



Private and Confidential

Active Lancashire Limited Board

Minutes of the Board meeting and notes of the Board Development Session held on Tuesday 5th February 2019 at 9.30am at Farington Lodge Hotel, Leyland PR25 4QR

Present

Ms L Lloyd (Chair)	(LL)	Mr D Edmundson	(DE)
Dr A Ibbetson	(AI)	Ms J Bell	(JB)
Mr G Bean	(GB)	Mr C Standish	(CS)

In Attendance

Mr A Leather	(Chief Executive Active Lancashire)	(AL)
Mr S Oliver	(Company Secretary and Finance Manager)	(SO)

In Partial Attendance

Mr S Fell	(UCLan)	(SF)
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In Partial Attendance Active Lancashire Personnel

Ms C Ross	(Service Development Manager)	(CR)
Mrs S Walton	(Business Development Manager)	(SW)
Mrs B Kay	(Operations Manager)	(BK)
Ms I Makri	(Research & Insight Officer)	(IM)
Miss S Riley	(Communications Officer)	(SR)

1. Welcome and Update from the Board Chair

All attendees were welcomed to the meeting by the Chair.

2. Introductions, apologies for absence, declarations of conflicts of Interest

Apologies for absence were noted from Ms C Platt, Ms M Still, Mrs A Parker and Ms Z Coupland.

There were no declarations of conflicts of interests.

3. Minutes and Matters Arising from the Board meeting held on the 22nd October 2018.

The Minutes from the Board meeting held on 22nd October 2018 were reviewed.

Resolved: The minutes of the Board meeting held on 22nd October 2018 were approved as an accurate record of the meeting.

4. Minutes of the HR & Remuneration Committee meeting held on 22nd January 2019

The minutes of the HR & Remuneration Committee meeting had been issued with the agenda and the Chair of the Committee Ms Julie Bell updated the Board.

Highlighted was the Safeguarding update report that is a standard item on the agenda and there were no issues to report.

Also highlighted as discussed at the meeting was the revised staff banding framework that had resulted from significant changes to the National Joint Council (NJC) pay scales and this had been approved.

Resolved: The minutes of the HR & Remuneration Committee were noted

5. Finance and Risk Update Reports

Mr Oliver presented the Finance and risk register update reports that had been issued with the agenda.

Mr Oliver highlighted the revised forecast that had been included in the financial statements and a forecast small surplus of £6,675 for the financial year to 31 March 2019 to be added to unrestricted reserves.

The Sport England income trend over recent years was discussed at length noting the steady increase to 2016/17 but then a dramatic decrease over the last two years. The Board expressed concern at this serious reduction in funding and the lack of opportunities for funding from Sport England for CSPs to apply for. Mr Leather explained that there was a new Chief Executive at Sport England and that may mean a change in direction or strategy but it was early days to tell how things may change and to whose benefit.

Action: Mr Leather to engage with and try to meet the new Sport England Chief Executive

The discussion continued with Mr Leather highlighting that some Sport England funding had been directed to specific national organisations. The Board enquired about the role of CSPN (County Sport Partnership Network) and should they not be engaging with Sport England for national funding for County Sport Partnerships. Mr Leather felt that CSPN engaged with Sport England but not for national funding.

Mr Oliver continued by explaining that the Core funding continued to be a concern with a small surplus despite the management fees from

the More Positive Together project which in effect had mitigated the reduction in Sport England funding management fees. Mr Leather expressed a concern that Sport England Primary role (core) funding may reduce again at the next agreement date of 2021.

Highlighted by Mr Oliver was the percentage of Sport England income to total income forecast at 24% for this financial year compared to two years ago when it was 77%. The Board were reminded that two years ago concern had been expressed on the heavy reliance on one funder and the need to spread that risk. More Positive Together funding was seen as being able to spread that risk but with the drop off in Sport England income there was now a heavy reliance on MPT funding, forecast as 63% of total income for this financial year. The Board noted that this risk was enhanced with the MPT project supposed to end December 2019.

