

AFFILIATION FEES 2024

AGM – 12 DECEMBER 2023



PURPOSE

This paper provides the Membership with background to the calculation of member affiliation fees and makes a proposal for the amount to be raised for the season 2024-25.

ACTION REQUIRED

Member representatives will exercise their rights and vote on the ordinary resolution to approve the affiliation fee calculation, including the application of appropriate RPI for the 2024/25 season.

1. Background

Paragraph 30.1 of the BUCS Articles of Association states:

'Each Member or Associate shall pay an annual subscription as determined by a majority of the members at each AGM. Such determination may provide for differential rates of annual subscription.'

The current methodology used to calculate affiliations fees was inherited from the predecessor organisation (BUSA) in 2008 and approved by the inaugural BUCS AGM in June 2008. It was renewed at the AGM in July 2012 and discussed again at Advisory Group in 2014 and in 2022.

1.1. Inflationary increase

At the AGM in July 2012, Members agreed that the annual amount raised by BUCS from affiliation fees would rise each year by the inflation rate in January of the year in which they are to be changed, unless otherwise agreed by AGM. The Retail Price Index (RPI) inflation rate has historically been used as this value.

1.2. Calculation of individual Member amounts

The current arrangement is that the total amount to be raised from affiliation fees is divided between all member institutions according to a detailed formula, which considers the following data from two years previous:

- The number of students at member institutions.
- The number of individual and team entries that member institutions made into BUCS competitions.

A weighting of 3:1 is applied to entries compared to student numbers; and a weighting of 10:1 is applied to individual entries compared to team entries. This generates values to be applied to each member's calculation.

This methodology is used to reflect the benefits that each member gains from its involvement in BUCS.

2. 2023 data

The tables below show data that was used in 2023.

Table 1 – Calculation of per student, per individual entry and per team entry amounts

Total raised in 2022	£1,254,398
Increase agreed by members at AGM 2022	7.2%
Total to be raised in 2023	£1,344,715

To be raised from per student element	25%	£336,179
To be raised from per entry element	75%	£1,008,536

To be raised from per student element	£336,179
Total student body in BUCS members	2,603,871
Per student element	£0.1291

Total individual entries		34,122
Total team entries		6,088
Ratio Team Entries vs Individual Entries	1:10	60,880
Per individual event element		£10.62
Per team entry element		£106.16

2.1. Example institution

The table below provides an example for a member who, in 2021-22 had 50,000 students, entered 200 teams and 40 individual entries in BUCS competitions.

Table 2 – Calculation for an example institution

Student body		
2021-22	Per capita	Amount
50,000	£0.1291	£6,455

Individual entries		
2021-22	Per capita	Amount
200	£10.62	£2,124

Team Entries		
2021-22	Per capita	Amount
40	£106.16	£4,246

Total fee £12,825

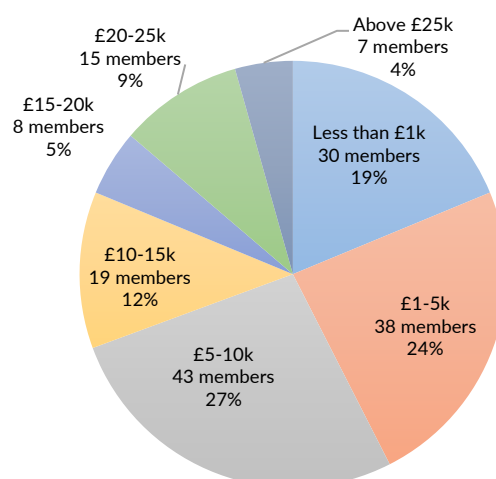
2.2. Distribution of fees by intuition

The table and chart below show the distribution of affiliation fee values by institution in 2023.

Table 3 – Distribution of fee levels

Range	No. of members	
Less than £1k	30	(19%)
£1-5k	38	(24%)
£5-10k	43	(27%)
£10-15k	19	(12%)
£15-20k	8	(5%)
£20-25k	15	(9%)
Above £25k	7	(4%)
Total	160	

Chart 1 – Distribution of fee levels



(Excluded Satellites, Umbrellas and Associate members)

As shown by the data above, 69% of members paid less than £10k in 2023. The lowest amount was £50, and the highest was £38,700.

2.3. Timelines

At the AGM in December 2022 members voted to amend the timeline for decisions to improve Member's budgetary process. The result of these changes is that the timetable below will apply for 2024.

31 January 2024	Any member wishing to withdraw from BUCS must have submitted formal notification.
Mid-February 2024	Government published inflation rate for January 2024.
31 March 2024	BUCS informs each member of the charge to be applied for the 2024-25 season.
1 August 2024	BUCS issues invoices for payment.

3. Current Member-led Review

A subgroup of members led by Fiona Dick, Vice-chair of Senior Managers Executive and Head of Sport at De Montfort University has been reviewing the affiliations model. However, this group has yet to conclude its work and will continue in 2024 with a view to presenting its findings to the 2024 AGM.

4. Proposal

In 2022, members felt that the RPI rate at the time of 14% was too high a value to be applied and voted to adopt a reduced rate of 7.2% for 2023 Affiliation fee calculations at the AGM in December 2022.

Costs incurred by the organisation are currently rising with inflation and BUCS is likely to incur a deficit of c £100k this financial year. The organisation is able to support this as a one-off result due to a number of surpluses over the previous years leading to a build-up of free reserves of c £600k.

However, to ensure that the organisation continues to be financially prudent, it is recommended that the appropriate RPI inflation rate in January 2024 is applied to the amount to be raised from affiliation fees for the 2024-25 season. For information, the October 2023 RPI rate was 6.1%, which, if applied directly to 2023 fees, would result in an **average increase of £507 per member** to their annual affiliation fee.

Members are asked to support this proposal.