

## Local Trust board meeting minutes, decisions and actions

15 October 2015 at 2pm

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

Discussion and decision	Action
<p><b>1. Present</b></p> <p><b>Trustees</b></p> <p>Kevin Sugrue (chair), Kathryn Kane, Ben Lee, Andrew Robinson, Jonathan Taylor, Alice Casey, Daniel Goodwin, Alison Seabrooke, Peter Mills and John Whitton</p> <p><b>Non-trustees</b></p> <p>Peter Thurston (Big Local Trust protector)</p> <p>Naziar Hashemi (Crowe Clark Whitehill)</p> <p>Debbie Ladds, Rachel Rowney, Nicola Hutcheson, Jayne Humm and Wendy Joynes (minutes) (Local Trust)</p>	
<p><b>2. Apologies for absence</b></p> <p>Apologies were received from Karen Riches and Penny Shepherd. The board was advised that Karen had just undergone an operation and the board asked Debbie to send a card on behalf of the board (and staff) offering best wishes for a speedy recovery.</p>	
<p><b>3. Conflicts of interest</b></p> <p>Andrew Robinson: director, CCLA (fund manager, Big Local Trust) and trustee, CDF (delivery partner, Big Local)</p> <p>Ben Lee: director, NANM (delivery partner, Big Local)</p> <p>Alison Seabrooke: chief executive, CDF (delivery partner, Big Local)</p> <p>Peter Mills, Brand Ethos (work for UnLtd, a Big Local delivery partner)</p> <p>Kevin informed trustees that due to his previous role as chief executive of Renaisi (to 2010), it might be viewed by others as inappropriate for him to be present during the discussion of Renaisi's contract (item 8.1). He would therefore leave the meeting during discussion of that item. Trustees agreed that Andrew Robinson would chair this part of the meeting.</p>	

<p><b>4. Minutes of the previous meeting and matters arising</b></p> <p><b>4.1 Minutes of previous meeting</b></p> <p>Subject to noting that Alice was not present for the final items, it was <b>agreed</b> that the minutes of the meeting on 18 June 2015 be approved as an accurate record.</p> <p><b>4.2 Matters arising</b></p> <p>In answer to a question about the conditions for the one-off payment to staff for 2015-16 under 10.5 it was explained that the conditions are to achieve the annual organisation workplan.</p> <p>There were no other matters arising and the board <b>noted</b> the report.</p>	<p>Update June 2015 minutes to reflect Alice leaving early</p>
<p><b>5. Finance and Audit</b></p> <p><b>5.1 Minutes from the finance and audit sub-committee on 9 September 2015</b></p> <p>The minutes of the finance and audit sub-committee were received by the board. Jonathan has completed his action on the review of the bank reconciliation documentation.</p> <p><b>Annual reports and audited accounts for Big Local Trust and Local Trust</b></p> <p>Jonathan introduced the annual reports and audited accounts briefly (as chair of the finance and audit sub-committee). The finance and audit sub-committee had discussed these in detail. He felt that the reporting against Big Local's four strategic objectives in the trustees' annual reports was helpful, clear and well written.</p> <p>There were no additional comments or questions from trustees. The board therefore <b>approved</b> the Big Local Trust annual accounts for 2014-15 and the Local Trust annual report and audited accounts for 2014-15.</p> <p><b>Annual audit recommendation</b></p> <p>Jonathan went through the report and said that there were no significant concerns and no matters raised that had not been adequately addressed.</p> <p>He then asked trustees if they had any questions or comments and the following points were raised:</p> <ul style="list-style-type: none"> <li>• The auditors had worked well with the finance team.</li> <li>• The adjustments identified in the audit findings report have now been made and the recommendations addressed.</li> <li>• There had been discussions about finance review visits to Big Local areas, and a tender has been drafted which CCW has responded to. We plan to set up finance review visits to a small selection of locally trusted organisations each year, to assess how individual areas are managing their Big Local funding. Peter T informed trustees he had been visiting areas and one thing that struck him was the amount of trust involved between LTOs</li> </ul>	<p>Debbie and Nicola to talk to Peter T and CCW about finance review visits and follow up the other actions</p>



<p>and on finance review visits.</p> <p>The following points were raised:</p> <ul style="list-style-type: none"> <li>• Investment in areas has a large underspend, partly due to multi-year offers being delayed.</li> <li>• The reported concerns around financial mismanagement in one Big Local area had been addressed and will be followed up.</li> <li>• The plan funding budget for 2015-16 is substantial; and reflects constructive obligations, rather than actual cash spent.</li> <li>• At some point, trustees may wish to review Big Local Trust's progress towards spending out by 2027, including areas' differing approaches to planning and spending their £1m. An interesting piece of research would be to examine what determines whether a partnership spends or not.</li> <li>• Reporting against financial quarters had been discussed, but it was tricky due to the timing, process and dates of board meetings in relation to sub-committee meetings. It is important that trustees have timely and appropriate information, so any further suggestions for improvements, would be appreciated. Jonathan added that he wants ensure that the financial reporting clearly highlights any relevant strategic issues for the board, so may bring some further suggested changes to the next meeting.</li> <li>• Nicola was congratulated on an ever improving report. Most importantly the financial information should reveal what is happening on the ground e.g. from this report should we assume that childcare is not as crucial a need as we thought? Is most admin work undertaken on an unpaid voluntary basis? Are loans not popular?</li> </ul> <p>There was no further discussion and the board <b>accepted</b> the finance monitoring report for the period ending 31 August 2015.</p>	
<p><b>6. Strategic discussion</b></p> <p><b>Kids Company: lessons for governance and new practical advice</b></p> <p>Kevin went through the report and the board reflected on each question raised in the performance checklist. The following particular comments and questions were raised:</p> <ul style="list-style-type: none"> <li>• Trustees were advised to speak to Debbie/Nicola if they feel that they would find it useful to have further training on understanding financial accounts. There are changes to the Charities SORP (Statement of Recommended Practice) that will affect how audited accounts are presented for 2015-16; it may also be useful for the board to be briefed on this, possibly by CCW.</li> <li>• Does Local Trust have or need a donations policy? This could be an item for discussion at the awayday.</li> <li>• Local Trust has a stakeholder pension arrangement for employees, so there is no long-term pension liability for the charity.</li> <li>• A governance review took place last year; Kevin suggested this should be</li> </ul>	<p>Invite CCW to brief trustees on financial accounts and changes</p> <p>Kevin/Debbie to discuss a donations policy</p> <p>Review</p>