The Chair noted that the Audit & Finance Committee needed to go into more detail on the Finance planning and risks at the next meeting.

Resolved: The Board noted the Finance update report and financial statements and the revised forecast for the 2018/19 financial year

The Risk update report again emphasised the risks of the reducing Sport England funding and the current reliance on More Positive Together funding. Mr Oliver emphasised that as the current MPT funding approached the project deadline of December 2019 there was an increased risk from Partners not delivering to the financial and outputs profile and less time to recover that shortfall.

Resolved: The Board noted the Risk Register update report

Notes on the Board Development Session

6. Board Member Roles and Responsibilities

Mr Stephen Fell from The University of Central Lancashire (UCLan) Corporate Legal team was introduced and presented to the Board regarding the role and responsibilities of being a Board Director.

Mr Fell explained the ‘veil of incorporation’ and the separate entity of the organisation and that the company is limited by guarantee.

Mr Fell emphasised that as a Director of the organisation it was the responsibility of each individual Director to attend meetings, promote the organisation, to consider the best course of action for the company and to act in good faith at all times. However it was also important that as a Director you did not ‘swim with the tide’ if felt that it was not in the best interest of the organisation.

It was explained that it was perfectly reasonable to defer decisions at Board meetings to take appropriate legal and professional advice.

Additionally it was sometimes to action written resolutions but these should be expressed clearly so that the decision required from Board members was clear and understood.

Board Members should have a good grasp of the Articles and the objects of the organisation. It was noted that the October 2018 Board meeting included a review of the Articles of Active Lancashire.

Mr Fell clarified that there was no real difference between being a Director of a Company and a Trustee of a Charity.

Mr Fell continued by explaining the need of Directors to declare any conflicts on interests in terms of other organisations that they may be actually involved with as well as potential conflicts that may arise. The Board and Chair can then make appropriate and transparent decisions on particular matters that may involve the conflicted Director leaving the meeting for that agenda item.

The flow of information in terms of the agenda and reports for the meeting being sent out at least a couple of days prior to the date of the meeting and for minutes of the Board meeting to be taken and to be clear and accurate.

The Chair expressed concern about commercially sensitive information being published within minutes and whilst there was a need for transparency and a requirement (by Sport England) to publish minutes on the website this shouldn't be done at the expense of placing the organisation at a disadvantage with potential competitors. Mr Fell agreed and explained that the minutes could be redacted so that commercially sensitive detail was removed from published documents in the interests of protecting public money and the objects of the organisation.

Mr Fell continued to explain that Directors should not place personal interests above company interests, act insolvent or fraudulently including accepting bribes. Directors also have a duty of care to employees ensuring appropriate and relevant insurance, policies and procedures are adopted and maintained.

7. Governance Model

Mr Fell led a discussion considering a mutual model of organisation. This was explained as an organisation that exists for the members to benefit from the services. This may involve having beneficiaries on the Board.

Mr Fell included in the discussion information regarding being an exempt charity established for charitable purposes which is exempt from registration without oversight by the Charity Commission. However this was clarified with the organisation would need to be attached to a mutual oversight group and it was unclear what that oversight organisation would be.

Various points were raised during the discussion including having an advisory committee of beneficiaries with terms of reference that may or may not have decision making powers or those beneficiaries attending as observers.

It was agreed that this model or at least more involvement of beneficiaries in the Governance of the organisation should be considered further. Mr Leather explained that following the Grenfell disaster there was a move to ensuring that beneficiaries were more involved in the decision making and governance process of organisation from which they benefitted.

Mr Fell left the meeting at this point accompanied by Mr Oliver.

Ms Iliana Makri (Active Lancashire Research and Insight officer) joined the meeting

8. Board Member Skills and Characteristics

Ms Iliana Makri (Active Lancashire Research & Insight Officer) attended the meeting and presented the findings of a survey that had been completed by Board members regarding their skills and characteristics. There had been 8 responses.

The presentation is attached.

