

THE 156TH ANNUAL MEETING

The 156th Annual Meeting of the Union took place at the Norbreck Castle Hotel in Blackpool on Saturday, April 13 with Union President John Tobin in the Chair and 370 delegates in attendance



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The 156th Annual Meeting of the Club & Institute Union, held in the Ballroom of the Norbreck Castle Hotel, Blackpool, on Saturday, April 13, began at 10am with **JOHN TOBIN, THE PRESIDENT** of the Union, asking the assembled delegates to agree the minutes of the 2018 Annual Meeting as per the May 2018 edition of *Club Journal*.

The National Executive Member for South Wales and Monmouthshire, **KEN ROBERTS CMD**, Chairman of the Standing Orders Committee, introduced the other members of the Committee: the Vice-Chairman, Geoff Whewell of the West Midlands Branch; John Batchelor of the Derbyshire Branch; Bob Russell CMD of the Wessex Branch; Geoff Fisher of the Warwickshire Branch; Colin Gillatt CMD of the Wakefield Branch; Alan Goodwin of the West Midlands Branch and John Wood of the Wessex Branch.

Mr Roberts then explained the function of the Standing Orders Committee to

delegates before the President's Address.

THE PRESIDENT'S ADDRESS

"Fellow Club Men, Club Women, ladies and gentlemen. It is my pleasure to welcome you all to the 156th Annual General Meeting of the Club and Institute Union here in Blackpool.

"Of course, the AGM is not the only event of the weekend and yesterday we staged the 28th CIU Beer and Trades Exhibition. No doubt, you all enjoyed a few drinks, free bingo, raffle prizes and hopefully you visited the host of stands whose products were targeted for the club market.

"Now, down to the serious business. Our mission, as always, is to ensure that each and every club has the tools and knowledge so that they can run smoothly and efficiently. Our clubs throughout the UK are places to socialise and enjoy the friendship of others in a safe environment.

"It was a great pleasure for me and for

some of my colleagues to present the first of the new education awards, the Award in Club Management or ACM. This was held in Durham last November and December, and we hope that many people, many of you here today, will apply for these courses that will be run throughout the branches and throughout the country in the future.

"Of course, we have our recreation programme in which members compete at a national level for snooker, darts, crib, dominoes, etcetera, and many make friends travelling throughout their branches and taking part in the national competitions.

"Unfortunately, over the last decade, we have seen a drastic decline, with clubs closing. We have been hit by a lack of support from our members, high council rates, costs of legal authority licences and, of course, the supermarket prices, which are giving beer away near enough for nothing.

"We are now this year having to deal with MTD, which stands for Making Tax Digital. Club secretaries and treasurers will need to



Union President
John Tobin delivers
his address

go online for VAT records and will need PAYE payments in future. MTD is a key part of the government's plans to make it easier for individuals and businesses to get their tax correct. HMRC is to become one of the most digitally advanced administrations in the world. It's going to make it more efficient, more effective and easier for the taxpayer to understand. There will be notices in the *Club Journal* about all this and what we will have to do in the future.

"The minimum national wage has just come into force on the 1st April. For those aged 25 and over, the rate has gone from £7.83 to £8.21, an increase of 38p. For those aged 21-24, the rate has gone from £7.38 to £7.70, an increase of 32p. For those aged 18-20, it has gone from £5.90 to £6.15. This increase represents 4.9% and the impact on stewards and stewardesses should be considered.

"For example, a steward or stewardess on £350 per week, an increase of 4.9% would be an increase in wages of £17.15, making a total of £367.15. On £450, the increase of 4.9% would be £22.05, a total of £472.05 per week. Also on top of this, we have the minimum pension contributions.

"From 6th April, the current rate for the employer is 2%, and for the employee 3%. The new rate for the employee will now be 3% and 5%. The overall contribution increases from 5% to 8%. For example, for a steward earning £350 per week, the total will be £5.62 the employer £4.68, giving a total into the pension pot of £10.30.

"Assuming 4.9% increase, a steward would be £9.98, the employer will be £7.48, making the total weekly into the pension pot of £17.47. Overall, this wage and pension increase would cost the club some 6%.

"One good thing is that the personal allowance is going up to £12,500. You don't have to pay any income tax on the income if you earn below this amount. A basic rate taxpayer should be taking home £130 more than last year in the tax year. And I understand that we've had no increase in fuel charges by the government for the last nine years.

"Clubs have received, over the past two to three months, price increases from the brewers, and utility prices are always on the increase for gas, electric and heating, etcetera. We, as a great organisation, will survive and overcome the present situation. There is a proposal before Conference today that, if passed, will help clubs, branches and Head Office financially.

"And I will leave this to the Proposer and the Seconder to explain in more detail. Besides many clubs that are closing, branches now also are having much difficulty financially. We have seen some beneficial arrangements with brewers, insurance and more suppliers through deals on behalf of our clubs.

"Our Head Office and branches deal with arbitrations. This would be very expensive if the club had to deal with solicitors. Also, our Rules Department deals with requests for changes, and this would also be a

considerable cost to the club. It's even cheaper than the Union membership.

