

BRITISH MOUNTAINEERING COUNCIL

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Board of Directors

Redacted minutes of the Board meeting held by way of Zoom on Thursday 10 December at 7.30pm

Directors Present:

Paul Drew (PD)****	Senior Independent Director and Acting Chair
Paul Davies (PDa)	Interim CEO
Jonny Dry (JD)	Nominated Director (Fundraising)
Lynn Robinson (LR)	President
Peter Salenieks (PS)	Council Nominated Director (CND)
Fiona Sanders (FS)	CND
Carl Spencer (CS)	Nominated Director (Clubs)
Jonathan White (JW)	Nominated Director (Finance)
Rosi Yule (RY)	

Observers Present:

Rab Carrington (RC)**
Colin Knowles (CK)**

In attendance:

Alan Brown (AB)****	Financial Controller (FC)
Lucy Valerio (LV)***	Company Secretary (CoSec)

* denotes supporting paper(s) circulated prior to meeting
joined at minute 4.4

** until minute 4.2 ***joined at minute 3.2

**** left at the end of minute 3.6

*****left at minute 4.3and re-

Item Topic and Main Aspects Considered

1 Welcome, apologies & declaration of interests

The Acting Chair reported that due notice of the meeting had been given. He noted the CoSec was unable to join for the beginning of the meeting and it was therefore being recorded to enable her to prepare the minutes. It was agreed the CoSec would be asked to delete the recording once the minutes were completed. There were apologies from Louise Stewart. The Acting Chair noted that the meeting was quorate and therefore declared it open.

Conflicts of interests were declared by PDa and AB as members of staff.

He ran through the agenda to be discussed, which was predominantly to discuss the budget, and recommendations from Nominations Committee in respect of the Chair and two Independent Director vacancies. He suggested that the proposed agenda item on the Code

Decision / Action


Who

When

Item	Topic and Main Aspects Considered	Decision / Action	Who	When
	of Conduct be discussed at the meeting on 17 December. The Board agreed with this proposal.	The directors' code of conduct be discussed at the meeting on 17.12.20 and the CoSec to add it to the agenda.	LV	By 14.12.20
2	Interim CEO The Acting Chair noted it was the first Board meeting with PDa now officially Interim CEO and a director of the BMC, and he invited him to say a few words to the rest of the Board to know a bit more about himself. The Interim CEO provided details of his climbing background and love of the outdoors, and the degree he undertook in sport science. He added he no longer climbs, but is an avid hill walker and is passionate about the outdoors.			
3	Budget			
3.1	The Acting Chair noted it is the responsibility of the Board to approve the budget for 2021 and he would like to do this at this meeting following a good discussion. He added it had been discussed at length and been looked at by the Finance and Audit Committee (FAC) at several meetings. The Interim CEO referred to the documents 'Item_1 2021 Budget' and 'Budget presentation for Board meet 10Dec20' which had been emailed to the Board and thanked RY and the chair of the FAC for their work. He noted: <ul style="list-style-type: none"> • Four recommendations were being made – including that the budget presented be approved (recommendation one) • The BMC is looking to spend roughly the same in 2021 as in the past and that this will result in a forecast draw down on reserves of £271k to meet the deficit • The FAC feel that a short-term budget deficit is manageable using the reserves • The BMC reserves are forecast to reach minimum levels of 25% of expenditure in 2021, however the reserves policy has a slight anomaly due to how deferred subscriptions are counted, and there is a considerable cash reserve also available • FAC have suggested a review of the reserves policy in Q1 of 2021 to see if it is still relevant and works for the BMC (recommendation two) • Recommendation three includes an additional £50k marketing spend directed at membership growth, subject to the receipt of a clear breakdown of the spend and expected returns 			

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	<ul style="list-style-type: none"> • The fourth recommendation is for more regular financial reporting to allow for flexibility within the budget and being able to react to the financial position • The budget approach has been relatively conservative, and it does not include the up to £68k from the UK Sport continuity fund which was secured the previous day • It is possible there may be an additional £90k in insurance income, but this depends on what happens in 2021 and a cautious approach has been adopted • There is 0% in club growth in the budget, which means no additional club income has been included in the budget. The FAC noted that club growth has decreased slightly over the last couple of years, so suggested the figure of 0% for prudence. This is not an intention or an aspiration of the BMC re club growth. The Interim CEO is very keen to see an increase in club growth. 			
3.2	[REDACTED]			
3.3	[REDACTED]			
3.4	[REDACTED]			
3.5	[REDACTED]			
3.6	<p>The Acting Chair said there had been a robust discussion and he felt now was an appropriate time to hold a vote on the recommendations in the paper in reverse order.</p> <p>Recommendation 4 – Amended to “It is recommended that the Board accepts the FAC’s recommendation that the overall budget is closely and regularly monitored throughout 2021, <i>minimum quarterly moving to monthly</i>, by the SMT supported by the FAC (and including reporting to the Board), to ensure that expenditure can be immediately delayed, deferred or <i>terminated</i> should deficit levels increase above forecast.</p>	<p>The BMC’s budget be regularly monitored throughout 2021</p>	AB	Monthly
	<p>For: 9 Against: 0 Abstain: 0</p>			

