



**MINUTES OF THE ANNUAL GENERAL MEETING
HELD AT EDINBURGH CENTRAL YOUTH HOSTEL & ONLINE
SATURDAY 16TH SEPTEMBER 2023**

MINUTE NOS: 305 - 318

PRESENT:

The Company Secretary confirmed that there was a quorum present.

305. Welcome and Appointment of Tellers

The Chair welcomed all those present in the room and online and noted that it was good to see so many members in attendance for what was her first AGM as Chair. She advised that the AGM was going to be recorded for the purpose of minute taking and that the cameras would be on the presenters unless questions were raised in the room. For those members joining virtually she requested that they use the chat facility in Zoom to raise any questions or post any comments relating to the business of the AGM.

The Chair welcomed invited guests Kenny Gray, Scott Geekie, Barry Fisher and Alice Lemkes to the AGM.

Sabine MacKenzie, Director of Operations and Graham Sheach, Marketing Manager were appointed as tellers.

306. Apologies

Eight apologies were noted and two further from invited guests – James Blake, CEO of YHA (E&W) and Margaret Hart, Chair of YHA (E&W).

307. Board of Trustees and Directors

The AGM noted the Trustees who served during the year.

308. M.689 Minutes 16th Annual SYHA General Meeting on 19th November 2022

The Minutes from the 2022 Annual General Meeting held in Glasgow Youth Hostel on 19th November 2022 were considered.

Victor Bourne proposed the acceptance of the Minutes as a true record of the meeting with David Calder as seconder.

309. Business Arising

There was no business arising. The Chair noted that there would be updates on items reported in the minutes from last year in the Annual Report Overview and Operational Report and Financial Update.

310. Annual Report Overview

The Chair noted that the report would be on the 2022-23 financial year which had been our year of “bounce back” after the Covid-19 pandemic. We are still facing challenges such as labour supply issues, unforeseen property issues and increases in utility costs but there is still a lot to celebrate. Our membership has increased by 7% to around 12,000 members which was mainly due to an increase in annual membership as guests started to travel again. Lifetime membership also proved to be popular and we saw 209 new members in this category.

We have continued our commitment to Social Tourism and have hosted some postponed Explorer Fund and Respite breaks during the year which were carried over from 2020.

We extended our partnerships to include Parent Network Scotland and the SOYT (Scottish Outdoor Youth Travel) and our "Appetite for Adventure" campaign, aimed at promoting Scotland's natural heritage, received widespread cover in the media. Woofhostelling remains popular and we have had some great PR coverage to support this.

We were proud to attend the Central, Fife and Tayside Scottish Thistle Awards and won the category "Working Together in Tourism" with our "What Would Mary Do?" campaign. A number of Hostels were shortlisted for the TGO Magazine Awards – Cairngorm Lodge, Glen Nevis, Loch Ossian, Ratagan and Torridon with Cairngorm Lodge receiving a recommendation award in the Hostel or Bunkhouse of the Year Category in the Great Outdoors Readers' Awards 2022.

The Board of Trustees worked with the Senior Management Team to develop a recovery strategy which focuses on activities over a 3 year period that will provide Hostelling Scotland with the necessary reserves to develop, invest and grow the organisation ahead of our centenary in 2031. The strategy is built on 4 central and independent themes as follows:

1. Nurture our Charitable Objectives and Activities
2. Foster a Culture of People Development
3. Operate and Promote Our Hostels Sustainably and Responsibly and
4. Protect Our Financial Future

During 2023-24 we look forward to continuing the legacy works at Rowardennan after the main season. This follows on from Phase 1 works to create more shower and toilet facilities. We are looking at proposed plans and costs to carry out essential works at Braemar with the intention to re-open the Youth Hostel in summer 2024. The Board is committed to ensuring our long term future by rebuilding surpluses to invest back into the Youth Hostelling network. Our ethos remains core to everything we do.

311. Operational Update and Financial Report 2022-23

The CEO noted that 2022 had been an eventful & successful year, with many of the highlights being covered earlier. We were coming out of the Covid-19 pandemic and this was the first year since 2019-20 that we were able to run the network as it should be with 29 Hostels opening from May 2022. We faced challenges such as the budgeted utility costs increasing by £1M and also issues with resourcing which resulted in staffing shortages although the teams in the Hostels worked hard to combat this and made sure we delivered the best service to our guests.

We were delighted to welcome almost 293K overnight guests compared to 113K guests in 2021 – an increase of 159%. From June 2022 onwards we had exceptional financial performances across the network with guests seeing Hostelling as the perfect way to reach the outdoors. We are always proud of our guest review scores. In summary, for 2022, we scored an overall 92% from guest stays – an increase of 1% on 2021-22 and 95% of guests would recommend us. We generated 65% of our bookings through our own sources with 35% generated through 3rd party booking engines which are an important source of bookings due to their huge international reach.

