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BOD-OUT-49-2019

17th June 2019

Note from the Chairperson

Dear Scouter,

As you read this message, you will already have been made aware via mailings from the Board and possibly a briefing from your Provincial or County Commissioner of some of the necessary measures that are needed to ensure that Scouting Ireland remains in a solvent and strong position to meet the challenges currently facing us all. These include an increase in the annual registration fee and a change in the breakdown of the 12 Days of Christmas fundraiser that is currently only open to the Groups in the Republic of Ireland. However, the Board has also decided to put in supportive measures to meet its obligation to our member Groups, North and South, to offset the impact of some of the necessary decisions at Group and County level such as a restoration and increase in County Rebates and extra Group fundraising opportunities. I will speak to these further shortly.

By way of a background to why such decisions were necessary, I would like to share with you the situation facing our organisation. You will be aware that the Board of Scouting Ireland was completely replaced on 6th October 2018. This new Board has a clear mandate and those that volunteered to stand for election did so on a clear platform, to facilitate the changes to the Governance structure of the organisation as it transitioned into the “company-only” model.

However, the Board, once elected and on taking office was presented with a number of existential challenges and legacy issues which I have widely discussed previously, some were known of and in the public domain before the 6th October but the scale and complexity of what has been by far the biggest and most tragic only became known from October onwards with the revelations of the legacy historic child sex abuse issues in our predecessor organisations, pre-dating the foundation of Scouting Ireland as we know it today.

There were some, in particular from the previous Board, who carried this organisation forward in the most difficult of times, sometimes at great personal cost, and successfully navigated the organisation to the 6th October so that the required governance changes could be decided upon and commenced ahead of schedule.

Scouting Ireland, despite all of the above, has made great strides since then. Insurance was not only restored, but the term extended. Government funding was not only regained but increased. External challenges from outside quarters were met, robustly defended and matters successfully resolved. Progress on the change agenda to governance has progressed in real and meaningful ways, most recently with the current open calls for fellow volunteers to join the Board on its Sub-Committees.

As a company, there are a number of key responsibilities placed upon the Non-Executive Directors. These are compounded by our responsibilities as Trustees of our charity. To this end, certain factors had to be taken into

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Reg. No. 397094
Charity No. CHY3507

PATRON Michael D. Higgins PRESIDENT OF IRELAND



Member of World Organisation of the Scout Movement

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account by the Board to ensure that Scouting Ireland can continue as a going concern and continue to meet its charitable aims.

As mentioned in previous communications, there are four key matters that the Board had to consider in ensuring that Scouting Ireland is a going concern:

- Providing for the Historic Child Sex Abuse Fund
- Providing for a Victim Support Programme out of the Solidarity Fund
- Providing for the new Governance Structures
- Legal requirement under Company Law to maintain adequate Cash Reserve

However, in considering all of the above, the Directors are also volunteers themselves, in their Groups around the country, both in the North and South of the island. Some of us are scouting in disadvantaged communities and are only too aware of the current cost to being a scout and the burden on Groups and parents. Therefore, the measures decided upon at Board level took into account the need to support the Groups whilst at the same time meeting the needs of the organisation as a whole and ensuring its survival going forward.

As I am sure most of you can imagine, this was not an easy road to travel, meeting the needs of the Group and the organisation as a whole, but when the current measures are considered in the round, it is clear that full cognisance was given to attempting to meet the needs of both.

It should be noted that there is a misnomer that the increase in fees is directly related to providing for our survivors. This is incorrect. The increase in fees will:

- allow us to better resource our Counties
- protect our organisation in litigation
- fund the required costs to meet the new governance changes, in particular with the establishment of the new Departments
- allow the organisation to establish a prudent cash reserve, like any company, to manage current and future operations
- allow for increased cost pressures, such as the increase in our Insurance premia of €70,000 this year due to general insurance market increases
- along with the new national fundraiser, allow for adequate resourcing of the Solidarity Fund

So, let's look at the increase in registration fees and see what that means to our Groups on the ground and those who scout with us. The Board has increased the annual fee by 38c per week, €20 per annum for youth members and €22.50 per annum for adults. The new standardised fee will be €55.50 for our Northern Ireland Groups.

