

Newsletter

April 2016



Peter Johnson

Peter was born and educated in Oxford. He spent 36 years in the Royal Air Force as a fast-jet pilot, manager and commander, serving in various places around the world including Germany, Cyprus, the USA and the Falkland Islands.

On retirement from the Royal Air Force he spent a year as consultant to a local project management business based in High Wycombe and as a frustrated maths teacher at a College of Further Education. This was followed by 8 much more fulfilling years as Chief Executive of the Regular Forces Employment Association. He joined the Lady Grover's Fund management committee in 2002 and was also a trustee of the Officers' Association.

Peter has now retired from paid work but remains heavily involved in a number of charities and other local and national organisations. He lives in the Chiltern Hills with his wife Jill and is blessed with five grandchildren.



Major General Adrian Lyons CBE Chairman and Trustee

Dear Fellow Members of Lady Grover's Fund,

Our Newsletter is appearing slightly later this year as there are potentially major developments in hand concerning the future management of our Society. These have been moving forward since late last year and I thought it best to wait a little to provide the best update possible. Late in 2015 we received a proposal from the Officers' Association that they would like to consider taking over management of the Society. As many of you will know we have been collocated with the Officers' Association, first in Pall Mall and, more recently, Mountbarrow House for over eighty years. There are very close synergies with the way we work and, because of this, on many occasions the Officers' Association has been able to assist our membership. Further details appear elsewhere in this Newsletter, but, be assured, your Managing Committee and Trustees will ensure you are fully consulted before any major change is contemplated.

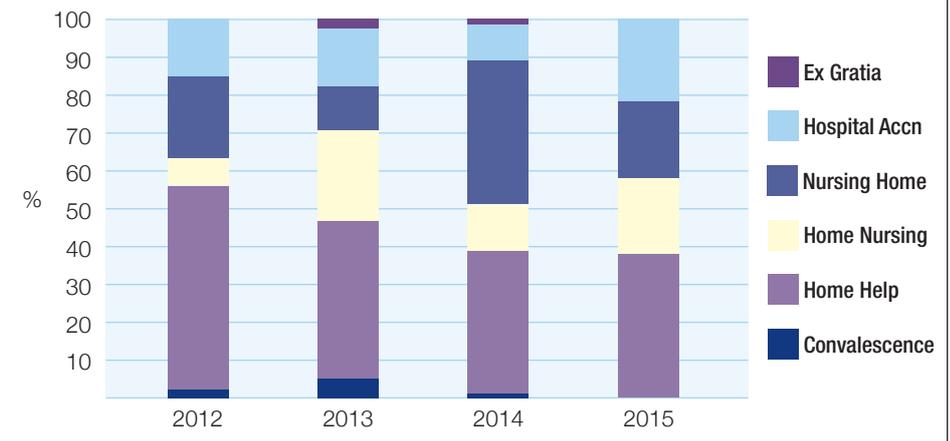
On the more routine aspects of our work, you will see from the various comments on grants and statistics, income and expenditure and investment information that we have had a good year. Our position is essentially sound and we provide a level of service at a premium that larger friendly societies would find it hard to match. But, as I have mentioned in past Newsletters, running a very small friendly society in these times is a challenging business. Your Secretary has done an excellent job in facing the various challenges and he has undertaken a great deal of work to ensure the smooth and cost-effective operation of your society as well as overhauling our procedures and documentation. I would like to thank Mike Vickery and the Committee for all they have done this year in such challenging times.

2014 and 2015 Grants and Statistics

Having had a fairly benign year in 2013 at a total expenditure on claims of £76.9k, there was a sharp rise in 2014 to £103k. By July 2014, we had already paid out £70k as against July figures of previous years of around £46k in 2012 and £56k in 2013. Although the claim rate fell during August to October 2014, it rose again in November and December, continuing at that rate into March of 2015 before flattening out. In the end, however, 2015 turned out to be a healthy year for claims and for members with only £71.5k granted in claims, with January to April 2015 accounting for more than half of that at £42k. As you can see from these figures we have had quite a bumpy ride over the last 24 months which has made forward projections quite tricky. Below are the figures for the breakdown of claims by type over 2014 and 2015:

