

Council

Minutes

Tuesday 16 June 2020 at 18:00

By Microsoft Teams

Present:	Craig Poxon	-	Chair
	Natasha Higman	-	Treasurer
	Adrian Bond Paul	-	Vice Chair
	Applegate Mary		
	Barratt Mark		
	Bayada Jack	-	MDC Chair
	Davies Sam Lee		
	Kate Lindsley (from item 102.4) Simon Soper	-	EPC Chair
In attendance:	Liz Ashley Tony	-	Editor, Skydive the Mag
	Butler John	-	Chief Operating Officer
	Hitchen	-	Vice President
	Angel Fernandez Lise	-	Communications Manager
	Moore	-	Finance Manager
	Jeff Montgomery	-	Safety & Technical Officer & STC Chair
	Martin Shuttleworth	-	Secretary-General (Secretary)
	Martin Soulsby	-	Vice President , Delegate to RAeC & Chair, MDC CSWG
Observers:	Alex Busby-Hicks	-	Skydive Tilstock
	Bryn Chaffe	-	Sky High, Peterlee
	Martin Harris	-	The Skydive Centre
	Pete 'Taf' Mather	-	Sky High. Peterlee
	Grant Richards	-	UK Parachuting, Sibson
	Dave Wood	-	Cornish Parachute Club

Item Minute

99/20 Declarations of interest

The Chair said these could be made now or at the appropriate item.

100/20 Minutes

COUNCIL APPROVED the minutes (circulated) of the special virtual meetings on (i) Saturday 2 May (which had been delayed by the Secretary being in hospital); and (ii) Saturday 23 May, with clarification of use of the terms officers and officials.

101/20 Matters arising

Matters arising were taken from the minutes of the last quarterly meeting held on Tuesday 10 March. These minutes had been approved at the meeting on Saturday 2 May, with consideration of matters arising deferred until this meeting.

101.1 Nominations Committee – minute 11

Convening a meeting of the Nominations Committee to make a nomination to fill the vacant seat for an independent director had been delayed because of the Covid-19 lockdown.

COUNCIL AGREED to accept an offer from the Vice Chair to serve on the Nominations Committee in place of the Treasurer, for which the Treasurer thanked him. This was because

the workload of the Treasurer had increased massively with work on grants and loans to Affiliated PTOs to help them survive the lockdown.

101.2 Application for Re-Affiliation – Peterlee Parachute Centre Ltd – minute 16

COUNCIL APPROVED the Re-Affiliation of Peterlee Parachute Centre by e-vote after the March meeting.

102/20 Finance

102.1 Management accounts

Council received the management accounts to 31 May, month 11 of the financial year, which had been circulated with the agenda.

The Finance Manager said she was developing an improved format to present this information in the next financial year.

Debtors over 60 days stood at £75,420.

The Treasurer reported that £60k had been disbursed in grants from DZDF leaving a balance of £10k. Agreed loans to PTOs stood at £137k from the £300k loan fund established by Council. Loans were being paid in tranches. Applications for loans currently under consideration meant that there was just over £93k currently unallocated in the loan fund.

The Chair thanked the Treasurer on behalf of Council for taking on the significant additional workload of grants and loans to Affiliated PTOs.

102.2 Membership statistics

Council received the membership statistics to 31 May, month 2 of the membership year, which had been circulated with the agenda.

The effect of lockdown was clear in the substantial year-on-year reduction in membership numbers. Full membership stood at 1,994 compared with 4,251 at 31 May 2019 (-53%). Student membership and Temporary membership (including JSAT) were both zero compared with 12,736 and 2,093 the previous year.

102.3 Budget

The Treasurer had drafted a budget for the new financial year starting on 1 July, which had been circulated with the agenda.

The Treasurer had assumed no income until March 2021 and half the normal level between March and June. Operating costs showed an increase of 20%, which was due to our partial exemption from VAT. With substantially reduced income, we would be unable to offset this by recovering VAT on our expenditure as we usually did.

The Treasurer thanked the chairs of EPC and MDC for the input to the budget from their committees. The Treasurer summarised areas of discretionary and non-discretionary spend by these committees.

Council asked EPC to consider adding a force majeure clause to athlete sponsorship contracts in future, as the current wording meant this was a non-discretionary spend. (The EPC Chair reported that one team of sponsored athletes had indicated they planned not to draw down their full entitlement, and there may be fewer of our teams at the postponed Mondial next year.)

