

**MINUTES OF THE ANNUAL GENERAL MEETING OF THE COUNCIL OF THE SCOUT
ASSOCIATION HELD ON SATURDAY 3 SEPTEMBER 2022
AT GILWELL PARK, CHINGFORD, E4 7QW**

Present: Carl Hankinson – UK Chief Commissioner and TSA Trustee
Mike Ashley – TSA Treasurer and Trustee
Matt Hyde – Chief Executive and TSA Trustee
Ollie Wood – UK Youth Commissioner and TSA Trustee
Jennie Price – Chair of the Board of Trustees
Members of the Council (including those listed above) – 106 in attendance
Guests and Observers (inc. staff) – 55 in attendance

1. Welcome and Introductions

Nisha Patel, UK Commissioner for Perception and Tom Milson, UK Commissioner for Inclusion welcomed everyone to the meeting. They noted that it was great to be able to host an in-person AGM, under canvas at Gilwell Park, after two years of having a virtual meeting. They provided a brief overview of the meeting agenda, noting that a Q&A session would be held at 1pm in the marquee. The UK Commissioner for Perception and UK Commissioner for Inclusion shared two snapshots of the year - seed-bombing with the Duchess of Cambridge in Glasgow during COP26 and lighting jubilee beacons with Bear. Council members were asked to share one big thing they've been proud of in Scouts this year. A small selection of moments from council members were shared.

Joint Presidents, the Duke of Kent and the Duchess of Cambridge, very much regretted that they could not be present. As our Chief Scout was unable to be with us, the Board of Trustees therefore proposed that the Chair of our Board, Jennie Price, should also be Chair of the AGM. Council members were asked to indicate their support of the proposal by voting. This proposal was **APPROVED**.

The UK Commissioner for Perception introduced the Association's Chair, Jennie Price.

Mrs Price thanked the UK Commissioner for Perception and the UK Commissioner for Inclusion. She noted that this was her very first AGM at Scouts and that it was an absolute privilege to be able to look back on such a successful year. She explained that this year's AGM was very special for two reasons. Firstly, being back face-to-face, and being able to bring people together, as this is what we are good at and we know this is when we are at our best. Secondly, being able to report outstanding progress. After the setbacks of the last two years, we are on the up, delivering skills for life locally and nationally. We are growing at a rapid rate, attracting more volunteers and opening new provision in the areas it can benefit young people most.

She highlighted that these achievements are a testament to staff and volunteers working together. She saw it for herself at Basecamp and explained that we achieve so much more when we combine our talents and pool our energies. Council members noted that these are very much their achievements. As Scouts we're happy to face challenges together, but thrive on good news. It's important we take the time to celebrate success and reflect on the difference we make.

Mrs Price explained that this difference really is giving young people brighter futures. It is about bringing communities closer together, and it is thanks to all the work council members are doing to make it possible. She could not be prouder listening to the achievements across the UK. It's so important we shine a spotlight on these fantastic stories as they spur us on to even greater things. Mrs Price explained that we have an exciting plan to deliver and are about to transform our volunteer experience, and noted that she could count on Members' support on the road ahead. For this she gave her sincere thanks. She invited Carl Hankinson, UK Chief Commissioner, Matt Hyde, Chief executive, and Ollie Wood, UK Youth Commissioner to begin the review of the year. (A video was played to remind council members a little of what we've achieved together).

2. Review of the Year

The Chief Executive thanked Mrs Price, and noted that the video just played would be available on the Scouts Brand Centre to be played at Annual General Meetings across the UK. Mr Hyde explained that this year is all about resurgence: the great Scouting comeback. If the last two years were about navigating our way through extraordinary world events, then this year has been about growth, about delivery and getting back to what we do best: supporting young people. Council members were reminded what was talked about a lot at Basecamp in Manchester, our North Star – getting more young people learning skills for life and getting back to those pre-pandemic membership levels. He noted we're not switching metaphors now because this is still what guides us. Now more than ever, young people need us. But we have to support you and your teams at the same time. We never forget this movement is powered by the generosity of volunteers.

The UK Chief Commissioner thanked Mr Hyde, explaining that whilst we all may be a little older and a little wiser after all we've been through, our belief in what we do is undimmed. He explained this year was dominated by two big stories. The first was our rapid return to growth after the pandemic. Our youth membership numbers dropped by 23%. However, the 16% growth we reported – our biggest and fastest single year of growth in 70 years tells you everything about the demand there is for Scouts. He echoed Mr Hyde's comments that Scouting was needed like never before, and noted that we needed to support our volunteer teams to keep achieving growth. Mr Hankinson added that whilst we may be over the worst of the pandemic, its exposed fault-lines in our society as well as the mental health challenges our young people are facing. Over two thirds of young people have told us their mental health has suffered and over half have negative feelings about the future. Scouts has such a vital role in connecting young people – building their self-esteem, helping them discover their identity and find their place in the world.