Individuals and families represented 65% of our guests in the year with the remaining 35% being made up of groups and Rent-A-Hostels. We were delighted to welcome back our overseas guests in 2022 with 30% of bookings coming from Europe and 11% from the rest of the world.

Our Affiliate Hostel programme in 2022-23, with 24 affiliate hostels welcomed 41,500 overnights.

We secured funding for training in 2022 under the Flexible Workforce Development Fund supporting new and returning Managers. The courses we rolled out included Promoting Positive Diversity, Preventing Bullying, Mental Health Awareness, Emergency First Aid and Fire Safety and over 90 colleagues benefitted from this funding.

In our continued bid to meet our sustainability objectives we procured a new HR Information System in December 2022 which digitises the employees' journey and saves money on paper, postage and printing.

We have a new property team in place and have been able to progress a number of property improvement works across the network in 2022 including improved hallway lighting at Inverness and replacing the roofs at Crianlarich, Rowardennan and Tobermory. In total we spent over £1M in the network during 2022-23 with £130K spent on capital, £556K spent on routine maintenance including compliance and Health and Safety, £314K spent on furniture and equipment and £57K invested in IT technology.

We were proud of our 2022-23 objectives outcomes, having achieved revenue and surplus in excess of our budget and ahead of our cashflow projections. We also:

- Delivered our postponed Explorer Fund breaks and re-connected with key partners delivering much needed breaks for families, carers and young people.
- Worked on strategy planning throughout 2022-23 culminating in approval of the 3 year Recovery Strategy by the Board of Trustees in March 2023.
- Upgraded facilities and services to provide the optimum customer experience and this was reflected in our ratings. We remain focussed on improving our facilities going forward.
- Kick started our volunteer programme and were very grateful to everyone who helped us set up the Hostels at the beginning of the season helping with painting and gardening amongst other things.
- Updated our online availability as part of the review of our website, in order to improve navigation.
- Continued to grow social media as a key source of engagement along with communications to our members. We launched our own Tik Tok account and our influencer has generated over 213K views.

£8.4M income was generated in 2022-23 which was an increase of £3.7M on 2021-22. Operational income was £7.9M – an increase of almost £3M on prior year. We received almost £165K for donations and legacies with restricted legacies totalling £37K. Other income included a net profit from our Trading Company of £50K, £14K bank interest and gain on sale of £111K. We have worked hard to control costs and after £7.3M of expended resources we achieved a surplus of £966K. Our closing 2022-23 cash balances were £6M which included prepaid bookings of £2.5M.

Since our formation in 1931 we have had an active collaboration with Hostelling International and are delighted to be hosting the HI CEO conference in October 2023 at Edinburgh Central Youth Hostel with over 40 different countries being represented. We continue to champion the hostelling sector in Scotland and the CEO represents hostelling on the Council of the Scottish Tourism Alliance which is the largest member organisation for tourism businesses in Scotland and a leading representation body for all lobbying with Scottish Government.

We have had challenges during the year with the roof at Glenbrittle damaged in a storm and the flood at Head Office in late December 2022 which resulted in various employees being displaced – these works have now all been completed and we have a new roof at Glenbrittle.

Looking forward to 2023-24 we are well ahead of budget, despite facing challenges in terms of interest rates and the current cost of living crisis. We had to shelve the plans for 2020 for £1.9M capital investment due to the pandemic but we now plan to get our house in order next year to enhance our guest experience which is part of our recovery strategy for the next 3 years. We had an excellent first business period in 2023-24 from February to May 2023 and achieved 63% occupancy which is the highest we have ever achieved for this period. We have consistently deposited £1M in the bank each month in 2023-24 year so far and our prepaid bookings topped £4M in June 2023. We worked hard during the year to promote best practice in terms of energy saving and have seen our electricity usage decrease by 14% and gas by 8%. We are due to renew our electricity contracts from October 2023 and have forecast a further reduction in costs by around £250K.

The CEO thanked all colleagues for their hard work, commitment and contribution to the success of Hostelling Scotland and thanked all members of the management team, the Chair and the Board for all their guidance and support and noted that she looked forward to working with the new Board Members.

