

RPRA FINANCES 2020 ACCOUNTS

Comments from the CEO

The accounts for year ending 31st October 2020 demonstrate a significant loss. For years the RPRA has relied on the profit generated at the BHW to make up the deficit within the RPRA.

However, despite recent efficiency driven changes at the BHW, the level of profit generated by the BHW can no longer be relied upon. Taking this into consideration, in October 2020 I prepared a report for the President and Vice Presidents of the RPRA. The content of the report was discussed in detail over numerous meetings between the group resulting in recommendations that were unanimously supported by the President and Vice Presidents. The report was presented to the RPRA council via an online meeting in November 2020 resulting in a number of propositions for the AGM scheduled next month.

The content and recommendations within the report aim to move the RPRA finances to a breakeven point without heavy reliance on the BHW profits. This would be achieved by reducing expenditure and driving efficiencies, initially within two of the organisations' largest costs headings, namely staffing and governance. The target of the report was to make savings and efficiencies to the value of £98,000. This target can only be achieved through several rule changes.

Governance

The report highlighted the cost of governance including the regional structure and Council.

Council

To run the RPRA council, costs the association in the region of £22k per annum. The report recommends the Council appoints an Executive Committee on an annual basis to run the Association by delivering the aims and objectives set by the Council. The Executive Committee would be elected by the Council from members of council, and therefore from region representatives. This would drastically reduce the cost of Council by reducing the number of meetings to one annual meeting. The Executive Committee would provide Council and regions with quarterly reports highlighting progress against the aims and objectives. The Executive Committee would meet regularly utilising online meeting tools in a manner that has served the Association well during the pandemic.

Regions

Based on the 2020 membership numbers the cost of running 13 regions was approximately £57,000. This is based on the fact that £3 of the £10 membership fee goes directly to the regions. Two thirds of this expenditure is associated with secretary expenses. Taking this into consideration, the report recommends that a significant amount of the secretary expenses could be reduced by bringing tasks such as the collection of subscriptions into HQ without increasing staffing costs. This would mean that regions would require less income and therefore it was proposed that the regions contribution could then be reduced to £1.50.

What progress has been made towards these recommendations?

Since the report, staffing levels have been reduced by £45,000

Following the presentation of the report to the Council in November 2020 a number of propositions were agreed by Council. These propositions were published in last week's BHW. It is now over to members to vote on these propositions.

Some have said 'This is an attempt to do away with the regions!'

This could not be further from the truth. The regional structure is at the heart of the proposals and are essential to the proposals. They simply could not work without the regions. It is an attempt to make the structure far more efficient.

The proposal to reduce the regions contribution from subscriptions was made on the understanding that, if regions were in financial difficulty then they would be assisted from central funds.

The Executive Committee approach is Undemocratic?

How anyone would arrive at this position I do not know. The proposals include a democratic process of election onto the Executive Committee from representatives elected by the membership – totally democratic. Just a far more efficient way of doing things that reduces costs.

Will subscriptions have to be increased?

Even if the proposed amendments are agreed there will still be a need to increase subscriptions if the RPRA is to move towards the breakeven position. However, without implementing the recommendations the amount subscriptions may increase, would be far greater. At the time the report was prepared in October 2020, if all the proposals were implemented there would still have been a need to increase subscriptions from £10 to approximately £12/£12.50. However, the President, Vice Presidents and I were all in agreement that before raising subscriptions; expenditure would need to be reduced.

We need to move towards a far better process of budgeting. This includes replacing the existing rule for subscriptions that is not flexible enough to allow effective budgeting.

What will happen if these recommendations are not implemented?

A number of possibilities that include;

1. The Association will simply lose more and more money year after year – jeopardising the future of the Association.
2. Unless expenditure is reduced, the subscriptions would have to increase to a greater level to cover any shortfall.

How do we implement these recommendations?

Whatever members' feelings are towards the recommendations, I sincerely hope that you will all engage in the process by discussing the content at club level and send a delegate to your region meeting to register your vote.

A review of expenditure in relation to other smaller cost headings will continue. However, to make an immediate and significant dent into the deficit we need to start with the two largest costs headings as described above.

When is my region meeting?

The dates have/will be published in the BHW. Alternatively please contact your region secretary for the information.