Mr Wood explained that the second big story was the launch of Squirrels. He highlighted that Squirrels was launched almost exactly a year ago, and since then we now have 11,000 Squirrels across 700 Dreys. This built on the incredible work in Northern Ireland, and across the 30 pilot groups, however, he explained that to get to those sort of numbers in a single year is outstanding. This is 11,000 young people starting their journey through Scouts and supporting areas hardest hit by the pandemic and that is thousands of families from communities Scouts haven't been able to reach before. The UK Youth Commissioner added that the best news is that Squirrels is bringing new volunteers into the movement. Of our 1,600 Squirrels volunteers, 42% are new to Scouts. He highlighted if we support them in the

right way, recognise their great work, it's our sincere belief that they'll continue their Scouting journeys, bringing great news for the future of our movement.

The Chief Executive reminded council members of our refocused strategy to 2025. An overview of the Skills for Life strategy was shown on screen. Mr Hyde explained that we have four objectives and seven programmes of work. He noted that the seven programmes (Programme, People, Perception, Digital Transformation, Early Years, Safe Scouting and Equity, Diversity and Inclusion) are the core focus of our work and useful to help orient council members as we review the year.

However, the Chief Executive highlighted that the world around us continues to change. The climate crisis continues to deepen and our thoughts and prayers go out to those affected by the recent flooding in Pakistan. Closer to home, the cost of living crisis is affecting us all and it will continue to squeeze families who have already faced considerable hardship. He asked council members not to allow Scouts to disappear from these families' lives, as we know it's often that one bright moment in the week. Matt Hyde explained that we've been playing our part and that he has been so inspired by the kindness of our members. Whether that's fundraising and sending aid to Ukraine and other areas of conflict and disaster, supporting remembrance or taking part in our social action campaign, A Million Hands. He asked everyone to keep doing all they could to keep Scouts, warm welcoming and inclusive.

Mr Hyde welcomed Rhian Moore, Chief Commissioner of Wales, to present our progress on the first of our four strategic goals, Growth.

Growth

The Chief Commissioner of Wales thanked Mr Hyde. She explained that although one in four of our youth members moved away from Scouts during the pandemic, we saw record single year youth membership growth of 16%, 60,000 more young people. While our biggest growth was among Beaver Scouts, it wasn't as strong in the older sections and we need to work to replicate that success right across our age ranges. She noted that while we opened nearly 400 new sections last year, our waiting list has grown to 90,000 young people. 4,000 new front line volunteers have joined us, which is certainly helping, but we saw an overall drop of 2% as volunteer manager and supporter roles reduced.

She noted that in order to continue to grow, we need to retain our volunteers, and that in order to do this, we need to focus on the volunteer experience. Ms Moore highlighted that this is why transformation is needed so badly. She highlighted that we need to reward people's commitment with a great experience, and invited council members to keep supporting volunteers, and keep making sure they are helped to do the things they enjoy and are good at. The Chief Commissioner of Wales invited Liz Henderson, Interim Chief Commissioner of England, to share news of our inclusion work.

Inclusion

The Interim Chief Commissioner of England commented that she is always proud to say that Scouts is open to all. However, our challenge is to translate words into action and make that a sustainable reality. She highlighted that this is why equity, diversity and inclusion remains at the heart of what we do. She explained that Scouts are committed to supporting young people in lower income neighbourhoods, where there are the fewest opportunities and we

can make the most difference. Scouts have opened over 200 groups in these areas thanks to our Recovery Fund, and thanks was given to the Pear's Foundation, the DCMS and individuals donors who contributed to this.

Ms Henderson noted that many Squirrels Dreys are supporting areas hardest hit by the pandemic. We're proud of the incredible volunteer teams who have opened 700 Dreys, many in areas of deprivation. What's more, 34% of our Dreys have 10% or more young people from Black, Asian and minority backgrounds. Another big step in creating a more inclusive movement was taken when we commissioned an independent race equity review. Over 1,300 volunteers and staff engaged with this, sharing their experiences in the movement. It will act as the foundation for our work on Race Equity going forward.

