

As the 2024 racing season draws to a close we turn our attentions once again to the issues which have been overshadowing our sport during the past few months, with the main concern being adequate funding for the RPRA.

Our constitution has developed over decades to ensure every member can make proposals for rule changes at their local Club, to be voted on at the Annual General Meeting held every February. This has proven problematic with regards to financing the RPRA. The subscription level must be proposed and passed at the AGM, which cannot be implemented until the following financial year. In the past this has resulted in a huge deficit in funding year on year. To prevent a repeat of the shortfall, in February 2024 the Council decided to invoke Rule 142 to implement an extra subscription in the form of a levy. This, when included with the £15 subscription has cost each member a total of £35 for the year.

Although the application of a levy was necessary it has caused discontent amongst the membership, not simply because of the financial aspect, but because it came without warning. Most members understand the reasons for the levy, but reassurance is required that future spending will be clear and that steps will be taken to ensure that the imposition of a levy will be unlikely to reoccur. Although the income generated by the levy protects the Association in the short term it will be important to look closely at the level of membership fees in future years. With a falling membership number and a decreasing income from other sources this will not be easy.

When I took up my position as CEO two years ago it is fair to say I inherited a difficult situation. The RPRA had just moved headquarters, staffing levels were short and those staff we did retain were firefighting to provide the services our members deserve. Our long-standing Finance Manager had also left three months earlier. My first replacement Finance Manager joined in November 2022 and then left in January 2023. My second joined us in March 2023, got to grips with a huge backlog of paperwork but decided to leave us in January 2024 and my current Finance Manager, Stuart Woodman, joined five months ago. Stuart very quickly provided me with monthly accounts for the RPRA and BHW which highlighted those areas of major concern, and I have diligently pursued many ways to reduce our overheads. After the shock of the £280k shortfall in October 2023, it was very clear that although the office was operating more efficiently something more had to be done to steady the ship financially. As I had not received any propositions to raise the subscription fee, we were staring down the barrel of another huge shortfall in 2024. The Auditors gave us a very grave prediction of only being able to operate for another two or three years at the current level of underfunding. The Council had a decision to make, and I implored them to consider raising the subscription fee to £35, which at that time could only be collected as a levy on the shortfall of the subscriptions collected by the middle of February 2024.

At the time of writing, the current number of paid-up members is around 13,000, two thirds of which have paid the levy. The annual overhead costs for the RPRA are approximately £422k, with £290k (69%) of that being staff wages. Services such as ring sales, transfers, etc generate around £150k. The remaining funds are therefore required to come from members by way of subscriptions. Of the £35 paid by each member in 2024, £5 is retained by the Regions to pay for their running costs, with £30 forwarded on to headquarters. The RPRA then pay 20% VAT and retain £25 per member towards the running of the Association.

I am relieved to report that we are now in a much better position. The level of subscriptions received in 2024 has about met the level required to run the RPRA.

However, we must consider the continuing decline in membership numbers and the rising costs in overheads over the coming months and years. It would be foolish to believe we could ignore these facts and return to the level of subscriptions in 2023. I would like to believe we are all working towards a brighter future for the RPRA and not towards a sad demise. I implore you all to give us your support.

In view of this, at their October meetings, our Regions have been asked to vote on proposals put forward by the North East Region, with a view to these proposals being voted on at the next Council meeting on the 25<sup>th</sup> of October. Under the current rules the process to change the membership fee must begin at Club level and this assumes that a Club understands Association finances to enable it to make that proposition to its Region, and then garner the support of other member Clubs or at least Region Committee delegates. One look at the Association Annual Statement of Accounts and how the Balance Sheet is presented will not necessarily provide the understanding required. In these times of falling membership and spiralling inflation the lead must be taken by the CEO supported by elected officers. We know the current rules do not allow for this and so a new procedure needs to be put in place. This will mean deleting existing rules 24, 25, 27, 31, 32 and 37 and replacing them with the new procedure. An addition to rule 47 will also be required.