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	<p>Recommendation 3 – Amended to “It is recommended that the Board approve an increased budget expenditure on marketing in 2021 including the proposed £100,000 (to be capitalised) investment in website development and additional spend totalling £50,000 aimed at new member growth, subject to the approval of a business case to the CEO/Board in January 2021 which includes:</p> <ul style="list-style-type: none"> • Proposed target areas matched with proposed spend • Expected return, both in terms of increases in membership and revenue (including by when) • A 12-month plan for roll-out of the various activities and initiatives • Methods of tracking, including the signals that will be used to guide decision making • Mitigations and options for accelerating activity if that is warranted • <i>Clarity around the marketing message</i> <p>(FAC Budget Review 2021 point 10.1)</p> <p>Clarity around the marketing message was requested, particularly as a vast majority of the benefits offered to members are offered to non-members as well. The pandemic has shut down a number of the tangible benefits and there is only one remaining which is Summit, but millennials assume information should be free. So, if the pandemic results in the same issues in 2021 then the message is essentially ‘this is what we do for all climbers whether members or not, we just want more of you’.</p> <p>There was also a request to understand what the £110k and £180k requested is to be spent on.</p> <p>The wording of recommendation three was felt ambiguous and it was agreed that it should be amended so it was clear that the approval of the expenditure is subject to a business case for the spend being approved by the Board in January.</p> <p>With those amendments to be put in vote held:</p> <p>For: 9 Against: 0 Abstain: 0</p> <p>Recommendation 2 - It is recommended that the Board accept the FAC's recommendation for it to undertake a review of the BMC's reserves policy in Q1 2021" (FAC Budget Review 2021 point 8.5)</p> <p>For: 9 Against: 0 Abstain: 0</p>	<p>A greater breakdown of the marketing expenditure to be provided</p> <p>PDa & AM January 2021</p>		
	<p>The FAC undertake a review of the Reserves Policy</p>			

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	Recommendation 1: there are some follow up items to be looked at 			
	<p>He therefore called a vote on recommendation 1 – to approve the presented budget for 2021, with some specific caveats where further information is needed:</p> <p>It is recommended that the Board approve the presented budget for 2021 which details an expenditure of £3,511,423, a projected income of £3,240,205 and a drawdown from reserves of £271,219. It is acknowledged that this depletes reserves to the lower limit of the reserves policy (25%) but it is also noted that the FAC consider that the deficit is manageable by the BMC reserves" (FAC Budget Review 2021 point 8.3)</p>			
	For: 7 Against: 2 Abstain: 0			

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4	Nominations Committee (NomCom)			
4.1	The Acting Chair reported that there had been a successful recruitment campaign run by Odgers Berndtson (OB) for the position of Chair and two Independent Directors. [Redacted]			
	He noted NomCom were making the following recommendations:			
	<ol style="list-style-type: none">1) CW be appointed Chair Designate to take over the role of Chair from the AGM and appointing her a director subject to due diligence2) FA be appointed an Independent Director subject to due diligence3) DH be appointed an Independent Director subject to due diligence4) The Acting Chair continue in this role until the 2021 AGM5) JH be considered to sit on the Competition Climbing Performance Group (CCPG) and consultation to take place with RC about this [Redacted]			
4.2	[Redacted]			
4.3	[Redacted]			
4.4	a summary of the discussion was provided			
	<ul style="list-style-type: none">• The Board are happy to appoint FA and DH as Independent Directors• The Board are happy for PD to remain as Acting Chair until the 2021 AGM [Redacted]			

Decision / Action
The budget for 2021 with certain caveats is approved

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4.5	The Acting Chair asked if the Board were happy with CW as a candidate for the Board, and it was noted the Board was comfortable with CW being appointed Chair Designate,			



5	AOB			
	A date needs to be agreed for the Open Forum in January. It was agreed that the paper prepared by the CoSec for this evening's meeting would now be discussed at the meeting next week.	Open Forum date to be added to the agenda for the meeting of 17.12.20	LV	By 14.12.20

6 **Date and time of next meeting**
Thursday 17 December at 7.30pm.

7 **Close of meeting**
There being no other business, the Acting Chair closed the meeting and thanked everyone for their time.

Item	Action	Involving	Target date
1	Director's Code of Conduct be added to the agenda of the meeting on 17.12.20	LV	By 14.12.20
5	Open Forum date to be added to the agenda of meeting on 17.12.20	LV	By 14.12.20