312. Key Objectives for 2023-24

The CEO noted that the full list of objectives for 2023-24 are listed in the Annual Report. These included:

- The Board of Trustees will be reviewing the effectiveness of the current governance recruitment along with bringing forward a programme of recommendations for change ahead of the call for applications in 2024.
- We are assessing the role of Charity Youth Engagement Officer to ensure it best meets the needs of the charity in delivering youth and family breaks.
- There will be a creation of a new induction programme that equips employees with the knowledge and tools to succeed in their role.
- We are providing opportunities for personal development that enhance employee skills to facilitate career progression within the organisation.
- We are looking to refresh the website by improving navigation and product information to enable guests to access content, improving their browsing and booking experience.
- Completion of phase 1 of Rowardennan legacy project in March 2023 and commencement of phase 2 from November 2023.
- Upgrading of composting toilets in Loch Ossian.
- Feasibility assessment of works required to re-open Braemar Youth Hostel
- Develop a small hostels project from donations gratefully received.
- Enhance the guest experience and stay satisfaction through the improvement of in room guest facilities including washrooms.
- Working in partnership with VisitScotland and other key organisations, we are going to progress a climate action plan.
- Research the potential to expand Hostelling Scotland student residency services.
- Through targeted marketing activities and supported by influencer/partnership working, stimulate travel by celebrating hostelling's core strengths.

It was noted that the outcome of these will be reported within the 2023-24 Annual Report.

313. Any Other Competent Business

It was noted with sadness that our past Vice President Jean Balfour passed away at the end of February 2023.

There was a discussion around the dangers of the charging of e-bikes and the Director of Property and Health and Safety noted that we are well aware of the issues regarding this and have introduced a policy where no one is allowed to charge their e-bike batteries within the sleeping accommodation. We are currently improving the facilities within the bike sheds so that we have charging points in a place where we have fire alarm coverage.

As an interim solution where we don't have these facilities in the Hostels, we have a central charging point in a secure location which can be monitored.

Victor Bourne congratulated all concerned on the Annual Report which he noted was well produced with many interesting features.

With regard to the Strategic Objectives for 2023-24, Victor was delighted that the works at Braemar Youth Hostel were going ahead so that it could be reopened next year. He asked for more information on how we were going to be spending money from the Small Hostel Fund this year, and the CEO advised that we were looking at spending money on Achmelvich Beach for replacement windows, Durness and also essential works to be carried out at Glen Affric including replacement windows. He asked about any additional income streams and was advised that we were looking to expand our food and beverage offering and also looking at other partners to expand our student residence offering.

David Calder noted that the comparison for the 2022-23 figures was 2021-22 and asked what it looked like against 2019-20 which was the last full trading year for Hostelling Scotland pre-pandemic. The CEO advised that the comparison to the prior year was to reflect what was detailed in the Financial Statements and that in terms of income, 2019-20 was still ahead of 2022-23.

YHA (E&W) sent their best wishes for the AGM and the Chair shared an update which noted the challenges faced and that the Board had agreed a new 3 year business plan which sets out plans to secure YHA's long term prosperity.

314. Guest Speakers

- Barry Fisher, CEO, Keep Scotland Beautiful

The Chair introduced Barry Fisher - the CEO of Keep Scotland Beautiful and noted that he had also been a Trustee of Hostelling Scotland and served on the Board of Trustees from 2013-2016.

Barry informed the AGM that he became CEO in March 2020. The organisation he now represents was formerly called "Keep Britain Tidy" but the name had been changed at the start of the millennium. Keep Scotland Beautiful has a wide portfolio of programmes and activities that go beyond litter picking which he recognised was probably what the organisation was best known for. Their mission is to change behaviour which must happen in order to address the issues of climate change. The second part of the mission is about improving peoples' lives with the environmental changes. There are enormous benefits to being outdoors in terms of our mental and physical health.

In terms of values they are really positive about the changes that need to happen and due to the work they do in schools they are aware of the anxiety of climate change in young people.

They are keen to be seen as an innovative organisation.

Their vision is for a clean, green sustainable Scotland and their 4 key objectives are:

1. Combatting climate change
2. Tackling litter and waste
3. Restoring nature and biodiversity and
4. Improving places

The organisation has community engagement teams working throughout Scotland and have 4 programmes including “Beautiful Scotland” and “It’s Your Neighbourhood”. The “Beautiful Scotland” programmes have groups being involved in flower and vegetable planting and tidying up areas in communities. There is a huge commitment around heritage spaces such as the Forth and Clyde Canal. They have created skills programmes where individuals can take part. They are proud of the activities they do in schools and are reaching around 3,000 schools in Scotland. They run the Green Flag programme in local primary schools.

They also run “Climate Ready Classrooms” which is part of their commitment to young people being climate literate coming into the workplace. They are proud of the “Learning about Forest” or LEAF programme which was launched last year as a pilot. They are part of an international organisation called Foundation for Environment and this is one of their programmes which assists schools in putting together an outdoor programme. Although they are not a campaigning organisation they do take part in campaigns such as the “Highland Cup Movement” which focuses on single use coffee cups on the NC500. They have also run the “Upstream Battle” in the Clyde for many years and will be broadening this out to all rivers over the next year – 80% of litter in the ocean comes from land so the aim is to prevent litter from entering the tributaries.

