

Recreation kicks off six pages of news and views of ISRM with two other organisations to create a

ISRM Trustees say no to merger

ISRM TRUSTEES are urging members to back their recommendation and vote 'no' to plans for a new professional body.

The future of ISRM is set to be decided at an Extraordinary General Meeting of the Institute on 15 May at Braunstone Leisure Centre, Leicester, when members will be able to vote on the proposals that feature in the prospectus for a new professional Institute for Sport, Parks and Leisure.

This prospectus (*see right for more details*) argues that there is a clear case for change – and calls on members to support the merger of ISRM, the Institute of Leisure and Amenity Management and the National Association for Sports Development. They would merge to form a new Institute that would 'become a professional institute of high repute for people working in leisure, sport and physical activity, play, fitness, parks and open spaces'. Previously reported plans to brand the body ACTIVE UK are not mentioned in the prospectus.

ISRM members from across the country have attended a series of roadshows over the past few weeks, during which they have discussed with ISRM Trustees the arguments for and against the merger.

Following extensive debate and the publication of the final proposal document shortly after Easter, the Trustees are recommending that members should vote against the merger at this stage. They said: 'The Trustees of ISRM have a legal and fiduciary duty to act in the best

interests of the Institute. After assessing all the risks associated with the proposed merger of ILAM, ISRM and NASD, we recommend members to vote 'no' to ISRM's participation in the merger at this time.'

In a letter posted to members, along with the prospectus, on 21 April, they highlighted some key concerns about the proposal, covering areas such as finance, future governance and business continuity. They restated their belief in the principle of having 'only one professional body for our sector', but 'not if it is based on this model'.

The letter reads: 'The business case and financial structuring for the new professional body is far from convincing and the proposed governance of the new body provides little reassurance these issues would be satisfactorily addressed. In all the circumstances, therefore, it is felt that ISRM's Trustees would not be managing the Institute's affairs properly, or acting in the best interests of you, its members, in recommending this merger at this time.'



The latest developments follow two years of debate and deliberations since the idea for a single professional body was first mooted by Richard Caborn, Minister for Sport. In an initial ISRM members' poll in February 2005, more than 91 per cent of members voted in favour of the principle of a single professional body – but almost 70 per cent stressed that it should be founded in sport. By contrast, the prospectus refers to an institute for people working in play, parks and open spaces, as well as leisure, sport, physical activity and fitness.

What happens next?

THE ISRM extraordinary general meeting (EGM) will be held at Braunstone Leisure Centre, Leicester, on May 15. Members will be asked to accept the recommendation of the Board, which is: 'That it is not in the best interests of ISRM to dissolve itself or enter into a merger with NewCo on the terms set out in the prospectus.' Those members voting by post must send their voting form to the ISRM address in Loughborough by Friday 12 May at the latest. A total of 75 per cent of members need to follow the Trustees' recommendation for it to be accepted.

REMEMBER: IF YOU WANT TO SAY 'NO' TO THE MERGER AT THIS TIME, YOU SHOULD TICK THE 'ACCEPT' BOX ON THE VOTING FORM.

What the

Since the last issue of Recreation, the prospectus for the proposed new Institute has been published and sent to members of all three organisations. Key details are outlined here; for a full version, visit www.isrm.co.uk

THE PROSPECTUS document outlines the case for a new professional Institute for Sport, Parks and Leisure.

It highlights how representatives from the ISRM, the Institute of Leisure and Amenity Management (ILAM) and the National Association for Sports Development (NASD) have worked together – through the Project Professional Body Development Board – to develop what the prospectus claims is 'an aspirational model for the new Institute that is robust and deliverable'.

The new institute would be created on 1 July, with full trading starting on 1 September. The vision is that it would 'become a professional institute of high repute for people working in leisure, sport and physical activity, play, fitness, parks and open spaces'.