Action: Refer to EPC

A paper from Martin Soulsby (Chair, MDC Coaching Structures Working Group, CSWG) had been circulated with the agenda. The MDC Chair recommended that Council should approve this as it was important work with an external agency that also had significant implications for the development of instructor training.

Budget provision had been made for penetration testing of the British Skydiving website as recommended by our external adviser on data compliance. This provision would enable the work to be progressed under the aegis of the IT Strategy Group.

The Treasurer said the forecast outturn was a deficit of £703k at the end of the 2020-21 financial year. Budgets were necessarily cautious, and it was likely that the actual deficit would be lower.

Reserves, which had stood at approximately £3.2m on 1 July 2019, were now forecast to be about £2.1m.

COUNCIL APPROVED the budget. Proposed by the Treasurer, seconded by Sam Lee, carried unanimously. This included approval of the funding for the development of coaching structures by MDC.

102.4 Finance Committee

The first meeting of the new Finance Committee had not yet taken place because of the huge amount of work on grants and loans to PTOs that had, for reasons of expediency, been overseen by the ad hoc Finance Group of Council (Treasurer, Vice Chair and Finance Manager, with background information from the COO).

The Secretary asked the Treasurer whether, given this exceptional year, she might prefer to defer convening the Finance Committee until the next committee year, after the AGM in January, as inaugurating the committee was likely to add to her already heavy workload. The Treasurer said the opposite perspective was that the Finance Committee might provide her with additional help. She was reviewing the best way forward and would keep Council informed.

Action: Treasurer

The Treasurer said her Open University studies had suffered because of the significant additional voluntary work she was doing for British Skydiving on grants and loans to PTOs which averaged 2 or 3 hours a day. This had had a noticeable negative effect on her last OU assignment. Her next assignment was due to be submitted on 14 July, and until she had finished it, she would not have capacity to take on British Skydiving project work that had been displaced by more urgent work on grants and loans.

The project work in abeyance was:

1. Review of expenses policy
2. Review of reserves and investment policies (likely to take 6-9 months)
3. Research into alternative revenue strategies / income streams (likely to take 6-9 months and could not be done concurrently with 2).

The Treasurer said she was willing to be petitioned on the order in which these projects should be carried out once time allowed. She noted that a member volunteer for the Finance Committee had offered expertise that might be valuable to the review of reserves and investment policies. The Chair said the similar considerations applied to a member volunteer for the IT Strategy Group.

Obtaining historic figures for activity-based costing would be important to underpin this work. This would depend on time availability of the Finance Manager whose workload had also been massively increased by work on grants and loans for PTOs.

Grant Richards (observer) said the newly formed Parachute Training Organisations' Association (PTOA), which he chaired, would be happy to help with work on future financial modelling. The Chair was cautious of possible conflicts of interest although there may be areas on which it may be appropriate for the Treasurer to involve PTOA once we had had the opportunity to formulate our own thoughts.

102.4 Business and financial risk register

The Treasurer had updated the business and financial risk register, which had been circulated with the agenda. This included a lowering of the impact of loss of the HQ building in the light of the experience of non-furloughed staff working from home during lockdown, Mark Bayada said the impact should not be lowered too far because this experience had been whilst the sport had been grounded and he doubted it would be as easy to function without use of HQ once the sport resumed.

The Treasurer invited Council and staff to let her know of any other suggested variations to the risk register.

102.5 End of financial year on 30 June

The Treasurer called for any outstanding expenses claims to be submitted ahead of the end of the financial year on 30 June.

The Secretary noted that the external financial audit would need to report the draft audited accounts to the autumn Council meeting on Tuesday 15 September, for which supporting papers would be issued on Friday 4 September. This schedule allowed for the annual report and accounts to be published as an insert to the December issue of Skydive the Mag for approval by members at the AGM on Saturday 30 January 2021.

103/20 Compliance Officer's Report

An update report from James Potts, Compliance Officer, including cases he had dealt with since he reported to Council's spring meeting, had been circulated with the agenda.

In the absence of the Compliance Officer, the Secretary summarised the report and said that, as a result of one of the cases, the Compliance Officer had recommended that a short statement on privacy (privacy notice) should be added to the footer of emails sent on British Skydiving accounts. The Secretary would circulate the wording so members of Council could add it to their own email footers.

Action: Secretary

Another case had involved a member lodging a complaint with ICO about British Skydiving's handling of personal data. The Compliance Officer had been unable to find any validity in the complaint and had replied at some length to ICO to justify British Skydiving's position. See also minute 110.