"We have negotiated also with PRS, the JMC tariff, where Union clubs get reduced fees for their licences.

"I have heard over the years that we are awash with money. It is only our investments really that are keeping our head above water. We have something in the region of £5 million to £6 million – that's not a lot of money to a Union like ours.

"If we look back over the years at our balance sheets, and this year, on profit and loss, because the accountants today, what they do is they do the profit and loss, we could lose a half a million, we've made say £700,000 on our investments, so it makes it look nice and rosy showing a £200,000 profit. But, apparently, that's the legal way of having to do it now. This will hopefully be rectified today, so that the finances are stabilised and that we can continue the good work that we all endeavour to do.

"There are many advantages to being a CIU club, and one of our greatest strengths is that democracy underpins everything that we do as a great organisation. You, the delegates here today, can make your voices heard and shape the future of this great movement of ours. There is much more I could say, but I will close now and thank you most sincerely for your attention and hope that you have a good conference and AGM."

THE PRESIDENT then introduced the keynote speaker, **GERRY SUTCLIFFE**, the former MP for Bradford South and Minister of Sport, who gave a fascinating speech which touched on several topics, including the importance of clubs to their local communities and how the All-Party Parliamentary Group for Non-Profit Making Members' Clubs has a vital role to play in influencing legislation at Westminster.

THE PRESIDENT then made a presentation to **IAN KING CMD** of the Goring Club in Oxon who achieved first place in this year's Law and Accountancy Examinations when passing his Club Management Diploma.

THE PRESIDENT asked the Meeting to consider the Annual Report, first asking for a minute's silence in remembrance of those club members who had passed away in the past 12 months.

MARK FERGUSON of the Brinsworth



Mark Ferguson of the Brinsworth Club in Rotherham

Club, Rotherham, was invited to the rostrum to comment on the Annual Report. He said: "I've got a few things to say today, but first of all it's about the Annual Report and one or two things in general. Can I first start by telling you a story? There was once a silent order of monks, and just one was allowed to speak once a year. The first year, a monk gets up and he says "Porridge is too runny". Year after, another monk gets up and he says "Porridge is too lumpy". Another year comes round, another monk gets up and he says "That's it, I've had enough, I'm leaving." At this point, words have got to be said, and the Abbot says to him "Pray brother, why are you leaving?" He says, "I'm fed up with all the bickering about porridge."

"Ladies and gentlemen, this is how our organisation moves slowly and never changing, never reaching meaningful conclusions to AGMs. Year-on-year, we're losing money, year-on-year where if it wasn't for the stock and shares we'd be doomed. Our club was built on coal and fortified by steel. In the 70s, clubs were thriving.

"Then along came recession, but we didn't get disheartened because we all thought we'd wake up and it'd all be a bad dream and we'd all live happily ever after. Then reality set in. The club had to reinvent itself, change the way it worked, change the management structure, change the opening hours and get cheaper suppliers.

"I'm not saying that we didn't put noses out of joint, but we made it work. The *Club Journal* tells us time and time again that a well-run club will survive, and our club is

testimony to that fight, but I'm not sure that CIU puts its advice into practice. The time's come for change. The time's come for a new look at our organisation, and we need to modernise. If you were to cut all these people in half, it would say CIU right through them, but that's not what we want.

"We want them to wear the badge of the CIU, but running through their bones we want modernisation, change, innovation and leadership. I'll read an extract from the balance sheet, but given the fast decline in the Union's main funding streams, it's clear that a radical new approach will be needed to secure the Union's financial funding, but what is that radical new approach?

"And I hope it's not that everybody buys a Pass Card. We're already seven months into the new accounting period, and I'm quite sure that things are going to be that we're still not on track. We have made changes, but have they gone far enough? In present form, the Union will not survive. It will survive for most of the people on this stage, and I include myself in those numbers.

"We need to plan for the future, because if you fail to plan, you plan to fail. We need to take a long hard look at what the Union does and what it stands for, and it could be that we need to modernise the constitution. It's easy to stand and criticise these people, but it's hard to be constructive when we don't really know how the inner circle works, and with the George Dawson debacle, I'm not sure that they know how each other works.

"It's clear to me that membership doesn't feel comfortable throwing extra money at the organisation. So, instead of presenting motions to raise extra revenue, which the membership did traditionally oppose, we need to start cutting down on expenses and review the way that they work.

"We need to launch a national consultation on the Union's future. It could be argued that we do this every year at Blackpool, but this only gives the gobby ones a chance to speak, and not the more timid who do have a view but aren't empowered to share it. So what changes could we make? We could save a few pounds by charging for rule changes, arbitration service awards, and education.

"The CIU should encourage more clubs to become computer literate. This could save a fortune on accountancy fees and administration. And all the bumpf sent out at the AGM could all be sent out by email if

everybody came on board with the computer. And should the HMRC and software providers be asked to give workshops at education weekends. Also, could the AGM be a one-day event? The event in Coventry was well attended, despite it being short notice, and should we have this event just once every two years? And instead of having an Executive Dinner, could we have an event where we're all invited to it?