More widely, it was noted that the Pear's Foundation has helped us bring more Muslim members into the movement, building on the already remarkable achievements of the Muslim Scout Fellowship. In addition, Scouts once again were seen and heard at Pride events across the UK and we're so proud to support the vibrant LGBTQ+ community in Scouts and provide a safe and supportive environment for young people who are discovering their identity. The Interim Chief Commissioner of England explained that this work now comes under the Equity, Diversity and Inclusion programme of work, and will continue to be prioritised. She handed over to Ollie Wood, UK Youth Commissioner.

Youth Shaped

Mr Wood explained that he had been proud to champion young people throughout his time as UK Youth Commissioner. Young people do so much more than just shape our movement – they are our movement. He has been constantly impressed by young people taking the lead at key events, from leading our Promise to the Planet, hosting our conferences and joining Bear at COP26 to our incredible Unsung Heroes. More and more we're seeing young people step up and speak up, and he asked all to keep up that momentum.

The UK Youth Commissioner noted that we now have over 580 Youth Commissioners, up from 400 in 2018. However, he explained that only 38% of young people felt their views made a difference to local decision making. This is one of the reasons why we launched our YouShape Award to help young people plan, represent and lead Scouting. Already 100,000 badges have been sent out across the UK and Mr Wood asked everyone to be champions for this and encourage all our young people to achieve it. We need to continue to work towards 50% of young people shaping their experience by 2025.

Mr Wood advised that Ayesha, our new UK Youth Commissioner will drive this work forward, bringing her own ideas and energy to make Scouts more youth shaped than ever. Mr Wood noted his full support for Ayesha and invited all to join for their handover later that day. Next, Lewis Dangerfield, UK Commissioner for Programme, was invited to update council members on our Community Impact work.

Community Impact

The UK Commissioner for Programme stressed that Scouts have made a promise to help other people since day one and they still do today. Now more than ever, we have a powerful role to play in supporting our local national and international communities. He noted that this

year more than 30% of young people took part in a community impact activity at least once a month, and a new target has been set of 40% taking part each term this year.

Mr Dangerfield explained that the challenge was to make social action and community impact as easy as possible to deliver and engage with. Our long running Million Hands campaign helps young people make a difference on an issue that matters to them – from supporting better mental health for all, to supporting refugees and understanding disability. This is all powered by brilliant partners.

In addition, it was noted that Promise to the Planet inspired 100 million hours of action, and that when Scouts attended COP26 in Glasgow, it became showcase for the commitment of our young people on a world stage. Alongside Chief Scout, Bear Grylls, our Scouts showed world leaders that they will not stand by while the climate change crisis deepens. Equally importantly – Scouts championed mental health and over 4,500 Scouts became Wellbeing Champions helping others cope with daily worries and uncertain futures.

The UK Commissioner for Programme highlighted that Scouts continue to support the most vulnerable in our society. Young people delivered 12,000 acts of kindness to support those in care homes. It's a measure of our growing success in this area that Community Impact badge sales have risen by 42%. Mr Dangerfield explained that while the world faces serious challenges, he's confident that our young people will continue to rise to meet them in a spirit of practicality and positivity. They proved they can make change happen and deliver on their promise to help other people.

The difference we make

The UK Chief Commissioner thanked Mr Dangerfield, and commented that he cannot wait to see the amazing work Ayesha achieves as our new UK Youth Commissioner, and that he is continually impressed by how our young people have continued to step up and help others. He handed over to CJ Ledger, Deputy UK Chief Commissioner (Support) to speak about the difference we make.

The Deputy UK Chief Commissioner explained that being able to demonstrate the impact of our young people getting together, having fun and learning skills is important, and that the Scouts Experience survey helps us do this. Compared with young people not involved in the movement, Scouts are 18% more likely to be better problem solvers, they score 12% higher for leadership and are 6% more likely to be team players, 5% more likely to give time to their communities, and 10% more likely to get on with people of different faiths and cultures. However, it was highlighted to council members that the same survey also tells us that the pandemic has taken its toll – we've seen a noticeable dip in wellbeing – with an 11% decrease in their happiness, a 4% drop in their self-esteem and 8% decrease in life satisfaction. Ms Ledger commented that this is why we're needed more than ever.

However, council members were told about a bright spot on the horizon – the 25th World Scout Jamboree in Korea. The UK Contingent has been forming as a team with some amazing gatherings to help prepare 3,000 young people and 1,000 adult volunteers for this huge adventure. Izzy and Santiago, two of the amazing young people attending this World Scout Jamboree, shared their experiences, telling council members why they applied to be part of the contingent and what they were most excited about.

