



Prior to the AGM, and in the interest of transparency, the VMCC Board wish to clarify the position of Contracts awarded to members.

Constitution

VMCC Directors & Officers are unpaid volunteers. Under the VMCC Constitution, there is a provision that if the need arises any VMCC member can enter into a contract for services.

Approval & Governance

Any contract must be approved by the Board. Any contract over £25k must be approved by the membership. All payments and sign off are supervised by the Finance Director.

The value to the VMCC

In recent years the VMCC has grown to incur over £400k p.a on long term commitments and overhead. This is the major source of our budget deficit of £175k. In the Consultation response, the membership has made it clear this must change, and the expectation is that this overhead must be reduced fourfold towards £100k.

Alternatively, the membership must increase rapidly by 50% to around 18k members to service the former levels of overhead.

The Board of Directors are the volunteers who have come forward to do the work required in this area. More recently a Marketing team has formed of five volunteers on centralised work and we should recognise the regional contribution of our seven Area representatives and local work of Section Officers.

The need for short term services during periods of change is clear. Volunteer contribution is the preferred resourcing option and in future the only option for motorcycle related activities. There remains a need for administrative, systems, and process change whilst we move from the old structure to the new one.

At times, a short term services contract can be the most economical way for the organisation to realise these benefits and a contract will only be awarded when no volunteer comes forward and there is no prospect of finding one within the timescale required to get the job done.

In the Financial Year 2019/2020 there were no contracts issues to Directors and all work done was voluntary,



Changes in our approach during 2020/21

There has been one amendment and two new contracts awarded to members

- Amendment - Journal Editor of less than £15k p.a.
- IT Consultancy for 3 months fixed term of £18/hr based on pro-rata £30k p.a
- Buildings Asset Management consultancy of less than £200 for the project.

Other member contracts include

- a long-standing Website management contract with David Waller of Wiss
- Local Printers Parkers who are VMCC members and have supplied the VMCC with exceptional service for many years.

Why don't members always simply work as a volunteer for free?

1. Members may not always be able to justify giving their professional time away for free. It would be unreasonable to ask those of our members in the Trades to repair & maintain Allen House for free.

2. If you do a good job as a volunteer for free you will be left there forever- with little chance of escape. This is fine whilst you enjoy the task but not when you don't, and a line or boundary must be drawn.

3. It also leaves the organisation at risk. Inevitably the volunteer will stop, and the organisation will need to carry on. This is fine as an approving Director doing a few hours, but not as the core critical function within a Membership or IT system catering for 14k members which needs to have continuity.

A line can be drawn at performing professional work that is not "motorcycle-related" or "fun", in which case charges should be a "mate's rates".

As a guide, around 20% of a members professional billable rate is unlikely to be queried.

IT Services Consultancy Contract of Dec 2020 - Mario Costa-Sa

This was proposed by the former Chair proposed to Mario and was approved by the VMCC Board

The contract duration is from 15th Dec 2020 to 15th March 202 which can be extended by mutual agreement.

The director responsible for producing the brief and monitoring progress was Bob Clark

It was based on a fixed hourly rate of £18/hr / £30k p.a against the alternative cost of engaging an IT Director at £100k or employing an IT consultant at least £600/day.



Mario was considered to be in a unique position to understand the VMCC's current processes and the VMCC needed to have a solution ready to start in three days time on Monday morning to ensure knowledge transfer from staff leavers. Delay was not an option.

The scope:

1. Define & Measure Inputs & Outputs of the current membership operation
1. Eliminate unnecessary tasks that don't add customer value
2. Rationalise necessary processes that do add customer value
3. Automate task that improve or at least do not affect customer experience.

The Outcome

IT & the members VMCC Shop - The VMCC launched a new e-commerce site that increased sales of merchandising items by 12 fold from £30k per year to £30k per month see www.shop.vmcc.net. There was no investment required by the VMCC for this IT platform as resulting directly from the IT consultancy work, Bob Minto was persuaded to donate this platform.

All areas of the VMCC organisation are benefitting from the associated brand and communications work including Library, Shop, and particularly membership where the unspoken aim is to double the membership over three to five years.

IT & Membership Operations - The VMCC streamlined membership processes that previously occupied five admin FTEs down to currently one/two persons and automated many manual processes. The new systems still have phone options since a large number of our members still prefer to speak to someone. They allow VMCC staff to take calls from home and increasing the Quality of Service to our members through staff contact ability including out of hours and weekend response, and new modern, easy to use booking systems. Phones are now answered within a "two-ring" rule during core business hours with responses demonstrating a higher level of professionalism with staff who are empowered to resolve the issue with only the rare need to refer matters to Directors.

IT & Democracy - The new IT platform enabled significant changes occurring at the VMCC have been done with full consultation of 13,500 members and a clear mandate from over 3000 members who have been active in influencing the direction of the organisation. The Office 365 platform implemented by Mario under the IT contract enabled the Consultation, the logo survey and the virtual AGM.

IT Platforms - VMCC will shortly finish its migration to the cloud, with IP telephony allowing flexible working and Office 365 allowing volunteers and staff to operate as a virtual organisation from anywhere.

This has allowed the organisation to continue to reduce office overhead from £431k to £300k with a three-year target to get this down to £100k p.a.

Meanwhile, this has created options for the members to decide on freeing up a building asset valued at £600k.



The IT budget to enable this first stage of systems transformation was less than £30k including new equipment, and having been managed by frugal volunteers who care, remains considerably underspent.

IT & Process change effect on the VMCC financial results

The VMCC operation is in a much better place as a result of Mario's contribution to IT & Processes over the past three months.

From the draft March financial Report produced by Steve Martin-

“We have performed a re-forecast exercise in March for the rest of this year. The projected savings made, together with the actual results to March show an expected club operating loss for the year of £104k compared to the original, budgeted loss of £162k.”

Moving forwards

Due to the sudden resignation of the Chair & Vice-Chair in February, IT has been put his contract on hold before completion, and the full delivery of recommendations will be done in May.

In the interim Mario has presented to the Board three IT-enabled draft forward plans for the following areas:

- Club - [DRAFT Club Forward Plan 2021_03_27](#)
- Library - [Library Forward Plan 2021_03_26](#)
- Shop - eCommerce calendar approved by the board in April.

Progress on the Membership IT-enabled forward plan has been deferred until May due to a bereavement in the family of the VMCC's web systems Integrator.

Mario's contract ended on 17th March and he has not applied to renew it. He is working 70 hours per week for the VMCC, wholly as a volunteer Director in March & April to include the AGM. Timesheets for his contract work from December to March clearly differentiate between chargeable and volunteer work.