"In conclusion, thanks for listening to me, and I'd like to leave you with a couple of thoughts. One thing we need to do is elect a strong president, someone who will drive motivation. The author, GK Chesterton, said I've searched all the parks in all the cities, but found no statues of committees.

"In other words, it's strong individuals who bring about change and revolution. And finally, to play the stock market, you need a crystal ball. To save our organisation – I'll say that again, our organisation, the CIU – you need a different ball, and you need a pair of them. Thank you."

THE PRESIDENT, responding to the points made, said: "Over the years of course the National Executive has been cut by 50%. We're less in numbers now – we used to be 28, 29, but we're now down to 13, so we've saved a lot of money there. The National Executive saved a lot of expenses with the allowances they have, and of course ladies and gentlemen, that's down to you. You're the ones that agreed the allowances for the National Executive.

"And I think the dinner that we have every year, that used to be subsidised by the Co-operative Bank. We now do get subsidies from our insurance company and one or two of the suppliers, and some of the people that are at the trade show have to pay certain tariffs for their stands there, and that goes towards the dinner. And I think the dinner is a thank you to Executive members and to our suppliers all around the country that try and help us out throughout the year. So, you know, I think it's been a tradition and I'm hoping that it will continue for a long time to come, but I do thank you sir for your comments."

Next, **ALLAN NISBET** of Kenton & District Social Club, Northumberland Branch, was invited to speak from the rostrum. He said: "Morning, ladies and gentlemen. Just heard a gentleman there whose words are true. I've said for years

these behind me [NEC Members] need to look at their expenses. If you look at their expenses, I don't know why they don't go through them item by item. Occupancy costs for the London office was this year £280,000. Last year £178,000. That's over £100,000 – where's it gone? What they doing with the money? They're wasting it in London.

“We need to sell up in London. Sell it, because they're only getting £32,000 rent off the floor they're letting out. £32,000 rent in London? Disgusting. They need to look at the figures, they need to cut things down. As the previous gentleman says, why can't they just come down on a Friday instead of a Tuesday spending all the money? Yes, they get so much off different suppliers and that, but it's still in the book. We're still wasting money. Never mind asking us to put your money up to your members, we need these behind me to cut the costs.

“Do the AGM every two year like the gentleman's just said, which would be a good thing, but we need to move away from London because it's costing a lot of money. They haven't explained where the £100,000 went on the occupancy alone.

“Yes, they're cutting down on other things, but they're hiding it under other items, which some of you have probably

not read and picked up on it. Executive Committee expenses £159,000 – that's a lot of money. Staff wages £401,000. Yes, they're cutting down on staff, but they're putting their wages up because it's London. London's got to have more money than anybody else. Let's sell up and move out. Put the CIU in the middle of the country somewhere – Doncaster, Yorkshire, Leeds – somewhere where it's easy for everybody to get to, and cut the costs down. Ladies and gentlemen, please vote against the motion later on. Vote against it, do not put any more money up to your members, because you will lose them all. Thank you.”

Responding to the points made by Mr Nisbet, NEC Member and Durham Branch Secretary **GEORGE SMITH** said: “Just a couple of words, ladies and gentlemen. Mr Nisbet gets up every year and he pulls apart what we do in the NEC every year. This year, Sid Hicks from Northumberland retired from the NEC through ill health, so there was a position there.

“Mr Nisbet could have put up for that position in the NEC – he didn't. Why? We've got an election for the President of the Union. Is he going to put up for that? We're all waiting. We on the Executive, obviously from all over the country, we do our best. We're not always right but we try

our best to help you people throughout the country. We can do no more. Just give us a chance. Thank you.”

Returning to the rostrum for the second time, **ALLAN NISBET** explained the correct pronunciation of his surname and said: “First of all, I did not put up for the Executive when Sid Hicks retired because appropriately we put up Bill Stoker unanimously from Northumberland. My personal situation is that I've got a full-time job as a contracts manager, I've had to take a day's holiday from work yesterday to come down.

“I can't pack that job in because it's good wages. I've got a good job and a good future with it. Sorry. I've given all my time I can to the club, the Northumberland Branch, as much as I can but, at the moment, work comes first and the Union comes second. That's why I have not put up as yet. Thank you.”

DON HITCHIN, Member of the Heavy Woollen Branch Executive Committee, proposed the Annual Report. He said: “It gives me pleasure to formally move the Annual Report but, as you all appreciate, throughout society we have differences of opinions in everything we do. Some things some people do right, some things they're not doing right.

“The only thing we can say to ourselves, this movement is still going after 150-odd years, and we've got to stick together and ensure that we can go for another 156 years. We have to educate our younger generation to take the places of us, the elderly citizens that, at the present time, are doing our best to keep our clubs open.”

The Annual Report was seconded by **GLAN EVANS CMD** of South Wales Branch and was accepted on a show of hands.

In presenting the Union's Annual Financial Statement, Union Accountant **STEVE CONNELL** said: “Mr President, delegates and guests. It gives me great pleasure to present to you this year's Financial Report on behalf of your National Executive.