We have seen this being described as almost a 50% increase to members. Whereas this is technically correct, this is not the nett effect to a member at Group level. Groups also charge a subscription annually in order to be able to operate and provide programme. This is right and proper and should continue. Some Groups charge an

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annual fee with weekly subs, some charge two or three times a year on a term basis, others have a flat annual fee – each Group using the method that works best for their Group and community.

This is a point that I have explained time and time again to external stakeholders who think that our annual fee was ridiculously low, thinking that the only cost to a member was the portion of their fees that they pay annually to Scouting Ireland. We Scouters know that this is not the case.

The current average cost per annum to a member is circa €150, with many Groups over and some below that figure. The increase in fees, if directly passed onto the members, is circa 13% in real terms annually, less if the Group charges a higher annual fee than the average.

As a father and a member of a family of 5 scouts, any increase has an effect. But if the increase in fees is proportionate and ensures that the organisation remains solvent and prudently prepared for the challenges ahead, then I accept that.

But we cannot look at the increase in fees on their own. The Board have countered this by ensuring that each Group, across the whole island, will have access to a new national fundraiser. It is proposed that 50% of monies raised go directly back to supporting scouting in the communities from which it was raised as the Groups who raise the funds will retain this portion. The other 50%, less the cost of providing the event, will go directly into the Solidarity fund and assist in providing a real and meaningful Victim Support Programme for our survivors of child sexual abuse. Therefore, the cash raised from this will benefit both our local Groups and our survivors.

Not only this, but the Board decision regarding County Rebates further provides supports to Groups around the country. The Board decided that the best way to do this was not only to reinstate the County Rebate system, but to do so in full rather than a partial restoration. This means that Scout Counties will now receive more in their rebates than heretofore due to the increase in the registration fees, with local Scout Counties receiving a rebate of circa €6.50/£5.55 per member in their area, rather than the €4.35/£3.62 they did in the past. This extra funding, which is much needed in most counties in order to adequately support Groups, will also allow Counties to support Groups that may be in difficulty, financially or otherwise.

The Board also changed the percentage retained by Groups with access to the 12 Days of Christmas draw to 80% still retained by Groups in order to fundraise locally. Despite the small change here, the Board is conscious that this event is a key fundraiser for Groups with access to it and should not be overly affected by the new changes. However, it is also aware the Groups in Northern Ireland do not have access to this event. Therefore, it has also undertaken to look at a second fundraiser for these Groups, set around the Christmas period.

Whereas the base registration fee has indeed increased, there are more by way of supports to Groups and Counties across all Scout Counties on the island in these measures than heretofore. Groups will be provided with a national fundraising event to raise more funds than before. Should it decide to use some of that extra income to defray any extra costs on members, that will be a Group decision and one supported by the Board.

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Coupled with the increase in monies coming in, there is a full analysis being carried out of current costs, expenditure and other outgoings with a view on reducing same where possible whilst minimising the effect of such cost cutting on the mission of Scouting Ireland. New income streams are being explored long term so that the organisation is not reliant on the current two main sources of income. It should be born in mind that these measures will not increase the wealth of the organisation or increase an annual surplus, but rather, when all matters are provided for, negate a substantial deficit next year.

So, on considering the registration fee increase, the first for youth members for many years, I urge you to consider all of the above. The members of the Board are all Group Scouters. They fully support this communication and understand the effect of the decisions we make, but as I am sure you can appreciate, despite the challenging times we are in, we have made the required decisions for the benefit of our great organisation whilst ensuring Groups are supported to do what scouts do best, provide the great game of Scouting in each and every one of our communities on this island.

Thank you for your continued hard work and dedication,

Adrian Tennant
Chairperson, Scouting Ireland

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