

Kennel Club SGM 16 November 2021 – Briefing notes for KC Members

Item 4. On behalf of the Board it is proposed that the following be elected as an Honorary Life Member of the Kennel Club in recognition of his dedication and service given to the Club over the years:

Mr M Cooke

Rationale

Maurice has been involved in dogs since childhood. He got his first German Shepherd Dog in 1984 and has been involved in dog clubs since then.

Maurice qualified as a member of the British Institute of Professional Dog Trainers. He has been member of Leamington DTC for 35 years and Chairman of the Working Trials section for 16 years. Last year he was elected as president of the club. Maurice was involved in all aspects of Working Trials and was Trials Manager at Open and Championship level for 12 years. He has also been involved in the running of Agility and Obedience Shows.

Maurice was first elected to the Kennel Club General Committee (now known as the Board) in 2007 and has served until he resigned in the summer of this year to spend more time with his family. For a number of years, Maurice also served on the Kennel Club's Activities and Disciplinary Committees. From 2010 to 2017 and from 2019 onwards, Maurice was Chairman of the Good Citizen Dog Scheme Working Party.

Crufts involvement:

Organised displays at the NEC promoting Good Citizen Dog Scheme 1990 – 1994

Main Ring Steward for Obedience events and evening displays 1992-1998

Chief Obedience Steward 1998 – 2002

Crufts Committee – Director of Agility, Obedience and Events, since 2002

Vice-Chair Crufts Committee since August 2018

Discover Dogs Management Committee since 2002

Item 5. Kennel Club Staff Pension Scheme funding:

On behalf of the Board it is proposed to seek approval to grant security over the Club's Aylesbury property as collateral for its obligations to the Kennel Club Staff Pension Scheme.

Rationale

During 2020, the Covid pandemic led to significant volatility in investment markets. This, and especially the resultant decline in investment and bond yields, has had a marked effect on the funding position of the Club's final salary pension scheme, as indeed it has on many other final salary pension schemes in the wider economy. This was shown in the 2020 annual report & accounts with the pension scheme deficit having risen to £9m albeit this calculation, for accounting purposes, had to be based on especially conservative assumptions. The Board has already taken action to mitigate future risk in this regard by closing the scheme to future service accrual, but the effect of rising inflation on pension entitlements is likely to have a further adverse impact.

The pension scheme trustees (who have responsibility for managing the pension scheme's affairs, independently of the Club Board) have reported that, based on the assumptions that they are prepared to adopt, they consider that the pension scheme stood at a deficit as at 31 December 2020 of between £4.2m – £5.6m. The Club has an obligation to make good this deficit and negotiations are ongoing with the scheme trustees on the terms for doing so across the medium to long term.

The matter on which we seek member approval is a proposal to grant security over the Club's Aylesbury property as collateral for the Club's obligations to the pension scheme. This property has been independently professionally valued at £2.85m.

If the Club does grant such security, the deficit we have to make good will be £4.2m. If security is not granted, the deficit will be £5.6m. The reason for this large difference is that granting security allows the scheme trustees to take a longer term view of investment returns and to manage the portfolio of pension scheme investments accordingly. The security helps to underwrite the investment risk in a longer term strategy that the scheme trustees would be adopting. In addition, it also allows the trustees to agree flexibility in paying off the deficit over a slightly longer period.

As such, members can see that there is a substantial financial advantage to the Kennel Club in granting the proposed security and this step is recommended by the Board for member approval.