“Today, when we look at the financial results for the year ended 30th September 2018, you will see from the Revenue Account that the Union as a whole, that is for Head Office and your 25 branches together, made a bottom line loss of £327,340 compared to profit of £213,336 for 2017. That is a massive negative



Union Accountant
Steve Connell

turnaround of over £540,000.

“To understand the nature of these negative results, you will see that the main two areas where there has been a significant decline is firstly the gains achieved from our investments which fell from £623,689 in 2017 to £361,948 in 2018.

“Secondly, our operating losses of £635,279 in 2017 increased to £857,016 in 2018. As you know, and I have been reporting about this for many years now, these operating losses have been increasing for the last 12 years since we last made an operating profit. In 2017, we were able to absorb these losses with exceptional results from our investment portfolios.

“This year, whilst reasonable results were achieved, it still was not sufficient to overturn our current losses. I have warned many times previously against relying upon this in the current and future years. It has now come to the stage where it does not matter how successful the results from our investments are each year, they will never be sufficient to overturn future operating losses. That assumes that the investment returns stay positive. If they were to also return negative results due to global issues outside of our control, the effects on the Union’s finances would be devastating.

“We are therefore in a very dangerous predicament where we are dependent upon positive results achieved from the sale of, and increases to, the value of our investments, but leaving ourselves vulnerable to the possible future decline in their value.

“Going forward, it is now imperative that we concentrate solely on, and improve significantly, the results from our main operations. Not to do so would ultimately result in irreparable damage to the future financial viability of our Union.

“It doesn’t take much examination to recognise where the problem is by looking at the make-up of the Union’s income and expenditure contained in notes 5, 6 and 7 to these Financial Statements. Great efforts have been made for a number of years both at Head Office and your branches to reduce levels of expenditure where possible, and without these efforts we would have been in a far worse position today.

“These efforts will need to continue and intensify for the foreseeable future. Your National Executive fully recognise that the main problem is the continued decline in the Union’s income year on year, and



Delegates received a Civic Welcome from the Mayor of Blackpool

despite efforts made at all levels to improve upon this situation, the position has only worsened. I believe this is the first year ever that every individual item of the Union’s income has fallen from the levels recorded from the previous year.

“As you know, the Union’s main source of funding has always been and continues to be from our member clubs and their members. This source of funding is represented by and derived from a club’s annual fees and the sale of Associate and Pass Cards to club members. This year alone has seen their collective results fall by 4.1%.

“Last year, I reported a fall of 6.9%. That is 10% down in just two years. These revenue sources have been in decline for many years, and have now got to a critical level, where even with increases made to their prices previously, with declining membership and more relevant the ever declining fall in the take up of a Union’s Associate and Pass Cards, we have now reached the point – or should I say gone well beyond the point – where this revenue could secure our long-term survival.

“Delegates here today will, I am sure, already realise that what I’m saying is a reality. Your Branch Secretaries and Branch Executive members will know precisely the effect that this is having on your Branch’s finances. Five years ago, your National

Executive recognised that extra funding was needed at branch level, and subsequently doubled the allocation that branches received from the Union’s annual fees going up to 50% of revenue received. Without this action, several of your branches would now have been closed. Unfortunately, due to the decline in the Union’s income that I have referred to, the benefits from this extra allocation have all but been wiped out.

“The last section of your Annual Report, following on from the Financial Statements that I’m reporting on today, is a section giving a very brief summary of the results of your individual branches for the year. Twenty two of our current 25 branches resulted in deficits in 2018. More significantly is the fact that 24 of our 28 branches made total net losses over a ten-year period.

“Over that period, three branches closed. This year alone, our branches made a collective loss of £188,779. Over the last ten years, they have made losses of over £970,000. Without urgent action within the next two to three years, several of your smaller branches will close.

“That is not scaremongering, that is a fact. If nothing is done to address this situation, even your largest branches will be vulnerable to this rapid financial decline. If we want to correct this and to ensure that

the Union survives into the future, we are faced with only one possible solution, and that is to radically overhaul the way the CIU is funded. That is not something that can be implemented by your National Executive alone. That can only be achieved here at Conference.

“Last year, I reported that the Union still had a healthy balance sheet with net assets of £8,294,782. This year, we can see that that has fallen to £7,966,542. I am quite sure that you, as well as I, can do the maths to forecast the life expectancy of the Union if nothing is done sooner rather than later.

“At the beginning of this report, I opened up, as I always do, by saying it gives me great pleasure to present to you. However, in all honesty, this has been the most negative and not at all pleasurable report that I have had to make to you in all my years as Union Accountant. Difficult decisions will need to be made regarding our future, and I can only hope that I will be able to present a more favourable outcome next year.

“In conclusion Mr President, I would like to take the opportunity of thanking Brian Howarth, our auditor and his staff, for their expert advice given to us during the year. And finally, I wish you more success in the increasing difficult future management of your clubs. Thank you, Mr President.”

