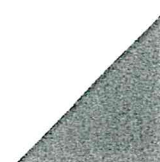
- All RPRA administration would be housed in a single location.
 - RPRA would have a more stable and well balanced cost structure:
- This would be balanced in reality, and appropriate to RPRA's financial situation and prospects.
- In simple terms; the right people would be doing the right things in the right place and at the right time.
- There would be far less reliance and demand upon volunteers. This is critical as:
 - Volunteer communities are overloaded at the present time.
 - There will inevitably be fewer volunteers in the future.
- The direction would be clearer, and decisions would be made far more quickly.
- Members interests would be recognised and represented more fully:
 - There would be a new, simpler and more transparent voting system.
 - The council and governance structure would be more representative.
 - RPRA would be more relevant and responsive to member's needs.
- The association could present a fresher face and project a new image.
- It would have a higher profile and a stronger voice.
- It would be better placed to address the challenges, and to further the sport of pigeon racing.



8 Appendix

8.1 Single Transferrable Vote

1. Ballots would be conducted in an independent and impartial manner.
2. Ballots would be conducted using the Single Transferable Vote (STV) method.
3. All members who are entitled to vote would vote by indicating the figure 1 in the box next to the candidate they most wish to be elected, then the figure 2 next to their second most preferred candidate and the figure 3 next to their third preference. They may stop where they please or continue to indicate their order of preference for all candidates.
4. The return date for ballot papers would be not less than 28 days after their issue. The Council would take such steps as it considered expedient to ensure the secrecy and validity of the ballot.
5. The following method of counting the votes would be adopted.
6. In each election, the scrutineers would count the number of votes for each candidate, and:
 - a. Credit each candidate with the number of votes equal to the number of first preferences they have received, and then ascertain the total number of valid papers. This would constitute the first count.
 - b. Divide the total number of valid papers by the number of vacancies plus one and (disregarding any fraction) add one to the result. The figure so obtained, termed the 'quota', would be the number of votes sufficient to secure the election of a candidate.
 - c. If at the end of the first count the number of votes credited to any candidate was equal to or greater than the quota, thereupon declare that candidate elected.
 - d. If at the end of the first count any candidate is credited with more votes than the quota, transfer the surplus to the continuing candidates for whom the next available preferences have been recorded on the ballot papers of the elected candidate. For this purpose all the papers of the successful candidate would be examined on the assumption that all their votes are to be transferred. But the number actually transferred would be distributed to each of the next available preferences in the ratio of the successful candidate's surplus to the total of transferable first preferences, and the papers not so transferred retained as the quota of the elected candidate.
 - e. If more than one candidate had a surplus of votes, transfer each surplus in the order of its magnitude, beginning with the largest.
 - f. If after the transfer of the surpluses of all successful candidates there remained vacancies still to be filled, declare defeated the candidate then lowest on the poll and transfer the votes to the unelected candidates for whom the next available preferences have been recorded on the ballot papers of the defeated candidate, setting aside as non-transferable any such papers on which no further preference has been marked.
 - g. Continue to declare defeated and transfer in the same way the votes of the candidates becoming in succession the lowest on the poll until at the end of any count the number of elected candidates was equal to the number of vacancies to be filled, when no further transfer of votes would be made.
7. The scrutineers would prepare a list of the names of the successful candidates in alphabetical order, and this list would be published as the result of the ballot.



8.2 BHW Editorial Processes Current and Future