#### **What form might the new procedure take:**

Each year in the months leading up to and including July, the CEO and Finance Manager will be required to produce a proposed budget for the following year. By August 1<sup>st</sup> this proposal will be circulated to the Regions for onward transmission to affiliated organisations for discussion at their meetings and the subsequent submission of comments to their Region. Each Region will hold a meeting in September to consider the budget proposal and any comments received from Clubs and will then forward consolidated comments to the CEO in time to be circulated for the October meeting of Council. At this meeting Council will discuss, agree and adopt a budget for the coming financial year which will primarily include membership fees and some other variable charges such as life rings. The membership fee, increased by at least the rate of inflation, and agreed by Council at the October meeting will take immediate effect and apply for the following season. For this procedure to have an immediate effect on finances, Council will be required to hold a special meeting to amend/delete the relevant rules, eventually having them confirmed at a subsequent Annual General Meeting.

#### **Proposed membership fees restructure**

Proposed rule changes using the powers of RPRA rule 142.

#### **Delete rule 24 and substitute;**

##### **Club fees**

24. Each Club shall pay an annual fee to the Local Region in which its headquarters is situated. The Annual fee must be paid before the last day of February. Any Club which fails to pay its annual fee by March 1st, shall in addition to such annual fee, pay a penalty. The annual fee and penalty to be fixed by Council at its October meeting each year.

#### **Delete rule 25 and substitute;**

##### **Group fees**

25. Every Group shall pay an annual fee to the Association and shall send such fee to the Chief Executive not later than 1st April in each year. Together with payment of such fee, every Group shall send to the Chief Executive a list of the Clubs or combinations of Clubs which are members of the Group, the address of its headquarters and the name and address of the Group's President, Secretary and Convoyers (where applicable). Any Group which fails to pay its annual fee by 1st April in any year shall pay a penalty for late payment. The Association shall procure that payment of the said registration fee in any year entitles each Group to insurance cover against public liability at liberation sites in England, Scotland and Wales officially approved by the Association to a limit of £5,000,000 per insured event. The annual fee and penalty to be fixed by Council at its October meeting each year.

**Delete rule 27 and substitute;  
Members' Subscriptions**

27. Each Club (including any National or Specialist Club) shall pay to the Secretary of its Local Region.

(a) an annual subscription to the Association for each member of the Club except any member who has paid their annual subscription through another Club.

(b) and an annual subscription to the Club's Local Region for every member of the Club except any member who has paid their annual subscription to the Local Region through another Club.

(c) all Junior members under the age of 18 who are members of a Club will pay an annual subscription to the Association except any Junior member that has paid their subscription to the Association through another Club. and an annual subscription to the Club's Local Region except any junior member that has paid their subscription to the Local Region through another Club. The annual fee to be fixed by Council at its October meeting each year.

**Delete rule 31 and substitute;**

31. If any Club shall fail to pay the due annual Association subscription and the due annual Local Region subscription for any member by 1st March in any year, that Club shall pay to the Secretary of its Local Region Committee a surcharge per member in respect of whom either the annual Association subscription or the annual Local Region subscription has not been paid when such subscription is paid. Such surcharges shall become the property of the Club's Local Region. The penalty to be fixed by Council at its October meeting each year.

**Delete rule 32 and substitute;**

32. An individual Member shall pay

(a) An annual subscription to the Association and

(b) An annual subscription to his Local Region.

(c) An individual Junior member under the age of 18 will pay to the Association an annual subscription.

(d) an individual Junior member under the age of 18 will pay to their Local Region an annual subscription.

The annual fee to be fixed by Council at its October meeting each year.

All individual subscriptions shall be paid to the Secretary of the Local Region not later than 1st March each year and are inclusive of VAT. Individual members will only be entitled to the privileges and benefits of the Association when the fees for that

year have been paid. Individual members may apply from 1st November for the following years membership.

**Delete rule 37 and substitute;**

**Alterations to Subscriptions**

37. Any alteration in the amount of annual subscription to the Association or a local region passed by the October meeting of the Council shall take effect on 1st November in the same year.

**Council meetings**

**Rule 47 to become rule 47(a)**

**New rule 47(b)**

Each year by July 31<sup>st</sup> the Chief Executive Officer shall in conjunction with elected officials, produce a draft budget for the following financial year. This draft budget will be circulated to Region Secretaries for onward circulation to affiliated clubs for consideration. Clubs wishing to submit constructive comments may do so in writing to their Region Secretary by August 30<sup>th</sup>. The draft budget and comments received will be considered by a general meeting of the Region to be held during September. The views of the meeting will be submitted to the CEO in time for inclusion in the agenda of the October meeting of Council. At this meeting Council will fix membership fees and other variable charges for the ensuing year.

Chris Sutton CEO