Mr Oliver re-joined the meeting.

Discussion evolved into board representation and Mr Leather explained that with a maximum limit of 12 Board members there were 2 vacancies however one of those vacancies was the third Board member for LCC that they had not filled. The Board agreed that discussions should take place with LCC as to whether they were going to fill this vacancy and if not to allow it to be filled under a recruitment process.

Action: Chief Executive and or Chair to have discussion with LCC regarding the Board vacancy.

Ms Makri continued by talking through the staff characteristics survey that had taken place with the staff team with an 80% response. Across all areas of the survey there was a reasonable equality and diversity split with a 60% - 40% Female to Male split. The only area of concern was ethnicity with the current team being 100% white.

Ms Iliana Makri left the meeting

Miss Sadie Riley (Communications Officer Joined the meeting)

9. Marketing & Communications Update

Miss S Riley provided an update to the Board regarding Marketing and Communication plans. It was explained that with the Chairs support

the Marcomms team were working with a Marketing consultant to develop the Marcomms strategy and plan.

It was explained that a lot of thought was to whether the organisation Marcomms plan should be Business to Business (B to B) or Business to Customer (B to C). Particular thought was being given to the website as the shop window with a recommendation that the website should be set up as the B to B platform communicating who we are and what we do and then signposting users to the Social media platforms that would be the bespoke channels for promoting projects. Discussion continued with agreement that there was a need to raise the profile of the organisation and the website needed developing.

Miss S Riley left the meeting

Ms C Ross, Mrs S Walton, Mrs B Kay joined the meeting

10. Strategy Development

The Board development session continued with a presentation and discussion led by Mr Leather on further development opportunities and risk.

Mr Leather presented a SWOT analysis that had been developed with the whole team and discussion took place regarding those strengths, weaknesses, opportunities and threats.

Particular strengths were noted as being the county wide strategic leadership role, being the honest broker, successful business development model and working collaboratively with partners.

The reliance on MPT and lack of self-promotion were seen as significant weaknesses and discussion regarding the website again took place with the need for that Business to Business focus with Business to customer being through the social media platform. It was agreed that the gathering and promotion of case studies promoting those personal success stories were important.

Brexit was agreed as a threat that may evolve into further opportunities but the reliance on MPT and lack of other funding opportunities from Sport England or other sources was seen as a threat with the current MPT funding ending in 12 months. The prospect of MPT2 funding was likely but timing and scale of funding was currently an unknown.

The Board discussion continued with opinions expressed that there needed to be a focus on the why are we doing what we do and the strategic fit to the objects in the articles should always be at the forefront of decisions. It was agreed that the clarity and promotion of why the organisation does what it does is important for existing and potential partners.

With Public sector funding and organisations under serious financial constraint and reduction further discussion included the view that

private sector organisations should be targeted but to engage the private sector there needs to be an evidence of value for money and supporting their corporate social responsibility agenda in order to get them to engage. It was felt that the behaviour change model would be appealing to private sector organisations and the point was made that unlike most of the public sector private sector organisations were not interested in geographical or political boundaries.

It was noted that the Articles of Active Lancashire were changed a couple of years ago to allow the organisation to operate in the North West geographical area rather than just Lancashire.

The Chair thanked all present for their attendance and contributions to the discussions and that the Sub Committees and future Board meetings would take these discussions further in coming months.

11. Any Other Business

No Other Business.

Action List

- Feb 2018 Mr Leather to circulate the final Equality & Diversity Commitment statement and action plan to Board members for information.
- May 2018 Continue to develop the implementation plan impact and satisfaction measures and bring back for updates at each board meeting
- July 2018 Ms Lloyd and Mr Leather to progress the action points from the Board Effectiveness Review.
- Feb 2019 Mr Leather to engage with and try to meet the new Sport England Chief Executive
- Feb 2019 Chief Executive and or Chair to have discussion with LCC regarding the Board vacancy.

Approved: _____ Signature

_____ Name

_____ Date