

NICSSA AGM – MARCH 2024 – SUBSCRIPTION INCREASE

Explanatory note on the proposal to increase membership subscription rates by £2.76 per annum (23p per month) to £6.65 per month with effect from 1 July 2024. The £20 annual rate for junior membership in the 16-18 age category will remain unchanged. The £10 subscription for under 16-year-olds will remain unchanged.

1. Background

At its February 2014 meeting Council agreed the principle that annual subscription increases linked to CPI, would be the way forward.

This policy was developed against a background of generally increasing overhead and service delivery costs, a slow-down in membership growth and the ending of the annual grant from DFP.

The last increase was the 30p (5.0%) per month increase approved at the 2023 NICSSA AGM. The inflation factor for that year was 10.7%. However, Council decided that an increase of 10.7% was too much in one go, particularly as pay in the NI Civil Service was likely to increase in 2022/23 by only around 2%, for staff paid around the median.

It is important to note that the ongoing membership subscriptions essentially keep NICSSA in existence. In 2024, these subscriptions represent 35% of our total income.

It is therefore necessary to ensure that this vital income continues to remain strong and broadly maintains its value in real terms i.e. allowing for inflation. This paper therefore calls for an increase in the membership subscription rate from 1 July 2024. Every 1% increase in the membership fee generates around £4,000 per annum.

2. The increase in July 2023 (prior year)

NICSSA last increased the subscription rate in July 2023. The increase was approved at the AGM in March 2023. The 5.0% increase was effective from July 2023. Inflation for that year was 10.7%. See footnote below for further historical information.¹

3. CPI inflation

¹ Prior to the July 2022 (4.3%) increase, NICSSA last increased the subscription rate in July 2019. That increase was approved at the AGM in March 2019. increase was effective from July 2019. Because of Covid, no increase occurred in 2020 and 2021. The inflation rate (CPI) for the 36-month period ending November 2021 (inflation in November generally determines the increase) was 7.0%. If inflation (7.0%) was the sole factor in determining the subscription increase, there would have been a 41p per month increase in 2022. In March 2022, it was noted that inflation was likely to remain over 5% during 2022. It was agreed by Council in March 2022 that an increase of 41p (7.0%) was perhaps too much in one go. Council agreed (and the AGM ratified) that the rate increase by 25p (4.3%) per month from 1 July 2022 – to £6.12 per month.

The inflation rate (CPI) for the 12-month period ending November 2023 (inflation in November determines the increase) was 3.9%. If inflation (3.9%) was the sole factor in determining the subscription increase, there would be a 25p per month increase in 2024. Looking ahead inflation is likely to fall to slightly below 3% by the end of 2024. Pay in the NI Civil Service is likely to increase in 2023/24 by around 5% for all staff paid.

Two issues that I have considered in the proposal to increase subs.

1. Any increase should support the retention of members and the potential 25% gift aid return that we will be asking members to sign up to this year.
2. From a presentational perspective a below inflation increase and keeping fees under the £80.00 mark may land better with members at a time when they are absorbing above inflation costs elsewhere-rates, energy and food etc.

In my view, given the below inflation increases in membership subscription rates (2020, 2021 and 2023) consideration should therefore be given to increasing the 2024 subscription rate by 3.6%, slightly below the rate of inflation in November 2023 (3.9%) i.e. an increase in 2024 of 23p per month. This would bring the main membership rate to £6.65 per month or £79.80 per year.

4. Proposal

Subject to approval by Council, the AGM will be asked to agree there should be an increase of 23p per month (3.6%) in the NICSSA membership subscription rate from July 2024.

Junior membership in the 16-18 age category was decreased in 2019 to £20 per annum to encourage clubs to attract more young people in sport and this subscription, along with the £10 subscription for under 16-year-olds, will remain unchanged.

Michael Carson

NICSSA Treasurer

9 April 2024