DES FLOOD of Weoley Castle WMC, West Midlands Branch, said: “Mr President, fellow delegates, good morning. First of all, Steven, thanks very much indeed for the detailed report. Mr President, you gave us some reasons as to why we are suffering financially, both in terms of the National Executive and our clubs.

“You’ve talked about rising increases, extra costs with tax, with pensions, but one of the greatest things I think in the last six months has been, Mr President, and you haven’t mentioned it, was the damage that the BBC *Panorama* programme has done. Not a word. Not a word from the National Executive who you would expect would give some direction and leadership.”

Responding, **THE PRESIDENT** said: “Excuse me interrupting, if I may. You’ve jumped the gun there a bit. There are one or two other speakers, and the General Secretary I believe will be referring to that in his speech.”

DES FLOOD responded, saying: “Mr President, but I would have thought being at present the leader of this organisation,

you would have given some direction yourself.

“I’d like to move on, and I have for five years talked about why the National Executive, using their seven or eight million pounds...seven or eight million pounds. I’m sure there are clubs that could do with seven or eight thousands pounds to survive throughout the year, and for five years I’ve stood at this podium, fellow delegates, saying that I would rather have the assets of a club within the heart of the CIU rather than a bank, a brewery or any of the other shysters who are about. Nothing has changed and, again, hopefully we’ll hear from the General Secretary that might give me some comfort to wonder why there wasn’t the enthusiasm to use the National Executive’s money to help clubs.

“The point I want to ask the accountant is, Steve, on page 49 of your report in this red book, you have mentioned – I think it’s halfway down there – is that the National Executive wish to emphasise that, with regards to the investment property purchase, as detailed in the Financial Statement – now listen to this, delegates – it should be noted that the purchase was done, and this is about the tangible assets, without the appropriate authority from the National Executive.

“Without the appropriate authority. So, Mr Accountant, again I thank you for the information. Could you tell us how much of the £74,000 was authorised without the approval or knowledge of the National Executive? Two, who authorised it, and three, what would the normal procedures

be in signing off the normal procedures with regards to such an anomaly? But again, it’s been, I’m not suggesting hidden deliberately, but hidden in the small print on page 49. So, Mr Accountant, I’d like you to answer those questions if you could.”

Responding, the Union Accountant **STEVE CONNELL** said: “The purchase of the property that you’re referring to was purchased by one of our branches, the West Yorkshire Branch, which I think most people are aware of now. The National Executive were not aware of the purchase, did not give authority for that purchase. It was made by the West Yorkshire Branch and the only time the National Executive knew about that was when the West Yorkshire Branch financial statements appeared on my desk to be included in the consolidated accounts, so it was as simple as that.

“The normal procedure when a branch purchases a property, it has to be purchased in the name of the Club and Institute Union, and indeed those branches that still have properties probably know that the deeds of those properties are actually in the name of the Club and Institute Union and not in the name of the branch, and in fact the deeds are kept in our strong room in the basement at Head Office.

“So, as I said, it was certainly not purchased with my knowledge, and more importantly it was certainly not purchased in the knowledge of the National Executive.”

DES FLOOD said: “And finally Mr President, I just wonder, you’ve mentioned



Des Flood of Weoley Castle WMC

that the General Secretary is going to deal with the first point I raised. I just wonder as part of that, will he be reading the minutes of the Special Meeting that took place in Birmingham? Because I thought it would have been normal procedure that at the next Annual Meeting you deal with reading the minutes of any Special Meeting. Thank you.”

DAN CAPEWELL, Club Secretary of Pitts Hill Victory Club, West Midlands Branch, moved to accept the Financial Statement.

JOHN TABOR, President of North East Metropolitan Branch, seconded the Motion to accept the Financial Report.

The Financial Statement was accepted on a show of hands.

THE PRESIDENT then moved on to the next item of the agenda, the Scrutineers Election, explaining that the Scrutineers elected at the 2017 Annual Meeting had now served their two-year term.

He thanked them for his commitment to this office and explained that a new election was to take place and that forms had been handed to delegates when entering the venue and should be completed and placed in the ballot boxes on exiting the Annual Meeting or handed to Head Office staff.

THE MOTION

JACK HAUGHEY CMD, the Branch Secretary of West Midlands Branch and Member of the NEC, proposed the Motion: “Rule 16(a) A compulsory annually renewable associate/affiliation card will be supplied to all club members at a price of

£3 plus VAT. To be distributed as follows:- £1.50 to central funds, 80p to branch funds and 70p to the club. The club’s annual fee to be a flat £100 plus VAT. £50 to central funds and £50 to branch funds.”

He said: “Before I go into details, fellow delegates, I hope we have all taken note of the latest Annual Report and balance sheet. As it’s been said, of 25 branches, only three made a surplus. As a Branch Secretary, it’s not good reading, and an indication of problems as CIU members we are actually facing.

“There are no sudden windfalls to make this go away. Over the years continually, any motions have been defeated and probably rightly so. Mainly as club members, the money was still going to Head Office. This motion starts to help branches. As you are aware, they really need it. It also helps clubs. It may not repair it at once, but it will be a start to move forward in the right direction. I appreciate still saying ‘start from the club members’ but this is different from previous years and I’ll try to explain.