The prospectus says that, for business continuity purposes, the interim location would be in Loughborough, with a new presence in London to aid lobbying and networking activities. The intention would be to develop bases in Cardiff, Edinburgh and Belfast.

connected with the proposed merger new professional body

prospectus says

The approach to membership would be inclusive, with relevant support services for all those working in the industry, whether in the public, private, voluntary or community sectors. The development board's objective would be to more clearly define its audience as a critical part of seeking Chartered Status over the next three to five years.

The new institute would be a charitable organisation run for its membership by a board of trustees, with a trading subsidiary for commercial activities. It says a 'robust framework of corporate governance' would ensure that its affairs were managed effectively.

The prospectus also said an integrated framework for qualifications would be developed to simplify membership criteria. In the first instance, all existing members of the three organisations would retain

their existing classification and would be able to use the initials of the institute after their name. The framework would come into force in 2008 and, from the outset, new members would be assessed against an outline framework that was now under development.

Members' subscription payments for 2006 would automatically transfer across to the new organisation when it started

operations and all members transferring on day one would be granted 'founder member' status. Membership fees would remain below £100pa until a review in 2008.

Structure

The prospectus says the new organisation would be registered as a company limited by guarantee. It would have charitable status and at least one trading subsidiary. The charitable company would be run by

a board of trustees, initially comprising three representatives from each of the existing organisations, three independent representatives, who would reflect the diversity of business sectors and an independent chair. It would be supported by observers from key partner organisations, with formal board elections for ongoing membership of the board being held as soon as practical.

It promises that a 'robust corporate governance structure' would be adopted, following models of good practice in the charities sector.

People and locations

The document outlines how members of the development board value the many skills and experience of existing staff within the current organisations. At the same time, it says, they wish to 'act responsibly in terms of financial management and efficiency'. Accordingly, they will seek to retain the expertise critical to its future success, enabling it to move forward quickly.

If appropriate it would recruit, on the open market, those skills necessary to deliver the different areas of activity.

The same 'balance between economy and impact' would be created in relation to location. For an initial period of at least 12 months, to assist business continuity, the main operations would be based in Loughborough, providing membership services, conferences, publications and consultancy services.

A London office would be opened to deal with lobbying and strategy. The board would investigate how this could be replicated in Cardiff, Edinburgh and Belfast.

Finance and legal

This section of the prospectus says the Institute would seek to



significantly grow its membership and provide a wide range of services to members.

It says that BDO Stoy Hayward has undertaken a 'robust process of financial scenario modelling, which has aggressively tested the potential strength of the new organisation'.

Based on what the prospectus describes as 'cautious budgets' based on 5,500 members – well below the total combined membership – it says that, in its first full year, the Institute would have a budgeted income of £2.7 million against expenditure of £2.4 million (a surplus of £300,000). It argues that the institute would have a strong base to move forward, with net assets at 31 December 2007 of £1.3 million.

Key 'benefits'

The prospectus claims the key benefits of the Institute will be:

- Formulating and providing professional development, including support, education and training opportunities;
- Influencing and shaping policy and strategy, especially to government;
- Setting and maintaining professional and service standards and an ethical code of professional practice;
- Providing direct services to members, including professional and social networking opportunities;
- Keeping members informed on all of these and on Institute activities; and
- Leading research, development, consultancy and advisory services for a range of organisations.

On the following pages: The Trustees' recommendation in full; excerpts from the ISRM forums; your letters.



Backing the merger plan... Sports Minister Richard Caborn.

Aspirations for the future

The prospectus outlines the following aspirations for the new body, saying it will:

- Become a leader for the whole profession. Through its trustees, its activities and the activities of its members, it will demonstrate strong, aspirational leadership;
- Be close to its members, with a clear focus on members' needs, especially in relation to Continuous Professional Development (CPD);
- Be at the forefront of shaping policy;
- Be proactive – not just reactive – with an active outward, as well as internal, focus;
- Become recognised as a challenging voice of professionals within the industry;
- Have a dynamic professional core, with a working presence in the Home Nations, regions and in London;
- Be a genuine, member-led organisation with strong camaraderie, support for networks, communities of interest and management of communality at its core;
- Be a self-sustaining organisation, independent of government; and
- Be built upon a central core with a strong dynamic, regional and Home Nations structure.