

## Report from DPC Planning Day November 2009

### Introduction

1. In November 2008 the DPC board and AGM of members adopted a new 3-year strategic plan for the period 2009-11. The plan included a rudimentary risk register which outlines some basic risks but which is incomplete and is likely to have changed since it was drawn up. The principal risk to the DPC pertains to loss of subscription revenues. The preponderance of publicly-funded bodies and the current dependence on annual subscriptions means that changes in the outlook of public finances would have a disproportionate impact on the DPC's operations at a fixed point each year. Conversely, the DPC has only rudimentary tools to evaluate and respond to opportunities that might increase the DPC's impact or portfolio.
2. The objective of the day was to make the DPC's a more flexible organisation in the medium and longer term, better able to respond to the needs of its members and the threats and opportunities associated with its work. The group:
  - Undertook scenario planning for DPC.
  - Reviewed and updated the DPC's risk register.
  - Created and reviewed the DPC's opportunity register
  - Reviewed possible changes to DPC subscription structures
3. Specific outcomes from the day included:
  - Extended risk register with agreed responses to be adopted and reviewed at board meetings
  - DPC opportunity register to be adopted and reviewed at board meetings
  - A discussion and recommendations on revised membership subscription structure to facilitate longer term planning and lower barriers to membership.
4. Sessions one and two were open to board members. The following attended: Bruno Longmore, Tim Gollins, Neil Grindley, Patricia Killiard, Cate Newton and Richard Ovenden. Katie Pekacar attended for Tola Dabiri, Iain Fleming attended for Patricia Kernaghan, Graham Pryor for Chris Rusbridge, and Adam Farquhar for Helen Shenton.
5. Sessions three and four were open to all members: Stephen Grace, Sarah Higgins and Dave Thompson joined the group.

### Session One – scene setting

6. BL welcomed the group and reminded participants of the request to treat certain of the papers and discussions at the meeting in confidence (specifically Sessions one and two). This will facilitate more open discussion. WK then gave a brief account of the current state of the coalition. He noted the spread and nature of the membership, the status of several prospective members, the outputs for the current year, the calendar of events for the

current year, staffing levels and the budget plan. He noted the healthy carry forward on the balance and introduced a financial planning spreadsheet that allows forward projections of budget plans. A wide ranging and informed discussion with question and answer followed.

### **Session two – scenario planning**

7. BL invited participants to this session and gave a brief review of the proceedings of the previous night. A wide ranging and informed discussion followed on the threats faced by the coalition, but principally on the opportunities which the coalition had, and how we might begin to exploit them.

### **Session three – risk and opportunity assessment**

8. BL introduced this session. WK then explained that the strategic plan included a rudimentary risk register, but that this had not been thoroughly scrutinised or updated in the previous year. Moreover, recognising the opportunities that the coalition might develop, there is no explicit planning framework that identifies genuine opportunities as against apparent opportunities that in threatened the strategic plan. He invited participants to split into two groups and create a risk register and opportunity register. Both of these, in particular the risk register would become part of the coalition's routine management functions and are recommended for review at Board meetings.
9. Participants in the Risk Assessment group indentified a set of 'event-based' risks, their consequences, impact and likelihood. A series of mitigation strategies were identified and a new risk profile created that took account of this mitigation. The resulting risk register is appended (DPCPD09RR).
10. Participants in the Opportunity Assessment group created a typology of thematic opportunities that the coalition can exploit, focussing on those which were most likely to be of benefit and least challenging to realise. Notes of this discussion are appended (DPCPD09OR).

### **Session four – three propositions**

11. WK introduced this session by noting the difficulty in creating a long term business plan for the DPC owing to annual funding cycles and a dependence on current board members He noted the expectation of undertaking a membership re-structure, but as a separate task. He introduced three simple propositions relating to how subscriptions are gathered. Discussion followed on these three topics
12. Participants were invited to discuss a new 'three year' membership. In principal, a longer term subscription period would improve planning and therefore improve our articulation of the value proposition of the coalition. It could reduce administration. In order to create an incentive, a discount for longer term subscriptions was proposed. Similarly a more flexible package based on quarterly payments was proposed which could support members with shorter planning cycles, but with a small increment to cover additional costs.

13. A lively and wide-ranging discussion ensued. The group concluded that a three year subscription would be advantageous, either as a single up-front payment or as a staged payment with three annual instalments agreed on a contractual basis. The group recommended a 10 percent discount for those who would commit to three years, and that the price would be fixed from the year the subscription was taken out. A number of participants said they would be willing and able to take out this subscription package, and because of the discount they would find it easier to 'sell' to their managers in the current financial climate.
14. A distinction was drawn between period of subscription and the interval between payments. Consequently, the group recommended a minimum of 12 months. The interval between payments could be quarterly so long as there was a commitment to complete the payment within the year. There was little appetite for a penalty for those who pay on short intervals, though participants recommended an absolute requirement that they commit to a minimum 12 month period.
15. A conversation followed on whether the discounting policy could be different for Associate and Board level members and on the large difference between the two rates (2K v 10K). It was noted that a review of the membership structure was already planned: discussions about the rewards and incentives of different kinds of membership can be progressed at that point.
16. Conversation also included the difficulty of creating an annual statement of member benefits. A longer planning horizon, such as would be created by allowing three year subscription, will permit this. Therefore a new annual statement of member benefits will be created and distributed before members are invoiced.
17. A second proposition was discussed on the topic of permitting members to vary their subscription date. It was noted that all subscriptions currently become due in August following the academic calendar and that this is not particularly convenient for those who use more traditional financial year ends. However the group felt that the effort and risk involved in shifting the year end seemed disproportionate to the rewards. A longer term planning horizon is more easily achieved by having a three-year commitment from members.
18. A third proposition was discussed on the topic of setting up 'individual' memberships through a new allied body. There was some agreement that individual membership was worth exploring, but that this should most properly be explored within the planned membership re-structure than as a temporary 'fix'. The unused facility within the constitution to create 'Allied Individuals' was noted as a category of honorary membership – also to be explored in the planned membership restructure.

### Recommendations

19. The planning day provided a good forum for discussion about the DPC but any changes proposed have to be adopted by the DPC Board in the first instance. Therefore, the planning day makes the following recommendations to the Board:

- That the Risk Register developed at the Planning Day be adopted and reviewed periodically by the Board (see 9 above)
- That the Opportunity Register developed at the Planning Day be adopted and reviewed periodically by the Board (see 10 above)
- That a three year subscription is offered and that members who commit to membership for that duration receive a ten percent discount in their annual fee in return for a contractual commitment that binds them to the coalition. The rate used to calculate this subscription will be three times the annual subscription on the year the commitment is made. Members may pay this as a lump sum or in three parts. (see 12-15 above)
- That a review of the DPC membership structure be carried out that better spells out the advantages of Board versus Associate membership, and which includes consideration of personal membership. (see 15 and 18 above)
- That an annual statement of member benefits be produced (see 16 above).

Version 1	Document initiated	09/11/2009	WK
Version 2	Checked	09/11/09	CJ, BL
Version 3	<i>Distributed to board for consideration on 23/11/09</i>	<i>16/11/09</i>	<i>WK</i>