	2014		2015	
	Total Paid	No of Grants	Total Paid	No of Grants
Hospital Accommodation	£10,294.07	13	£15,521.29	8
Nursing Home	£38,723.48	12	£14,351.41	12
Home Help	£38,683.03	62	£26,704.84	40
Home Nursing	£12,808.66	15	£14,399.61	17
Convalescence	£1,192.18	3	£346.50	1
Ex Gratia	£1,300.00	1		0
Total	£103,001.42	106	£71,323.65	78

% Analysis of Type of Claim 2012-2015



We continue to monitor claims monthly to try and spot trends. From the second graph you can see that the percentage of our claims taken up by Home Help fell steadily in years 2013 to 2014, remaining steady in 2015. We have separated the claims for Hospital Accommodation and Nursing Home Accommodation so we can identify the cost of each type of accommodation. Although Nursing Homes took up the lion's share in 2014, 2015 saw a more equal spread between Hospital and Nursing Home Accommodation and Home Nursing. This is a healthy trend financially and perhaps shows that the tendency of hospitals to move patients out earlier after operations is being balanced by a more equitable split between Nursing Homes and care in the home.

Your Committee examined these trends and our other claims expenditure carefully to see whether we needed to raise the subscription from its present £40 pa and felt that it was not necessary this year. This is the fourth year that your subscription has remained unchanged – we are happy with the present gearing of up to £6,930 worth of health care for your £40, and hope that you, too, are content. The Secretary's by-line when talking to prospective members is "just under £7,000 of healthcare for less than a G&T a month" – I hope the Chancellor doesn't bump up the price of gin in the Budget.

Income and Expenditure

2014 showed a deficit of £6k in a year when our claims were some £20k higher than they had ever been before, while 2015 has shown an operating surplus of £53k. In late 2015 we received a very welcome legacy from one of our members of £30k, which boosted our income; we are expecting some £3.3k more in a final settlement shortly. Legacies are always welcome, and we would be grateful for any such consideration from members in their wills. Operating expenses remained similar over the two years and we were able to take advantage in both years of the Government's £2k allowance on National Insurance fees for small firms.

The total value of the Fund in cash and investments rose from £1,789,704 in December 2014 to £1,831,515 at end 2015.

Investments

The market value of our investments at the end of 2013 was £1,576,204; by end 2014 it had risen to £1,799,193 and continued to rise gently in the testing year of 2015 to £1,808,575. Income from investments rose slightly from £51,579 in 2014 to £53,993 in 2015. Our three Trustees form an Investment Sub-Committee which produces an investment mandate for agreement by the Management Committee. We remain indebted to Rathbones for careful husbandry of our resources. Will McIntosh-Whyte has again managed a safe level of risk in our investments, raising both our income and value year on year while working within the investment mandate agreed by the Management Committee. Will has recently moved on within Rathbones and we look forward to continued healthy investment management by his successor.

Committee Membership

Cdre Campbell Christie and Mrs Jane Thicknesse retired from the Committee this year. We are particularly grateful for all the work Jane put into publicising the Society when she was at Shrivenham. Her point of view as a naval wife on the Committee was invaluable. Both Campbell and Jane have provided most useful assistance and will be much missed. RAdm John Gower and Brig Jon Brittain have both left the Services, but remain very active on our Committee, forming a Risk Sub-Committee. Col Sharon Woodhouse is now our only serving Committee member, and we congratulate her on her promotion to Colonel.

Membership

Membership has dropped over the last few years despite our best efforts to recruit new members. Our income from subscriptions dropped by some £2k over the years 2014-15, which represents about 50 members' worth. The Secretary continues to chase up our lost sheep – please do your bit by checking in with him if you have not notified us of a change of address, or if you are not paying a subscription of £40 a year. Advertising in military magazines does not seem to attract sufficient recruits to make it worth while. The upgrade to a new website and joining Twitter and Facebook have made some difference to our visibility, but the majority of our recruits come from word of mouth, so please continue to inform friends and relations about us and direct them to our website for a look at what we can do for them.

Proposal by the Officers' Association.