The Chief Executive thanked Izzy and Santiago for their incredibly inspiring words. He told them both that not only would they have an amazing time in Korea, but that they were also incredible ambassadors for UK Scouting. Mr Hyde commented that council members would now look at progress across our three pillars of work, and handed over to Craig Turpie, Deputy UK Chief Commissioner (Transformation).

Programme

The Deputy UK Chief Commissioner explained that whilst a great programme helps young people have fun while gaining those all-important skills for life, this means very little if it's not being delivered. That's why we're just as focused on supporting our volunteers with excellent tools, making it easy to plan and deliver activities. One of the most powerful tools we have is the Activities Finder. We now have over 1,500 activities on the system, with 200 added in the last year alone. Over 50,000 volunteers use it every month. It's an incredibly valuable resource that we are always developing.

Additionally, Mr Turpie highlighted how our fantastic partners help Scouts add a huge amount of value to our programme, helping to develop new resources and workshops to increase take up. Over the last year, over 60,000 Money Skills Badges were earned by Beavers and Cubs, helping them build financial confidence. Mr Turpie explained that Scouts are also conscious that we need to be responsive and meet the needs of young people and adults in an ever changing world. When the war in Ukraine began, advice and signposted resources were provided for leaders to use with young people and against the backdrop of the climate crisis, we have also inspired 57,000 Green Champions as members of the Green Change Consortium.

The Deputy UK Chief Commissioner commented that we're also proud to be one of the UK's biggest deliverers of the Duke of Edinburgh's Award with a 170% increase in completions over the last year. Looking ahead, we will continue to make programme delivery easier, drive engagement in our top awards and the Duke of Edinburgh's Award, and perhaps most significantly, review our 14-25 programme. As Explorers and Network celebrate their 20th birthday, we need to make sure our provision is impactful, relevant and fun.

Building on the comments of the Chief Executive and the UK Chief Commissioner, Mr Turpie noted his pride in the teams that have supported and delivered our fantastic progress with Squirrels. The priority remains delivering this in lower income areas and reaching Black, Asian and Minority ethnic communities and £100,000 of start-up grants have been provided to help make this possible. One of our biggest challenges now, like the rest of Scouts, is demand. We have 23,000 young people on waiting lists for Squirrels – a challenge we can only meet by opening new Dreys. Therefore, looking ahead, we'll continue to look at other delivery models, always with an eye to welcoming families from new and different communities. Mr Turpie highlighted that by 2033 we could feasibly have 130,000 Squirrels supported by 40,000 adults. The Deputy UK Chief Commissioner then invited Jack Caine, UK Commissioner for People, to talk about our People Pillar.

People

The UK Commissioner for People highlighted that without our volunteers, Scouting simply doesn't happen and we can't reach our north star. This is why the Scouts is transforming the

volunteer experience, matching volunteers' great commitment with great support. Mr Caine outlined that this means making sure we are supporting volunteers well at every stage of their journey. From a warmer welcome, to making day-to-day tasks easier, to more engaging learning, we're reviewing every aspect of the journey.

The Scouts are preparing for this transformation now, and starting in 2023 council members can look forward to new recruitment and appointment tools, better learning and a new team approach to volunteering. Better digital resources will underpin all this. The UK Commissioner for People explained that to get this right, a test and learn method is being used, working hand in hand with volunteers. Nearly 40,000 people have visited our testing hub to provide us with feedback, a figure Mr. Caine found encouraging. He reassured council members that they will not be alone in this, explaining that as council members support their local teams get ready for the changes, the Scouts will be supporting them. The UK Commissioner for People handed over to Nisha Patel, the UK Commissioner for Perception, to talk about our Perception pillar.

Perception

The UK Commissioner for Perception explained to council members that while they all know that Scouts helps young people gain skills for life, there are still millions of people out there who do not. This is why we need to keep increasing our visibility and proving our relevance, by sharing our #SkillsForLife message. Stories like Squirrels and Promise to the Planet help us show our diversity and prove our relevance – particularly to parents and millennials – our biggest pool of potential volunteers. We told the world how Scouts was growing and our ambassadors and Chief Scout have amplified our messages brilliantly.

Ms Patel noted that when Scouts tell stories that surprise people, reconsider preconceived ideas and question stereotypes. Stories such as our money skills badge or partnerships with Mind show how we're helping young people prepare for the future with confidence and resilience. Partnerships with Nominet and Raspberry Pi, are about developing skills for a digital age, preparing our young people for jobs that don't yet exist. These stories change minds about Scouts. They drive awareness and understanding of what we do, creating a landscape for more people to step forward. Only when people see and understand our impact will they give us their time.

