

One hundred years on and a bit of a history lesson

The Incorporated Brewers Benevolent Society

When I last wrote about the 'Benevolent Society' it was December 1999 in *The Brewer*. I had more hair then but the challenges facing the industry and the individuals involved remain the same as now and, in fact, those challenges were those facing the founding fathers of the Brewers' Guild. Those concerns were centred on brewery closures, amalgamation and external pressure on an industry concerned with alcohol.

by **Nigel Fitch**
Chairman, IBBS

Tony Marshall wrote *A History of the Brewers' Guild* and part 2 covered the early years of the 'Ben' from conception, founding, independence from the Guild and then the firm financial footing that survives to this day. I make no apology to lifting much of his excellent work into this article. I am also conscious that several of the organisations involved have changed and that many reading the article may not have heard of the Guild or the Brewers' Society (now known as the British Beer and Pub Association). Tony notes that one of the most important objectives of the pioneers of the Guild, if not their main intention, was to establish a Benevolent Fund.

A potted history

In March 1911, at the inaugural meeting of the Midland Counties Section of the Guild, the Chairman Walter Finch suggested a scheme be started. This was approved and a hat was passed round for donations! At the Guild AGM in January 1912, a resolution approved the setting up of a Benevolent Fund, under the Chairmanship of Walter Finch and it was decided to build capital, which by the end of the year stood at £113 (£10,150 in 2012 money). It was decided that no grant would be made until January 1915, and, in fact, the first grant of £10 (£800) was made in 1916.

In 1914 the formation of a Trust Fund was approved. Three trustees were appointed and a target of £1000 (£90,800) for capital was set. By 1915 the capital had risen to £464



The present IBBS Committee at a recent meeting in Clarges Street.

(£42,100) and collections were made at meetings. For example, all 11 members at a Northern Section meeting in 1913 were enjoined to donate one shilling and collected 10 shillings and 6 pence (£47). It is not known who had the courage to only offer sixpence but at the next meeting all 11 members contributed a total of 12 shillings (£54). In many cases further contributions were made from Section Funds.

There was slow progress and there was a war on and it seemed more obvious to raise money for the Red Cross than the Operative Brewers' Benevolent Fund. In December 1915 the Guild Council approved that the Guild investment of War Loans (1925–1945) should become the nucleus of the Benevolent Trust Fund. By 1916, of the Guild's 580 registered members, 104 were in the forces. The Trustees of the Benevolent Fund in 1916 were:

J Harris Browne – Guild Member – Chairman of the Hadley Brewery, Barnet.

T Watson Lovibond – Brewer and Chairman of Newcastle Breweries – President, Institute of Brewing (1915–1917).

E T Hargreaves – Guild Solicitor – Chairman of Strettons Brewery, Derby.

It was very important to the Fund that all three trustees were members of the Brewers' Society and one was President of the Institute of Brewing. It gave significant exposure to the fund and demonstrated its remit was wider than just the Operative Brewers Guild membership.

Independence

On 2nd November 1917, the Operative Brewers Benevolent Society (OBBS) was registered under the Friendly Society Act of 1886. Here started its independence from the Guild although it remained an integral part of it. This is a paradox that still remains to this day in the IBBS relationship with the Institute of Brewing and Distilling – the IBBS seat on the IBD council derives from its relationship with the Guild.

The Guild removed all reference to the Benevolent Fund from its rules except to resolve that in winding up the Guild all its funds were to be given to the Benevolent Fund. This long standing clause was to prove interesting when the Guild amalgamated with the Institute in 2000.

It became obvious that raising finance from just brewers would not see the capital required achieved and other sources were being sought, particularly brewery companies. By the end of 1922, the Society Capital stood at £3510 (£150,000).

Walter Finch Memorial Fund

Walter Finch died in 1921 and it was decided to start a memorial fund, the income from which was to be available each Christmas for the most deserving cases. By December 1923, there was sufficient to make a grant to all cases currently before the Management Committee. This practice continues to this day with a monetary grant, although in earlier years this was often a hamper.

The only Benevolent Fund in the industry

in 1923 was the OBBS. At the IOB annual Banquet, the President, E.R.Moritz, spoke of the need for a really substantial fund, including the option of the Institute's own fund. There was much internal discussion within the Guild Sections and it would be true to say many of the old Guild versus Institute arguments were raised, but common sense, or the OBBS Committee of Management prevailed and a joint approach was agreed on. In December 1923, an appeal with the endorsement of both the Institute of Brewing and the Brewers Society was launched with the aim of achieving a capital of £15000 (£680,000). By the end of 1924 the capital approached £11000 (£520,000). E.T. Hargreaves, still a Trustee, warned the Management Committee that a minimum capital of £20,000 (£900,000) was necessary.