[Secretary's note: On 17 June, the Compliance Officer reported that on 15 June, ICO had responded to him that *'In light of your comments, we are satisfied that there do not appear to be any significant issues outstanding in relation to your information rights practices.'*]

104/20 Paper from Affiliated Parachute Training Organisations (PTOs)

A paper dated 18 May, sent on behalf of 21 PTOs, had been circulated with the agenda. Since then, the Parachute Training Organisations' Associations (PTOA) had been formed, of which Grant Richards of UK Parachuting - Sibson had been elected Chair. PTOA had adopted a constitution and elected an Executive Committee, including a Vice Chair and Treasurer.

Grant Richards spoke to the PTOs paper. He said PTOA was not intended as a breakaway group but to work with British Skydiving on matters that directly affected PTOs.

The introduction to the PTOs paper said the Covid-19 pandemic had exacerbated a disconnect between British Skydiving and its Affiliated PTOs by highlighting areas in which the PTOs and British Skydiving did not align.

The PTOs paper said that since the formation of British Skydiving in 1961 the sport, and the industry, had changed beyond recognition. It was no longer a small grassroots club type environment, but an activity requiring multi-million-pound commercial investments.

Unfortunately, in the PTOs view, the relationships and balance of value had not changed to keep up with the commercial developments that had occurred. Many PTOs had their entire wealth tied up in their business and this drove efficiency, innovation and profitability.

The PTOs paper set out several proposals/discussion points for consideration by Council. The PTOs had categorised these as short-, medium- and long-term.

At the top of the short-term list was return to skydiving protocols as government restrictions to control the Covid-19 pandemic eased. The COO said he had taken the STO off furlough two weeks ago to convene and chair a working group on return to skydiving protocols. The working group involved several PTOs of different sizes, together with experts in various areas from the membership including a medical advisory panel of three medical doctors including Dr John Carter, British Skydiving's Medical Adviser. The Working Group had to date held two meetings virtually and had organised itself into three subgroups to expedite its work.

The second short-term objective of the PTOs paper was to review the cost of student membership as the PTOs saw British Skydiving as a not-for-profit business with significant excess earnings. The Treasurer said she had already planned to conduct a review of investment and reserves policy on taking office as Treasurer at the AGM this January, which the Covid-19 pandemic had delayed (minute 102.3).

The third and final short-term objective in the PTOs paper concerned their representation in British Skydiving. The paper sought two co-opted seats on Council for PTOs and a main committee for PTOs to be chaired by one of these co-optees. The Chair said the Secretary-General had liaised with Amanda Bennett, British Skydiving's external adviser on governance

about this, and she had prepared a paper circulated to Council which had yet to be discussed (see minute 110).

The PTOs paper set out a single medium-term objective, a review of arrangements for instructor courses. The COO said that MDC's Coaching Structures Working Group (CSWG) was formulating recommendations with the help of an external agency specialising in sports coaching. He believed this work would lay the foundations for significantly enhanced training of instructors.

The long-term objectives set out in the PTOs paper covered the organisational structure of British Skydiving to minimise bureaucracy; insurance; review of the Operations Manual; and Review of the Drop Zone Defence Fund.

Grant Richards asked Council for a response to the PTOs paper, and the Chair said a written response would follow in due course after this meeting. Council would consider the PTOs paper in an in-camera session later in the meeting (minute 109).

The Chair asked Grant Richards to share with British Skydiving the constitution of PTOA.

105/20 Reports from Committees of Council 105.1 Safety &

Training Committee (STC)

The STO/Chair STC reported that the return to skydiving protocols working group he had convened had held two virtual meetings. The working group's objective was to draft guidance to publish before the end of June that was intended to be of help to PTOs in planning to re-start their skydiving operations when it was safe to do so. The guidance would be in line with government advice, recognising that such advice was likely to change on a regular basis as lockdown restrictions progressively eased. The STO said that, in consequence of the business of the working group, there may be proposals for variations to, or permissions against, certain provisions of the Operations Manual. He would set out any such proposals on an agenda for a virtual meeting of STC to consider them.

105.2 Élite Performance Committee (EPC)

Sam Lee, EPC Chair, invited questions on the minutes (circulated) of the virtual meeting of EPC on Tuesday 5 May. He said EPC had also held a further virtual meeting on Wednesday 27 May to formulate recommendations to Council on cancellation of the Nationals 2020. The minutes of this EPC meeting would be circulated to Council once approved by EPC.