“I am aware that the word compulsory has been used many times in the past, and has put many delegates off, but I put to you the it can be used to the club’s benefit if you study the wording. And I won’t mention the word mandatory. The motion clearly states that a proposed set of revenue from the sale of Affiliation, Associate Cards and the reduction in annual fees clearly benefits the central funds, the branch funds and, most importantly, the club funds. If we feel it’s beneficial, we can add the word compulsory payment, because it’s benefiting everybody provided in this Motion.

“With this in mind, I’ll give you some details to consider based on club membership figures of last year, £750,000 shown on the Annual Statistics Report so then by clubs in 2018. Three phases, you grab £750,000 x 70 for the clubs, which will give them £525,000 back. Times 80 for the branch which will give £600,000, and times 150 to central funds which will give £1.25 million back. Therefore, the total estimated revenue coming back is actually £2.25 million. The reduction in the annual fee which I think all clubs will welcome – there are a lot of clubs who are paying £900, £1,000, £1,500. Now it’s going to be £100 for all clubs. So, 1,400 clubs at £50, central funds will get £70,000, branch funds will

get the same £70,000 which they really, really need. So, a total estimated revenue for both would be £2,390,000.

“Now, considering the old payments when we were doing Pass Cards, everything, the branches would get of the annual return £300,000. The clubs, nothing. Now, these new payments and new agreements which we’re trying to put through, the branches will double and above to £670,000. This is based on the membership of the Union, and the clubs will receive back £640,000.

“So, with the aforementioned in mind, I now propose the motion. That the current Pass Card and Association Card to be replaced by a compulsory annual renewable association affiliation card to all members at the price of £3.00 plus VAT to be distributed as follows: £1.50 to central, 80p to the branch, and 70p to the club, and the annual fee to be a flat £100 plus VAT - £50 to central funds and £50 to branch funds. Thank you very much.”

STAN SUMMERS, President of Darlington Working Men’s Club and Vice-President of Durham Branch, seconded the Motion. He said: “When I was asked to second this, I carefully considered this because, in the past, I have not always seen eye to eye with the Executive. I’ve had arguments with them, minor and major debates, but this proposal gives something to both the Executive, the branches and the clubs.

“I was listening this morning with interest some of the debates regarding where the Union’s future. It does worry me. I’ve been a member of this Union coming up to 60 years next year – a long time. I’m getting on in years. We need to encourage younger people to come forward to take charge of this Union. “How do we do that?

“Well, we now have the facilities to allow young people to come forward and be trained educationally to run the clubs properly. This is why this Motion appeals to me because, again, we’re giving something back to the clubs, the branches and to the Executive to allow them to give these clubs the chance.

“We need to do something fellow delegates because, if we don’t, I believe this Union will die. You’ve got to consider very strongly why you’re making the decision. It’s going to be a hard decision for you to make, but I’m saying this sincerely – if we don’t do something about this, and maybe



NEC Member and West Midlands Branch Secretary Jack Haughey CMD

in the future you younger people can come up with better ideas than what we can come up with, but I urge you to consider this Motion very seriously, because we need this Union.

“We’re losing money, not only at branch levels, at club levels, we’re losing members every year. We need to get this altered and changed. So, I urge you members, delegates, support this Motion.”

FRANK HEALY, Branch Secretary of York City Branch, in opposing the Motion, said: “I was at the Branch Secretaries event and I actually put forward an amendment to Steve’s proposed idea about these compulsory cards, which Mr Tobin called bloody ridiculous, which is quite good really because I don’t know if John’s ever had an idea.

“But, I went through in quite a great deal of detail, and we’ve had a lot of mention here about the last decade, and according to what I’ve read on balance sheets for both when I dissected the reports, Union funds are £320,000 more than they were in 2008. Despite the fact that in that period we’ve lost 799 clubs and three branches.

“For a variety of reasons, I couldn’t attend the Executive Dinner earlier this week, but the feedback I got yesterday at the trade fair was that another four branches look like closing. And when we look through the Annual Report, yeah, we can pick the branches because between the four of them, they’ve got total assets of £22,000.

“So, I think that more help is needed from Head Office for the branches which help the clubs. The clubs in turn help the Union. Head Office is a body of people there for management.

“I’ve got total respect for Steve Connell, Maureen, everybody. I think they do a great job in hard times, and I know that they’re under some pressure. Stephen Goulding I didn’t get on well to begin with, but I actually respect that the man does a really, really good job, and a hard job, and he does it very well. I don’t agree for a second with 50% of this funds raised, which I tried to make clear at the Secretaries event. Fifty per cent going to Head Office, 70p to the club who’s actually doing the hard work and talking the members in.

“I agree with the theory, but no, no, no – this needs a re-think because these figures are wrong. The Union, and, as I say, I’ve got tremendous respect for Steve, the Union is sitting on assets which are, as I said, over



Stan Summers, Vice-President of Durham Branch

£300,000 more than they were in 2008, when we’ve got clubs dying and branches dying, and without those clubs and branches, there ain’t no Union. I’m really sorry, in theory – yes, but this – no. I vote against it.”