Target reached

A step change in the OBBS fortunes occurred in 1925. The Hop Control Board closed and the surplus funds were allocated to the Brewers Society who re-allocated them as follows:

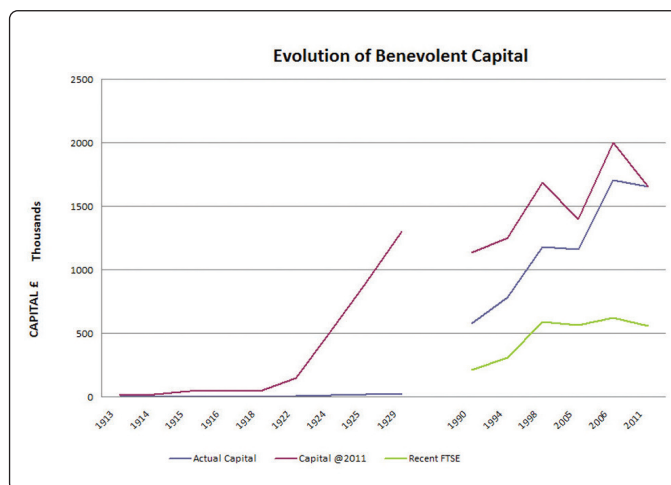
- The Institute of Brewing Research Fund - £8,000
- The Operative Brewers Benevolent Fund - £8,000
- The University of Birmingham Malting & Brewing School - £2,250
- The John Cass Technical Institute - £750
- The Heriot-Watt College School of Brewing - £500
- The Brewing Department of the Manchester Brewing School - £500

£8000 was the equivalent of £380,000 in today's money. Together with a £1,000 donation from Messrs Bass, Ratcliff and Gretton, the £20,000 (£900,000) target had been achieved, whereupon the Trustee E.T. Hargreaves now doubled his minimum capital requirement!

By 1929, the Benevolent Fund stood at £26,831 no shillings and 3 pence (£1,324,000). This value in real terms was maintained until the 1990s. Also in 1929, the OBBS in line with the Guild changed its title to the Incorporated Brewers' Benevolent Society.

Recent history

Continuity is very important to the management of the 'Ben'. There have only been eight chairmen since World War II, I joined the Committee of Management in 1992 (and became Chairman in 2001) and we have retained the same company for financial advice since then. Originally as Daniels Holt, it is now Thesis Asset Investment. Market volatility can be easily seen in the graph.



Capital Evolution – 1913 -1929 and 1990 - 2011
The graph shows two periods in the history of the IBBS – the initial capitalisation of the fund and its recent history.

Through all this time, our advisers have ensured that we have sufficient income to carry out our objectives.

In 2000 under its then Chairman, Chris Hyde, the IBBS carried out a review of its scope following the amalgamation of the Institute and Guild. To ensure amalgamation the IBBS had waived its rights to all the Guild assets, which were then placed in the Brewers' Guild Trust. The difficulty in monitoring international cases and without increased funds, it was decided that only the new joint membership of UK and Ireland could be guaranteed for consideration for benefit. It was recognised that all past members of the Guild should continue to be considered at the Committee's discretion.

In 2006 we received £400,000 with winding up of the Brewers' Guild Trust. This was the final chapter in the IBBS relationship with the Guild, but opened up the new relationship with the Institute, which is now the natural industry base for our operations.

Our structure and operation is much as that set up a hundred years ago. There are three Trustees, who apart from their 'sue and be sued' responsibilities, have the charge of overseeing the Investment operation for the Society. Those Trustees are: Ken Don – late of Young's Brewery, Giles Dennis – late of J.W.Lees Brewery and Hugh Smith – late of Banks's Brewery. Hugh (a past member of the Committee of Management) has replaced the late Peter Ward and a past President of the Institute of Brewing and Distilling.

The Committee of Management still controls the day to day Society operation. The Committee meets quarterly to discuss all matters pertaining to the Society, but most importantly reviewing the needs of their beneficiaries. Committee members have two important roles, not just at meetings but more importantly being available to visit and monitor cases. This latter is their most important role.

We still award Walter Finch Memorial

grants and most importantly continue to give grants to cases where need has arisen and been within the guidelines the Committee has set down. With increasing State welfare, we are moving from predominantly continuous support to one-off grants. An example would be provision of a mobility scooter. We are now looking to support younger professionals and those looking to further their career in the industry where a placement through bursaries could be supported.

As a Friendly Society, and a 'not for profit' organisation, we are subject to Charity Commission regulations but are supervised by the FSA (Financial Services Authority).

Appreciation

The Society thanks the current Committee for their continued support. Those members are: Robert Knox, Ron Duszanskyj, Derek Prentice, Don Jeffrey, Martin Dutoy, Bob Rolph, and David Twomey, who resigned recently and will be replaced by Breda Tanner and Rob Davies.

Major significant contributions over my term as Chairman have been made by two other members of the team. Ian Swanson as Treasurer has retained his role from Guild days and helped guide us through our financial needs. Julie Carling is the Society's Secretary and may be said to be the real heart of the Society. She co-ordinates all Society activities and is a main link with many of the Society's beneficiaries.

What can you do?

The Society is always interested to hear from any member from the UK and Ireland who would like to join the Committee. More importantly, the Society needs to hear where we may be able to make a difference to someone's life. ■

■ The author



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■ The Benevolent Society is setting up its own website for launch in the New Year at www.BrewBenSoc.co.uk. In addition to the background and aims of the Society, forms for applicants to the newly set up Chris Hyde Bursaries will be available. These bursaries are intended for those taking work placement or brewing/distilling course attendance, where there is a need for additional funding.