

Local Trust board meeting minutes, decisions and actions

17 March 2016 at 2pm

Local Trust, Unit D, 15-18 White Lion Street, London, N1 9PD

Discussion and decision	Action
<p>1. Present</p> <p>Trustees</p> <p>Kevin Sugrue (chair), Alison Seabrooke (from 3pm for item 6 onwards), Penny Shepherd, Jonathan Taylor, John Whitton, Karen Riches, Ben Lee, Daniel Goodwin, Kathryn Kane, Alice Casey</p> <p>Non-trustees</p> <p>Peter Thurston (Big Local Trust protector)</p> <p>Debbie Ladds, Rachel Rowney, Nicola Hutcheson, Jayne Humm and Wendy Joynes (minutes) (Local Trust)</p>	
<p>2. Apologies for absence</p> <p>Apologies were received from Andrew Robinson and Peter Mills.</p>	
<p>3. Conflicts of interest</p> <p>Ben Lee: director, NANM (delivery partner, Big Local)</p> <p>Alison Seabrooke: chief executive, CDF (delivery partner, Big Local)</p>	
<p>4. Minutes of the previous meeting and matters arising</p> <p>4.1 Minutes of previous meeting</p> <p>Subject to adding 'it was also felt that there was a need to develop messaging' under item 10, it was agreed that the minutes of the meeting on 10 December 2015 be approved as an accurate record.</p> <p>Confidential minutes - life beyond Big Local</p> <p>It was agreed that the confidential minutes for life beyond Big Local be approved as an accurate record and there were no matters arising.</p> <p>Confidential minutes – review of terms and conditions of staff</p> <p>It was agreed that the confidential minutes for the review of terms and conditions of staff be approved as an accurate record and there were no matters arising.</p>	<p>Update December minutes with additional comment under item 10</p>

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<p>4.2 Matters arising</p> <p>There was a question about the review of governance and it was confirmed that this was what was carried out 18 months ago; which we are due to return to in 2016/17.</p>	
<p>5 Strategic discussion</p> <p>The board received the CDF legacy report update and the following comments and questions were discussed:</p> <ul style="list-style-type: none"> • Local Trust expects to receive approximately £500k from CDF in April 2016. The paperwork for the CDF gift and transfer of funds is being finalised. • £50k is being set aside by CDF for creditors. Local Trust's solicitors are involved in ensuring that Local Trust, as the beneficiary of these funds, is not exposed to financial risk (e.g. substantial unforeseen claims from CDF creditors) as a result of CDF's liquidation. • An additional £20k has been designated by CDF for Local Trust to manage a legacy project to further community development and commemorate its legacy with an anticipated publication in December 2017. This can inform the future of Local Trust's work, funded by CDF's legacy. • In view of this, trustees agreed that the majority of the £500k should be invested until it is required. Trustees will agree a medium and longer-term investment strategy; in the meantime, the majority of the funds can be invested in a deposit account or the equivalent for six months. • Daniel and Alice said that they would be interested in working on the legacy project. <p>There were no further questions and the following was agreed:</p> <ul style="list-style-type: none"> • to delegate the responsibility for where the funds are invested for the next six months to Debbie • to delegate consideration of the longer-terms plans for investment of the funds to the investment sub-committee • Big Local Trust and Local Trust meetings will have different agendas and papers in the future, as appropriate. 	<p>Invest the funding in the short term and consider longer term plans</p> <p>Split agendas and papers for future committee meetings – Local Trust and Local Trust as corporate trustee of Big Local Trust</p>
<p>Alison Seabrooke joined the meeting at 3pm.</p>	
<p>6. Big Local</p> <p>6.1 Programme delivery</p> <p>The board received the report and the following was discussed:</p> <ul style="list-style-type: none"> • There are currently five plans left to be submitted and it is expected that three of these will be submitted by the March deadline, with the final two by June. • If an area did not submit their plan by the deadline, trustees were advised that this would be reported back to the board, and areas are aware of this. 	