Also opposing the proposed Motion, **BOB FERGUSON**, Secretary of the Malleable Social Club, Durham Branch, said: “I’ve been a member of the CIU for 51 years, and in all that time I’ve held a Pass Card, and over the years we’ve seen the clubs diminish.

“The days have gone where your father used to say to you, ‘Alright son, get down the club, I’m going to make you a member’ – and this happened. Over the years, clubs have fell by the wayside and they’ve closed. One of the reasons why, the youngsters are not encouraged to come into the clubs. We can see by the people who are in the room now, the majority are the older generation.

“In the Stockton area, not so long ago, there were 10 CIU affiliated clubs. Now, there are five. If this motion goes through, there’ll be less than that. How do we compel members to buy an Affiliation Card and Associate Card? Because I know what they’ll say – we don’t want to be in the CIU, there’s not the clubs about that we can visit like there used to be. And they’re left one choice – either to buy the CIU Associate and the Pass Card, or to resign the membership of the club, and that way the clubs again will go down.

“I would prefer to stay where we are and pay an annual fee. If you have 1,000 members and you have 1,000 Pass Cards, that would be £700 you’d be getting into the

club, and then you would also have to pay £100 annual fee. At the moment, I believe our annual fee is about £850. So, we’re not going to be any better off of any great extent, and I think if people look at it and they want to keep people coming in the club, and not going elsewhere, then reject this Motion.

“The other thing is that a lot of our members don’t use other clubs, as I’ve said. Some people buy the Pass Cards because they’ve always bought them. Some of them buy the Pass Cards because they work away and they use them in that way, but because of the lack of clubs in the area, our members do not use other clubs. So, I’m not in favour of this Motion.”

Speaking in favour of the Motion, **JOHN BAKER** of Colchester Belle Vue Social Club and Secretary of North East Metropolitan Branch said: “I have read this motion several times and I think £3 plus VAT is about the price of a couple of pints. That means, in 365 days, you can have a sip a day and you won’t miss it. A sip a day to save this great Union of ours.

“Basically, that’s what it comes to, and the other thing, regarding the annual fee, my little club pays about £250. On that score, reading this, it’s a flat fee of £100. So, basically, my little club is going to save £150. So, you can have a pint all round free of charge and it’ll cost you a sip a day. You think about that. Are you going to miss two pints in the course of 365 days, or do you want to save our Union and vote for the Motion? Thank you.”

Opposing the Motion, **ALAN PRESTON**, President of York City Branch, said: “NEC

and fellow delegates, I object to this, totally object to it. The principles are totally wrong of the breakdown. Yes, we need to save our Union, but it's not the right way. What's absolutely annoyed me, I got this stuff three weeks ago. So, how the hell can you get round your clubs to find out what they want when you only get it three weeks ago?

"I think it's totally wrong. I don't agree with the flat rate – you pay as you go, and that to me is how it should work because some of the smaller clubs, you'll end up losing them, and I agree with the gentleman, not the gentleman before, the one before that, that if you force these members to buy a Pass Card, that club will go – they'll just come out of the Union – and then Head Office get absolutely sod all. So, I totally oppose this Motion. Thank you."

The Motion failed to achieve the majority required (90 votes For, 240 Against and 40 Abstentions)

THE ADDRESS BY GENERAL SECRETARY KENNETH D GREEN CMD

"Good morning, fellow delegates. This speech was written quite a while ago, before I had any inclination of what was going to be said today, but I like to think it covers quite a bit of the discussions.

"So, may I start by thanking all who followed our Constitution by attending the Special Meeting in March which was an unfortunate issue which needed the Council to deal with.

"As you are no doubt aware, our Constitution is a little out of date, and it is my hope that this issue will be dealt with in due course of time, and it will be brought into the present day and be deemed fit for purpose. However, it is what it is and we are bound by the present terms of the Constitution.

"I hope you will agree now is the time to address this issue and, with your help, we will get it right first time. Please, if any of you have any suggestions, please feel free to write them down and either post them to me for my attention at Head Office, or hand them to your local Branch Secretary, who will pass them on.

"I have, and hope you have, the utmost respect for the gentlemen and lady behind me who make up the NEC. So, please do not think they are not able to carry out their duties on your behalf and, as always, they will strive to help our clubs and



A total of 370 delegates attended the 2019 Annual General Meeting

continue to be the source of wisdom when times become a little difficult.

"They are here to help. So, as always, before you come embroiled in long drawn out contracts, with wording designed to bamboozle anyone other than a legal brain, make sure that your Branch Secretary or National Executive member for your area is kept up to date with any issues concerning clubs.

"Be extremely aware of companies that offer the world only to deliver disaster, of which there are many. They usually start with "We can help you, and it will not cost you anything." There is still no such thing as a free lunch. Please believe that asset management companies usually mean asset stripping companies.

"We're now in the pleasant position to offer all clubs a new education system, which should go a long way to assist committees and officers of clubs to enable them to manage the club as it should be managed on behalf of its members, and be delivered in such a manner that everyone can avoid all the pitfalls we have suffered in the past and keep our clubs on the straight and narrow. One more club closing is one too many.