Council members were told that we'll continue to focus on recruitment, building on our Good For You campaign and listening to insights. We're also looking at what we wear in Scouts and making sure this is both fit for purpose and relevant for young people and adult volunteers today.

Digital

Mr Hyde explained to council members that digital tools will help power our transformation work. We only need to look at the incredible impact of our fantastic partnership with Zoom to see the difference great digital tools make. He outlined that better digital tools are being developed to both attract and welcome new volunteers, using a test and learn method, with features being added over time rather than big reveal moments. Council members were reminded that we've taken some tough decisions too, like choosing not to partner with OSM. Our big focus now is developing a new membership system, starting with adults and followed

by a youth system. However, improving digital skills is as important as digital tools, and partners like Nominet and RaspberryPi are helping us with this. The Chief Executive highlighted that our digital strategy is about people: making our volunteers' lives easier, making their roles more enjoyable, empowering them to help more young people gain skills for life.

Safe Scouting

The UK Chief Commissioner said a huge thanks in particular to our County Commissioners and Regional Commissioners for helping us make incredible progress on compliance. He explained that he knew this meant extra work, and has led to challenging conversations, but that this is worth it. We're now over 95% for safety and safeguarding training which is encouraging, but of course there's still further to go. He stressed that safety is not optional. It is at the core of what we do.

Mr Hankinson explained that we want our young people to learn to take risks in a controlled environment, as this is part of growing up and part of Scouts. However, we can never cut corners when it comes to safety or compliance. Taking responsibility for completing our training and following our own rules is part of what creates a culture of safety at Scouts. When it comes to safety, perhaps the most powerful tool we have is the Risk Assessment. This remains at the heart of our safety culture and the importance of good quality Risk Assessments cannot be overstated.

Council members were asked to keep our Safety Policy and Yellow Card Code of Practice front of mind when planning, delivering and reviewing activities. Mr Hankinson noted that when he travels up and down the country he's pleased to see how seriously our volunteers take this responsibility.

Thank you

The Chief Executive thanked the UK Chief Commissioner and everyone that had spoken. Mr Hyde noted that we're in a great place, but as ever, there's so much more to do if we're going to reach that North Star and help all the young people that need us. He explained that Scouting thrives because good people support it, and that he wanted to take a very public moment to say thank you to our many partners, supporters and donors. None of what Scouts do would be possible without you and that we never take that generosity for granted.

In particular, Mr Hyde noted that we're hugely grateful for a very generous donation from Mike Kessler for Gilwell Park. This donation is made in honour of Mike's father, Sydney, who was dedicated to Scouting and to community service. Mike Kessler was present at the meeting wearing his father's neckerchief. The Chief Executive noted that he was so pleased that we'll be able to honour his legacy here at the home of Scouting. He said thank you to Mike and council members gave Mike a round of applause.

The UK Chief Commissioner extended his thanks to everyone at the meeting for all they've done to support young people. He explained that this is a very exciting time, as we have a collective opportunity to build on our heritage as a movement and thanked everyone for their continued support.

3. Apologies

Council members were reminded that at the start of the meeting, they indicated their support for the proposal that Jennie Price chaired this meeting in place of our Joint Presidents, The Duke of Kent, and the Duchess of Cambridge. Mr Hankinson passed over to Chair of the Board of Trustees, Jennie Price. Mrs Price thanked all for attending. Council members were reminded that they still needed to participate in the meeting by voting at various points, and that the meeting papers could be found in the welcome pack on their seat.

Council Members noted that apologies had been received from 37 council members.

4. Minutes of the AGM held on 4 September 2021

The Chair noted that Council members received by email the Minutes of last year's AGM held digitally on 4 September 2021. Council members were invited to vote to approve the Minutes, and the Chair confirmed that the Minutes of the AGM held on 4 September 2021 were **APPROVED**.

5. Electronic Voting Regulations

The Chair noted that, as council members present at the 2020 AGM may recall, Council approved Electronic Voting Regulations as permitted by Bye Law 17 of the Association's Bye Laws. This was necessary to allow for the AGM to be held virtually when the coronavirus pandemic prevented Council from meeting together in person. In September 2021, the Electronic Voting Regulations were relied on to hold a virtual AGM in light of ongoing uncertainty caused by the pandemic. Now that it was possible for Council to hold the AGM in person, Council members were asked to ratify the adoption of the Electronic Voting Regulations in accordance with Bye Law 17. This would ensure that if we need to hold an AGM digitally in the future that these regulations are now formally approved. The regulations were included in the council members' welcome packs. Council voted to ratify the adoption of the Electronic Voting Regulations in accordance with Bye Law 17, and the Chair confirmed that the Electronic Voting Regulations were **APPROVED**.