As mentioned in the introduction we recently received a proposal from the Officers' Association to take over management of the Society. The advantages are that the resources of the Association are considerable and, although our Society is well managed and solvent, our relatively limited capital base constrains much that we would like to do in increasing membership and possibly offering a wider range of services. Furthermore we are finding the regulatory requirement to have relevant paid professionals, such as actuaries, on the Management Committee, difficult to satisfy. The Officers' Association's much larger business is better conformed to this requirement.

At the January Committee meeting we formally responded to a request by the Officers' Association to conduct due diligence of our business. This is now in progress. We expect to receive a formal offer, if the Officers' Association decide to go ahead, around the mid-year. Following that we will consult you and the rest of the membership and hold an Extraordinary General Meeting to decide which way to progress.

Your Committee can see considerable advantages in a management takeover by the Officers' association for the long term development of Lady Grover's Fund but merging a Friendly Society with a Charity is a ticklish business and there are certainly legal and regulatory hurdles we have yet to face. Not much more can be added at this stage but do not hesitate to get in touch if you have any concerns or queries. Your opinion is very important to us and we are keen to hear your thoughts and concerns.



Parish Notices from the Secretary



**Colonel Mike Vickery OBE
Secretary**

Subscriptions and Direct Debits

The great majority of you pay your subscriptions by Direct Debit and so are always up to date with changes in subscriptions. Just to remind you, the subscription now stands at £40 per annum. However, an appreciable few are still paying by Standing Order and are in many cases underpaying their subscriptions. I have tried to contact you, but don't in all cases succeed as we may have lost touch with you after

you have moved. If you are reading this, however, and are paying less than £40 or are paying by Standing Order, please get in touch and we will work out what we can do to rectify it. Post, phone or emails are all welcome. If you have an email account, you can always download a DD form from our website, www.ladygrover.org.uk, fill it in and post it to us. I must warn you that if you are paying at old rates of subscription, then you will only be able to claim at the rates pertaining when that subscription was in force, so you will be losing out on the proper level of support for your family. I am having a blitz on underpaid subscriptions this year, so do get in touch, please!

Email Addresses

I ask you each year for your email address if you received this newsletter by post and I'm grateful to those who responded last year. I continue to harvest email addresses - I know all of you still serving are on email, so do let me have your address, preferably not your military one as that will change - it saves us all time and money these days. If you don't have an email address, don't worry, we will always be happy to correspond by post.

I wish you a happy and prosperous 2016.

A handwritten signature in black ink that reads "Michael J. Vickery".



Stephen Mackay Committee Member

Stephen joined the Royal Navy directly from school to Dartmouth in 1966. His early service included HMS Chichester, a Cathedral Class frigate based in Singapore, training as a Fighter Controller. This tour included the Beira patrol off Rhodesia. This was followed by two years as a young lieutenant in the aircraft carrier HMS Eagle. He spent the next 30 years more or less at sea in Frigates and Cruisers becoming a Principal Warfare Officer in 1974 and an Advanced Warfare Officer specialising in Anti-Submarine Warfare in 1978.

He commanded the Frigate HMS Ambuscade in the Standing Naval Force Mediterranean and as West Indies Guard Ship.

His varied roles ashore included 3 years at the Australian Anti-Submarine Warfare School, a spell in the Directorate of Naval Operations in the MoD, the Staff Course, Chief of Staff to Flag Officer First Flotilla and commanded HMS Royal Arthur, the Royal Navy Leadership and Management School at Corsham in Wiltshire, and was President of the Royal Arthur Association from 1991- 2007. On his last tour of duty he spent 3 years in the French Headquarters in Paris which covered the Balkans and Middle East activity.

Stephen retired from the Royal Navy in 1997 after his tour in France and has spent the time since in the commercial sector as a board member of First Great Western (GWR), The Dorchester Group (Property) and Tower Bridge Ventures (Power Barges). He is a Trustee of the Britannia Association, a Liveryman Of the Honourable Company of Master Mariners and a Committee member of the Royal Navy Club of 1765 and 1785.

A keen sportsman, Stephen has represented the Royal Navy at Cricket and Polo.



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