"The system covers everyday issues involving club management, and will be delivered all over the country with the result being the award in club management, and hopefully all venues will be over-subscribed and be delivered at times to suit everyone of our members.

"Once again, the government has meddled in the way we pay our taxes,

which has resulted in what is to be known as Making Tax Digital. If you do not already use computers, and I realise, although the government do not, some people do not. Then, unfortunately, you will have to start.

"You will still be able to keep all your accounts on paper, but the norm will be quarterly reporting directly from accounting software within one month at the end of each quarter, which will probably mean you presenting your accountant with the information required and standing all the associated costs.

"This system has already started for many, but from our information, many of our clubs, including Head Office, have been granted a deferral until October 1st of this year. The government has stated there will be no free software to enable us to implement this change, and the government, unlike RTI which we got free software, so a cost to the club will arise whether we like it or not.

"One consolation we can have is that most accountants, including Brian, believe, ongoing, the system will become very simple, and as everyday as VAT and RTI, which hopefully they will reflect in the prices charged to our clubs.

"Once again, it will be remiss of me not to mention the dreaded arbitration word. Please, when dealing with a member who misconducts themselves, you must deal with them in a quasi-judicial manner, and fully in accordance with the rules of the club.

"For example, it is not correct to tell the

member to come to a meeting when your rules state they should be written to, and given three clear days' notice to attend.

"Also, they must be charged with a specific charge and allowed to bring witnesses on their behalf. It is no good complaining when they go to arbitration and the club loses because they have not followed the rules to the letter.

"The PRS and PPL have now joined forces, and we are hearing various stories from different areas of the country, that some fees have decreased dramatically, and others have increased.

"Please refer to your last year's returns and compare the costs and tariffs, and let your Branch Secretary have sight of the invoice, which we will hopefully be able to rectify any anomalies, as the tariff JMC is still in operation, and all our clubs should be entitled to have the savings which were hard fought for some years ago at the PRS Arbitration Tribunal, and are covered by an agreement that they can only rise with inflation or with the CIU's agreement.

"Again, this is an election year where nominations will be required for the positions of the Union President and Vice-President, and your local area representative.

"Please take part in the process and, most importantly, ensure your club is heard by using the club's vote in the elections and

ensure our democratic union continues to meet its objectives.

"During my attendance at various meetings, I inevitably noticed that attendances are falling. I wonder how we can stop this decline and make the meeting more of an interest to our club men and women.

"I wonder if the decline could be reversed by utilising our assets, such as our lecture team or indeed our preferred suppliers who are more than willing to talk on a given subject if requested.

"There is a wealth of knowledge in this room, both on the stage and in the audience in the form of Branch Executive members who are only too willing to depart their knowledge to enable our clubs to thrive. Let's sell ourselves for the betterment of our members.

"Finally, I would like to thank the Head Office team for once again an excellent organisation of this, our Annual General Meeting, and the trade fair yesterday which, once again, gave our suppliers a platform on which to show their products and services to the people who use them.

"Thank you for listening and thank you for attending this weekend, and I hope you return to your clubs having learnt at least a small amount which enables your club to strengthen its position and stop the decrease in numbers."

A delegate asked from the floor if the General Secretary was going to talk about the Special Meeting held in March.

THE GENERAL SECRETARY responded: "It has come up. I did briefly look at it in my speech. I don't know whatever you expect to be able to learn any other than the voting at the Yardley Wood Club removed the President of the Union within the Constitution."

ALAN PRESTON, President of York City Branch, said: "I get delegates, I get members ringing me up to ask what's happened to the National President, and I say I don't know. And then I'm getting the same here – I don't know what's happened. I've not got the minutes like the rest of you, so I still don't know. So, it makes me, as a President of the Branch, look a bloody idiot, and I don't like looking like that. I just want some information.

"And that's all I need. A bit of information of what's happened with yourselves and George. I know he's been removed from office, and you gave us the vote, but I don't know."

Responding to this further inquiry from the floor, **THE GENERAL SECRETARY** said: "In the Constitution, the NEC under rule 20 are allowed to discipline one of their own, and they're only allowed to suspend a member of the NEC for three months. The decision was taken to suspend Mr Dawson pending the *Panorama* Programme.

"The only solution for any removal of a President or an NEC member or the General Secretary, is for the calling of a Special General Meeting where two-thirds of the majority of the members there present at that meeting remove him from office.

"There were no charges laid because there's nothing in the Constitution to lay charges. The meeting was held purely on the Motion of removal from office of the President, which carried by a large majority. That is the end of the matter."

When asked from the floor about what charges had been laid at the Special Meeting in March, **THE GENERAL SECRETARY** said: "It wasn't a disciplinary matter. It wasn't an employment matter. It was a matter under the Constitution for the removal from office."

THE PRESIDENT announced that the next Annual Meeting will be held on Saturday, April 4, 2020 and declared the 2019 Annual Meeting closed.



The General Secretary, Kenneth D Green CMD, makes his address