6. Annual Report and Accounts

The Chair reported that in accordance with the Bye Laws, the Annual Report and Accounts had been formally approved and adopted by the Trustees at the Board meeting held on 21st July, before presentation to the council. The Report was not required to be formally adopted by the Council. However, the report must be presented to the Council and members continued to be entitled to ask questions on its content. Mrs Price invited Mike Ashley, the Association's Treasurer to present the Annual Report and Accounts for the year ended 31 March 2022.

The Treasurer explained that Council members had already heard from the Chair, the Chief Executive, UK Chief Commissioner, UK Youth Commissioner and others on our progress over the last year – all covered in detail in the first 33 pages of the Annual Report. Mr Ashley noted that he wanted to explain the three main components of any organisation's finances – the balance sheet position, and specifically reserves, income and expenditure. He also noted that he would like to say something about the future.

In respect of the first of those, as foreshadowed last year, we completed the sale of B-P House in August 2021. As a consequence our balance sheet position is both robust and extremely

liquid, with our long term reserves largely invested through our two portfolio managers, Cazenove and Sarasin, and the funds we anticipate using over the next few years held in short term bank deposits.

Reserves

Mr Ashley explained that we added approximately £2.8 million to our overall reserves as at 31st March this year which then stood at about £88 million. This balance comprised approximately £56 million in general funds (net of the pension reserve), just short of £26 million in designated funds (largely representing the net book value of our tangible fixed assets including heritage assets), £6 million in restricted and endowment funds and £400,000 in our trading subsidiaries – primarily Scout Stores.

Mr Ashley noted most of the movement's reserves are attributable to items other than the net expenditure of the year which was only about £350,000. The restricted, endowment and designated funds were essentially the same as previous years, although the latter now has approximately £200,000 left from the Recovery Fund of £550,000 established during the year from the ring-fenced membership subscriptions of £1.50. We aim to distribute the balance of the funds in this year to support young people who have been affected by the cost of living crisis.

The general funds also remained broadly flat at approximately £57 million, but this is after benefitting from a transfer of prior year reserves on the liquidation of SIGL of approximately £2.5 million less about £1.2 million of current year surplus left in Scout Stores and Scout Services to absorb previous deficits and provide Scout Stores with a more sensible level of capital going forward. The offset to this is shown in the Trading subsidiaries balance which reduced from approximately £2.1 million to just over £400,000. The pension fund deficit also reduced significantly from approximately £5 million to just under £1.5 million driven by increases in the discount rate only partly offset by increases in other financial assumptions such as inflation and salary increases. As we have previously anticipated, the defined benefit pension scheme was closed to future accrual from 1st July this year with the withdrawal of all active members from the scheme. When we have the results of the triennial valuation later this year we aim to discuss with the pension fund trustees what further contributions we might make in order to assist in de-risking the fund somewhat and hence reduce future volatility for TSA itself.

The reserves policy for TSA was adjusted last year to a target of one year's worth of expenditure reflecting a level which allows us to better withstand future events which might temporarily curtail or significantly restrict scouting activities for a reasonable period. We have maintained this core target, but in view of the liquidation of SIGL which itself had retained reserves last year of about £3 million, the Trustees determined it would now also be appropriate to maintain a level of reserves within TSA to provide some medium term cover for possible claims after taking into account our commercial insurance cover. After factoring in anticipated staffing increases as well as some recognition of likely inflationary pressures this would indicate an overall target of around £28 million at present.

The Treasurer reported that, as noted in the Annual Report, whilst the current level of free reserves are well in excess of this target there are a number of factors that will significantly reduce them over the next few years – including in particular the need to rebuild membership

numbers after the pandemic. In this context we have earmarked £8 million to invest in the Skills For Life Fund which is designed to invest in local Scouting to support membership growth in those communities most affected by the pandemic, especially areas of deprivation. This will be alongside Government funding that we are hopeful of securing. Also increased resourcing requirements we believe are necessary to restore the core functions which were reduced during the pandemic and to invest further in Safety and Safeguarding have led to us budgeting for a loss again this year and next, of, in aggregate, around a further £8 million. In addition, as noted above we may look to accelerate contributions to the pension fund and we will be looking to make further investments in commercial activities such as Scout Stores and Scout Adventures.

Income Split

Turning to income, this clearly shows the ongoing impacts of the pandemic. As Mr Ashley noted last year, membership income declined from £12.2 million in 2020/21 to £11.2 million in 2021/22. This year has seen some recovery in numbers and membership income in the current year will be £13.1 million.