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<p>There were no further questions or comments and the board accepted the finance report to 31 December 2015.</p> <p>The following recommendations were then taken:</p> <ul style="list-style-type: none"> The board agreed to changes to the finance manager's report to focus on actuals against cashflow and to highlight the main variances against budget, with more detailed explanations of their impact for Big Local and noted the monitoring report. <p>Jonathan introduced the 2016-17 and 15-year budget and cashflow and the following questions and comments were raised:</p> <ul style="list-style-type: none"> There have been underspends against budget in the past. As part of the budgeting process, managers have reviewed each budget line and have adjusted budgets down where there have been consistent underspends. The 15-year budget still includes an assumption of 1.5% for income on the investment. CCLA's most recent projections predict more than this, and trustees discussed whether it would be helpful to include these in the 15-year budget. Peter Thurston requested a version of the 15-year budget including CCLA's current income projections. The 15-year budget includes a substantial contingency, which helps balance the budget, and we do not yet have a plan in place for how to spend the investment income not committed to Big Local areas which needs to be spent on Big Local. There was a discussion about any approach that might be made to the Big Lottery Fund about extending the programme if areas have not spent out by 2027, and trustees agreed that this could be discussed at their next away day, in January 2017. Jonathan suggested, and the board agreed, that it would be helpful, following approval of the 2016-17 budget at this meeting, for staff to have some further time to review the monthly budget for 2016-17, with a view to the board considering the monthly budget further in June. 	<p>Finance reports in future to focus on actuals against cashflow and to highlight the main variances against budget, with more detailed explanations of their impact for Big Local</p> <p>Provide the 15-year budget, including CCLA's income projections, for Peter Thurston</p>
<p>There were no further questions and comments and trustees agreed the 2016-17 and 15-year budget and cashflow.</p> <p>There was then a discussion on the Hull and East Yorkshire Community Foundation's insolvency and the following questions and comments were made:</p> <ul style="list-style-type: none"> We had already planned financial training for locally trusted organisations, partnerships, assessors and reps, and this is now being delivered. Due diligence is carried out before any LTO is approved and funding released; however, there are inevitably limitations in that process and, given the nature of the programme, cannot protect Big Local Trust against every potential problem or insolvency. 	<p>Add to 2017 away day agenda</p> <p>Monthly budget to be received in June</p>

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<ul style="list-style-type: none"> • Local Trust has worked with its solicitors to make a claim to the liquidators for the amount of Big Local Trust funding held by HEYCF. Once we know the outcome of this process, trustees will decide what further action to take. • LTOs could set up separate bank accounts to hold Big Local funding; however, this is not currently a requirement of the funding. Separate bank accounts could be an extra comfort, and a few LTOs already have separate accounts, and a few Big Local partnerships have incorporated (or are planning to incorporate) so they become their own LTO. Changes to our requirements are being discussed with our solicitors and auditors, but we are waiting for the claim against HEYCF to be settled before we make any formal changes to grant agreements. <p>There were no further questions or comments raised and the report was noted by the board.</p> <p>The risk and opportunity map was introduced, and Debbie advised that she had added the changes requested by the investment sub-committee. There were no further changes requested and the board agreed the updated risk and opportunity map.</p> <p>Jonathan introduced the finance and audit sub-committee terms of reference and workplan. The sub-committee has suggested that another trustee join the finance and audit sub-committee to help ensure that it is quorate at meetings. Trustees were asked to consider putting themselves forward.</p> <p>There were no further questions or comments raised and the reports were noted by the board.</p>	<p>Potentially interested trustees to speak to Kevin or Jonathan</p>
<p>8. Investment</p> <p>8.1 Minutes from previous meeting on 26 February 2016</p> <p>The minutes of the investment sub-committee meeting on 26 February 2016 were received by the board.</p> <p>8.2 Investment update</p> <p>Penny introduced the report and the following questions and comments were raised:</p> <ul style="list-style-type: none"> • CCLA is now supplying a summary report on proxy voting. • The investment sub-committee discussed considering a more comprehensive review of Big Local's investment management contract, but there is no specific recommendation on this for the meeting. • The portfolio continues to perform well and there was no reason to change the investment strategy. • The investment sub-committee was happy with CCLA's proposals around bonds; CCLA will make recommendations around exposure levels for A rated bonds to the next sub-committee meeting. 	