COUNCIL CONFIRMED ITS APPROVAL by e-vote, shortly after the EPC meeting on 27 May, of cancellation of the Nationals 2020 as recommended by EPC after consultation with the host PTOs. The decision had already been publicised.

105.3 Member Development Committee (MDC)

Mark Bayada, MDC Chair, invited questions on the minutes (circulated) of the virtual meeting of MDC on Tuesday 5 May. The work of MDCs working groups on (i) equality, diversity and inclusivity; and (ii) review of the arrangements for skills coaching roadshows, both chaired by Mary Barratt; and (iii) coaching structures, chaired by Martin Soulsby, had continued during lockdown.

A paper by Liz Ashley, Editor of Skydive the Mag, had been circulated in advance.

COUNCIL AGREED that the August 2020 issue of Skydive the Mag should be published according to schedule, with the reduced pagination of the June issue as advertising remained below normal. The paper quality for the June issue had intentionally been lower to economise as had the use of saddle-stitching (staples) instead of perfect binding. However, the reduction in paper quality had been more than foreseen and the Editor would seek an improvement for the August issue.

105.4 Employment Committee

COUNCIL AGREED that the Employment Committee, which usually met immediately before the June Council meeting ahead of the start of the new financial year on 1 July, should be held later in the year. The position would be reviewed ahead of the September Council meeting.

Action: Secretary

106/20 Skydive the Expo 2021

A paper by Adrian Bond, Vice Chair and Expo Organiser, had been circulated with the agenda and various options it contained were evaluated.

COUNCIL AGREED to continue to plan to run the Expo 2021, with any modifications to the normal arrangements appropriate to the legacy, or perhaps even continuing currency, of any government restrictions to control Covid-19.

107/20 Report from the Royal Aero Club (RAeC)

A report by Martin Soulsby (Vice President and Delegate to RAeC) on the virtual meeting of RAeC on 28 April had been circulated with the agenda. Council noted the report with thanks.

108/20 In-camera session

The meeting went in camera, without observers.

109/20 Grants and loans to Affiliated PTOs

This item was to consider the recommendations of Council's ad hoc Finance Group, chaired by the Treasurer, on grant and loan applications that had been received from Affiliated PTOs to enable them to survive the interruption to their business by the lockdown.

Minutes 109.1 to 109.4 inclusive are confidential and not for publication.

The Finance Manager updated Council on the position of the largest current trade debtor to British Skydiving. Following discussions of the PTO with the Finance Manager and the Vice Chair of Council in his capacity as a member of Council's Finance Group, the PTO had already made a part settlement and for the remainder had agreed to a monthly debt repayment plan fully to discharge its debt in 12 months. Council noted the Finance Manager's assurance that this PTO would be expected to pay up front for its purchase of student memberships in future.

110/20 Paper from PTOs

COUNCIL AGREED that, pursuant to minute 104, Council would engage with the PTOs on whose behalf the PTOs paper had been submitted, which were now understood, subject to confirmation, to be represented by PTOA. Accordingly, the Chair and Secretary would draft a response to the PTOs taking account of some of the points raised by Amanda Bennett, Governance Adviser, in her paper. The opportunity would also be taken to seek clarification from the PTOs/PTOA on several points.

Action: Chair, Secretary

The Chair said there were questions for Council around the PTOs' requested involvement in the governance of British Skydiving in the Governance Adviser's paper, together with wider issues of stakeholder engagement. He proposed to arrange for these to be considered by an ad hoc working group he would establish for a report to be presented to the September meeting of Council.

Action: Chair and Secretary

The STO and COO would respond to the PTOs' paper in relation to the development of instructor courses.

Action: COO and STO

The Treasurer noted that a point to be made in reply to the PTOs was that the supplier and customer relationship between British Skydiving and its Affiliated PTOs set out in the PTOs' paper did not reference the central role of British Skydiving as regulator of safety in the sport.

111/20 Complaint to the ICO

The COO expressed his concern at the cost and time taken in responding to what appeared to both to our Compliance Officer and our external adviser to be a groundless complaint about British Skydiving by a member to ICO.

112/20 Resumption of open session

The meeting finished by returning to a short open session, in which the Chair summarised to observers the outcome of business in the in-camera session.

113/20 Dates of future meetings

Tuesdays 15 September and 24 November. These had originally been planned as physical meetings at British Skydiving HQ but because of Covid-19 control measures, all meetings until further notice were now virtual on Microsoft Teams.

The meeting closed at 20:43 (duration 2:43).

Approved 15 09 2020