They also have a team working on training, audits and awards and noted that Hostelling Scotland was active in promoting Scotland’s Beach Awards.

He noted that he was keen to work with other organisations and the key message was that to keep Scotland beautiful should be a national mission.

- Alice Lemkes , Adventure Syndicate

The Chair introduced Alice Lemkes of the Adventure Syndicate which is a not for profit organisation set up in 2016. It was set up as there was not much representation of women in terms of outdoor pursuits, particularly cycling and especially endurance cycling. It is made up of female adventurers and they have successfully collaborated with Hostelling Scotland over the last few years. Their work includes working with teenage girls via endurance events and they also host training camps.

In October 2021 they recreated the trip that Mary Harvey made when she was 16 years old and cycled with her 2 sisters around the Scottish Highlands and staying in Youth Hostels along the way. This gave an important historical perspective to the past and to women in particular. A trailer was shown to the AGM. Alice noted that the film had been a great success and was picked up by a variety of outlets including the press and cycling industry and it has been shown at film and cycling festivals and community events. It also won the Thistle Award for Hostelling Scotland last year. She noted that the trip has inspired many others to do similar trips.

In 2022 the Adventure Syndicate embarked on their “Appetite for Adventure” travelling along the NC500 and she noted that they had learned a lot from the project. A clip was shown to the AGM.

In 2023 they plan to promote responsible travel and mini-adventures to new audiences through a series of events and having fun. There are 3 events planned for 2023:

1. Budget boot camps visiting Aviemore in March 2023 with various groups of women riding bikes.
2. Coast to Coast – this is happening in 2 weeks’ time.
3. In April 2023 20 people did the 100 mile ride from Inverness to Achmelvich Beach with a race to the pie shop. A clip of the film was shown to the AGM.

A podcast was played to the AGM for the trip that the Adventure Syndicate took earlier this year with their 3 mothers in the Cairngorms for 3 days in order to promote intra-generational hostelling to get more representation for older women.

This trip with their mothers is being used as a prototype for their next adventure called "Project Orca" which recognises the sacrifices that older women have often made in their younger days when raising families and that they have often lost confidence in the intervening years as a result of this so the aim is very much to restore this confidence by organising further intra-generational trips.

315. Introduction of new Trustees and Chair

The new trustees were introduced as Andrew Aldous who was present and Cathy Ratcliff who was unable to attend today. Andrew gave a brief introduction and noted that his background was youth work and that he was delighted to be joining the Board of Trustees.

The Chair thanked Jenn Ruddick for 3 years of service on the Board of Trustees.

316. Date of Next AGM

The date of the next AGM was noted as Saturday 14th September 2024 at Edinburgh Central Youth Hostel and online.

317. Closing Remarks

The Chair noted that it had been an enjoyable AGM and hoped that it had left everyone feeling inspired. She noted that we were still in recovery but are making great progress in getting back to pre-pandemic surplus levels. She also noted that we are still very much guided by our ethos in all that we do.

She thanked all the serving Board Members during 2022-23 for their support and contribution to the governance of the organisation and all employees for their hard work and dedication. She thanked all funders and members for their support during the year.

She concluded by thanking the guest speakers and everyone attending the AGM either in person or online.

318. Vote of Thanks

John Dickson gave the vote of thanks and took the opportunity to mention that our former Chair and Honorary President Philip Lawson was currently unwell and that his health was deteriorating but he sent best wishes for the AGM today. He also noted that the HI CEO Conference was due to take place in a few weeks and noted that HI were facing many challenges. The last 4 years have been challenging for businesses in the Hospitality sector and sadly many have failed but Hostelling Scotland have a strong asset base, good income generation, a quality product and a loyal membership which has enabled it to survive and move forward. The quick recovery from the severe impact of the pandemic has been remarkable and credit is due to a large number of people for their contribution. Sally Mayer had been at the helm for 9 months of the financial year under review and was Chair throughout most of the worst of Covid with Claire McCorquodale taking over as Chair in November 2022 for the remainder of the financial year and has presided over the continuing growth in the current financial year. He thanked the CEO, all the teams in the Hostels and at Head Office. The standout statistic in the Annual Report was the increase in overnights and he looked forward to the return of more international visitors.

Alan Bourne, Treasurer from Hostelling International addressed the AGM and noted that HI was the umbrella body for all Youth Hostelling associations throughout the world and currently has around 60 associations. He noted that Hostelling International came out of the pandemic probably stronger than ever although going into it they had an executive of over 20 and have lost around half that number with a lot being part time. They are now near enough a virtual organisation with no physical office and everything being done over video call. There is now a monthly Board Meeting when it used to be once a quarter. There is positivity amongst the member associations with the hostelling movement being as popular as ever.