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<ul style="list-style-type: none"> It had been suggested at the last investment sub-committee meeting that the board extend the life of the current sub-committee to October in line with the setting of the annual calendar of meetings and which would also link into the AGM. <p>There were no further questions or comments and the board:</p> <ul style="list-style-type: none"> accepted the CCLA investment update accepted the CCLA proxy voting report accepted the investment report to 31 December 2015 accepted the incorporation of the new wording into the investment management agreement, but that it will not be implemented until CCLA have reviewed and made recommendations to Local Trust around exposure levels for A rated bonds accepted the proposed approach for co-filing shareholder resolutions. <p>The following recommendations were then taken:</p> <ul style="list-style-type: none"> The board agreed that the portfolio structure should remain unchanged. The board agreed the annual performance review criteria process and questions for CCLA in 2016. <p>There were no questions or comments on the terms of reference or workplan and the following recommendations were then taken:</p> <ul style="list-style-type: none"> The board agreed that the terms of reference for the investment sub-committee remain unchanged at this stage, but noted they may need to be reviewed earlier than a year. The board agreed to extend the life of the current investment sub-committee to October 2016, to bring appointment of members in line with setting meeting dates for the following year. 	
<p>9. Communications</p> <p>The board received the update on communications and the following questions and comments were raised:</p> <ul style="list-style-type: none"> Sarah Fitzgerald had been contracted as the interim communications manager for three days a week, from 4 February 2016 for five months. Sarah has begun work on strategic communications, commissioning audience research and reviewing our key messages and brand. She has been in contact with both Karen and Peter as lead trustees. Forster's contract finishes at the end of March, as we bring more communications work in-house; and they might have a call-off contract going forward. Recruitment for a communications manager will start shortly; Peter and Karen, as trustees, will be on the interview panel with Debbie. CCLA sponsors the LGA conference every year, and hosts two fringe events. CCLA has asked if Local Trust would like to run these at no cost. Trustees agreed that this was a good opportunity for Local Trust. Karen and Daniel agreed to be involved in the arrangements. Trustees felt that this was a good opportunity to think about what to offer to local authorities to let them 	

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<p>know what Local Trust/Big Local is all about, and how to get local politicians more involved with Big Local areas.</p> <ul style="list-style-type: none"> Mark Breen returned to Local Trust on 12 January on a two day a week, six month freelance contract. He is updating our records on how Big Local areas are engaging with their MPs and councillors. <p>There were no further comments or questions and the board noted the report.</p>	
<p>10. Chief executive report</p> <p>Debbie introduced the report and highlighted the following:</p> <ul style="list-style-type: none"> Big Lottery Fund had set two dates for the bi-annual strategic meetings, one in June and one in December and there is an opportunity for two trustees to attend each with Kevin. Big Lottery Fund's next England Committee meeting is in July in Nottingham. It will include a discussion about Big Local; we are invited to attend and to bring along representatives from a Big Local area. <p>Alison Seabrooke is stepping down as a trustee at this meeting. Kevin thanked Alison for all of her hard work as a trustee, and her important role in establishing Local Trust and Big Local Trust. Kevin explained that there is now a vacancy on the Local Trust board. After some discussion, trustees agreed not to recruit additional trustees immediately, but asked Debbie to consider what additional skills may be useful to the board in the future. Trustees also discussed taking geographical spread into consideration.</p> <p>There were no further questions and the board noted the report.</p>	<p>Trustees to indicate if they could attend the strategic meetings</p> <p>Proposals for trustee recruitment to the June meeting</p>
<p>12. Any other business</p> <p>Debbie reported briefly on the progress of the knowledge management work explaining that Wildman and Herring are helping us identify what is needed and how to achieve it; for example moving to the cloud; updating Big Local Community; storing research data including films.</p> <p>There was no other urgent business and the meeting therefore closed at 4.45pm.</p>	
<p>Dates of future meetings</p> <p>Full board meetings 2-5pm</p> <p>30 June 2016, 13 October 2016 (including AGM), 8 December 2016</p> <p>Finance and audit sub-committee 2-5pm</p> <p>13 September 2016</p> <p>Investment sub-committee</p> <p>13 June 2016, 10am to 12noon, 19 September 2016, 10am to 12 noon, 22 November 2016, 2.30pm to 4.30pm</p>	

Kevin Long
Chair

18/07/2016