Again, as was noted last year, the significant impact on our charitable and trading activities was experienced in 2020/21 when our total income from these sources declined to less than £6 million from £21 million (excluding the World Scout Jamboree) pre-pandemic. This last year saw a recovery to £13.3 million, so we still have some way to go, although it was noted that the hotel and conference income, which was £2.3 million in 2019/20, has now ceased following the sale of B-P House and the closure of the Gilwell facilities.

Mr Ashley outlined that the insurance broking income from Unity of about 2.3 million was the least affected and has also recovered slightly, but is still not quite back to pre-pandemic levels. Scout Stores in contrast saw a significant decline from £9.9 million to £2.4 million, but has also recovered strongly although was held back slightly through supply chain problems at the start of 2022 and its income was around £9.1 million – approximately 10% less than 2019/2020. Scout Adventures has however continued to struggle with the impact of the pandemic and its income was only £600,000 compared to £4.4 million pre-pandemic. The Treasurer reported that, as Council may recall, the decision was taken to exit the centre at Downe and we are close to finalising a sale which would retain part of the site for the foreseeable future for use by the movement run by a local County. The remaining sites offer great opportunities for outdoor activities and we are conscious we need an active push to increase their utilisation (which for this summer has been around 80% of pre-pandemic levels) through well-targeted investment designed to improve their attractiveness, as well as ensure they are self-sustaining going forward.

The Treasurer noted we are grateful to all those who contributed to our fundraising last year. Excluding furlough grants and the specific Covid-19 Youth Fund money, last year our fundraising was just over £4 million and this year it rose to £4.8 million, although that included a single legacy of nearly £1 million which was for the benefit of a specified County. Even after that though this compares very favourably to the 2019/20 pre-pandemic level of just over £2.5 million. The launch of Squirrels in particular attracted funding from the National Lottery Fund, the Garfield Weston Foundation, the Jack Petchey Foundation and Schroders Foundation and others. The Pears Foundation has also continued to provide invaluable

support during Covid and most recently with the Volunteer Welcome Project. Islamic Relief UK and the Aziz Foundation helped fund our work in making Scouting accessible to Young Muslims. To these and many other donors, the Treasurer noted that we express our grateful thanks.

Expenditure Split

Turning to expenditure, this increased by £3.7 million from around £26.5m to around £30.2 million. The largest single element of this increase was not unsurprisingly in the trading areas where expenditure increased by £2.7 million due primarily to £2.4 million increase in the costs of goods sold by Scouts Stores.

Mr Ashley noted, following the redundancies made early in the pandemic we have been selectively rehiring, but progress has been slower than we would have liked and average FTE's were approximately 6% lower than 2020/21. Overall staff costs however were approximately 3% higher reflecting not just salary increases, but also the fact that staff who were on furlough last year were paid 80% of their normal salaries and that we are recruiting staff in areas which, on average, are more highly paid.

However through maintaining good cost control generally, support costs overall are still slightly below pre-pandemic levels at around £8.6 million. Grant funding at approximately £1 million is still higher than immediately pre-pandemic, although below the level of last year, which benefitted from the Pears match funding and the major portion of the Race Round the World money.

The direct costs of our charitable activities across our four pillars - Youth Programme and Activities, Development of Scouting, Adult Support and Training and Support and Services to the Movement – was presented to Council. The overall direct costs increased from around £12.6 million to £13.6 million. Mr Ashley noted that this increase of about 9% was essentially reflected across each of the pillars apart from Adult Support and Training which increased by only about 3% mainly because there was less spend last year in areas such as membership services and awards – as well as the Regional Services Team (due to staff vacancies).

In conclusion, Mr Ashley explained that he would like to look to the future and there are four comments he made as follows:

- Given the decisive actions we took last year, we have a strong position both in terms of reserves and cash and we intend to maintain that level of resilience – continuing to invest the reserves in a diversified portfolio intended to maintain its value over the long term as well as generate income to assist in our development programmes.
- We will increase the core membership subscription for 2023/24 by £1 to £36 (£35.50 after the 50p discount for prompt payment) and continue to use the reserves to absorb the anticipated operating loss whilst membership numbers recover and activities return to more normal levels. We are very conscious however that inflationary pressures will undoubtedly bite over the next few years and we will not be able to hold increases in membership subscriptions, below the prevailing rate of inflation indefinitely.
- We will look to invest funds in our commercial operations where we can see a good return as well as provide benefit to the movement more generally, particularly since

we will no longer have income from conference facilities and other uses of B-P House. We will also look to invest in Scout Adventure Centres to bring them up to and maintain them at an appropriate standard for the future.

- We will be continue to review the ongoing operating model of TSA and the services it provides to the movement to ensure that they deliver value for money. We recognise that this may entail rethinking how some services are delivered (through increased use of digital technology for example) as well as exactly what those services are.

Mr Ashley thanked all for their attention, and on behalf of the Board of Trustees. He presented to Council the 2020/21 Annual Report and Accounts. No questions were raised.

7. Elected Members of Council

On the proposal of Jake Myatt seconded by David Branagh, both Members of the Board of Trustees, the Council voted and **APPROVED** the election of the following Elected Members of the Council for a further period of three years.

2022	Vice President	The Rt. Hon. The Earl of Airlie, KT, GCVO, PC
2022	Former UKCC and Vice President	Mr. Wayne Bulpitt, CBE
2022	Former Treasurer	Mr. John Capper
2022	Vice President, Northern Ireland and former Chief Scout	Mr. W. George Purdy, CBE
2022	Former Chief Executive	Mr. Derek Twine, CBE
2022	Chairman, Committee of the Council, Northern Ireland Scout Council	Currently Mr. Henry Brown
2022	Chair of the UK Chapter of the World Scout Foundation	Currently Dr. Richard Butler
2022	The Chief Guide	Currently Ms. Amanda Medler
2022	Chairman, Scottish Board, Scottish Scout Council	Currently Mr. Gordon Robertson

8. Appointed Member of the Board of Trustees

The Chair addressed Council about the Board of Trustees, noting that David Sandall was appointed by the Council as a Trustee in 2019. Mr Sandall's first term of office ends at this AGM. Mrs Price explained that Mr Sandall is an excellent trustee, and brings a wealth of safeguarding experience at a strategic level to support the Board and the Safeguarding Committee, of which he is currently Chair. Therefore the Board of Trustees recommends to Council David's reappointment for a further term.

Following the proposal of Peter Oliver (Trustee), seconded by Sharon Lee (Trustee), the Council **APPROVED** the appointment of David Sandall as a Trustee for a further three year

term to the AGM in 2025. Mrs Price thanked Council and noted that she would notify David that he would be continuing as a Trustee, as he was unable to be present at the meeting.

9. Elected Members of the Board of Trustees

Mrs Price noted that this year, we called for candidates from the electoral colleges of England North, England South and Scotland. These elections resulted as follows:

a) England North Electoral College

For England North, there were four candidates and two vacancies. The successful candidates were **Craig Dewar-Willox** and **Ollie Wood** who have been elected for England North.

b) England South Electoral College

For England South, there were two candidates. The successful candidate was **Kate Marks** who has been elected for England South.

c) Scotland Electoral College

For the Scotland College there was one candidate, therefore the individual was elected unopposed. The successful candidate was **Graham Haddock** who has been elected for Scotland.

Details of all candidates were sent to council members at the end of July and voting was held online. Mrs Price read only the name of the successful candidates, but noted that details of the votes cast were available should any council member like to see them. Council noted that all new Trustees are elected for the period 2022-2025, subject to them remaining a Member or Associate Member of the Association.

10. Elected Youth Member of the Board of Trustees

The Chair advised Council that there was one vacancy and five candidates for the role. Details of all candidates were sent to council members at the end of July and voting was held online. Mrs Price read only the name of the successful candidates, but noted again that details of the votes cast were available should any council member like to see them.

Jordan Pidwell had been elected as the Member (18-24) for the period 2022-25, subject to him remaining a Member or Associate Member of the Association.

11. Update on Trustee Elections Project

Following the update on the trustee elections project last year, council members were promised a further update. Mrs Price explained that the project was paused during the pandemic, but that work has now re-commenced to introduce a screening process into the trustee elections to confirm appropriate attributes, skills and experience. We are intending to bring the necessary Bye-Law changes back for council members' consideration to the AGM in 2023. In the meantime members of the project team will be reaching out to council members through attending meetings and holding webinars to address any questions they might have in advance of the AGM.

12. Any Other Business

There being no other business, the Chair thanked Members of the Board of their commitment over the last 12 months, with special thanks to those Trustees completing their term of office – Michael Wood Williams, Caroline Pearce and Rhiannon Wells.

Mrs Price thanked the Council for their attendance and formally closed the meeting. Council members were reminded to re-join for the Question and Answer session following lunch.

Samantha Baker
Governance Officer
18/11/22

Signed as a true and accurate record of the meeting

.....
Chair, The Scout Association
January 2023