<p>done every two years.</p> <ul style="list-style-type: none"> <li>The possibility of collaborating with other charities is something we should keep under review.</li> </ul> <p>The board then <b>noted</b> the report.</p>	<p>governance every two years (2016/17)</p>
<p><b>7. Investment</b></p> <p><b>7.1 Minutes of the investment sub-committee on 4 September 2015</b></p> <p>The minutes of the investment sub-committee were <b>received</b> by the board.</p> <p><b>Investment report including due diligence</b></p> <p>There were no questions or comments raised and the board <b>accepted</b> the investment report as recommended by the investment sub-committee.</p> <p><b>CCLA reports</b></p> <p>The following points were raised:</p> <ul style="list-style-type: none"> <li>Trustees asked for further clarification on the paper that CCLA presented to the investment sub-committee, regarding the statement on page 2: 'We have also reviewed the return forecasts for the various asset categories following the strong gains achieved in the recent past, and the likelihood of reduced gains in the future.'</li> <li>CCLA is working on some further returns scenarios for the next investment sub-committee meeting.</li> </ul> <p>As recommend by the investment sub-committee the board then:</p> <ul style="list-style-type: none"> <li><b>accepted</b> CCLA's statement that based on the modelling completed to date the investment strategy remains appropriate for the time being and there is no current requirement to change stance as a result of the changed forecasts for cashflows or investment returns</li> <li><b>accepted</b> that the sub-committee reviews the long-term return and asset allocation projections, including the possible effect of a distribution to areas in 2018, in November 2015 and annually after that.</li> </ul>	<p>Nicola to speak to John Kelly to clarify</p> <p>Investment sub-committee to review the long-term return and asset allocation projections in November 2015</p>
<p><b>8. Big Local</b></p> <p><b>8.1 Programme delivery</b></p> <p>The board received the update on Big Local delivery. The following comments and questions were raised:</p> <ul style="list-style-type: none"> <li>Local Trust plans to negotiate a new contract with Small Change for a further three years because they supply what we require for the programme; there are no other similar organisations that could do this work.</li> <li>The relationships between partnerships and LTOs sometimes present challenges. With the advice of our solicitors, the grant terms and conditions have been developed to be clearer around the relationship and responsibilities. New programme guidance has also been published.</li> </ul>	<p>Negotiate a contract with Small Change once protector is consulted</p>

<ul style="list-style-type: none"> <li>• Kevin left the meeting while the board discussed Local Trust's contract with Renaisi; it was chaired by Andrew Robinson. Trustees and staff had a discussion about rep management and the ways it could be delivered including the option of bringing the work in-house. However, given the effective work of Renaisi, our business model of working with others and what is needed in the future Local Trust plans to negotiate a new contract with Renaisi for a further three years.</li> <li>• Trustees would find a report on reps useful.</li> </ul> <p>The board then <b>noted</b> the report.</p> <p><b>8.2 Research, evaluation and learning</b></p> <p>The board received the report. It was explained that the next strategic meeting with the Big Lottery Fund will discuss the effect of Big Local on social capital and how individual research/evaluation processes collectively and logically contribute to overall goals.</p> <p>The board then <b>noted</b> the report.</p> <p><b>8.3 Programme development</b></p> <p>In answer to a question Rachel explained that marketplace funding is £2,500 per area per year once plans are endorsed. Since there has been limited take up by areas, marketplace funding is being added to individual areas' £1m plan funding.</p> <p>The board then <b>noted</b> the report.</p>	<p>Negotiate a contract with Renaisi once protector is consulted</p> <p>Rachel to share a report with trustees</p>
<p><b>9. Communications</b></p> <p>The board received the report and noted the good press coverage over the summer. Trustees responded positively to the recruitment, training and use of our 16 Big Local ambassadors. It was suggested a short factsheet of Big Local achievements be prepared and used, including key numerical data.</p> <p>There were no further comments or questions so the board then <b>noted</b> the report.</p>	<p>Prepare short factsheet of Big Local achievements, including key numerical data</p>
<p><b>10. Chief executive report</b></p> <p>The board received the report and discussed themes for the awayday discussion and the need for a suitably briefed facilitator. There were no further comments or questions so the board then <b>noted</b> the report.</p>	<p>Debbie to prepare agenda for awayday and secure a facilitator</p>
<p><b>12. Any other business</b></p> <p>Alice explained that we are looking into publishing our funding information on 360Giving (<a href="http://www.threesixtygiving.org/">http://www.threesixtygiving.org/</a>), the website that encourages UK grantmakers to publish their data openly online.</p> <p>There was no other urgent business and the meeting then closed at 5pm.</p>	<p>Jayne to look into 360Giving</p>

**Dates of future meetings**

**Full board meetings 2-5pm**

10 December 2015, 17 March 2016, 30 June 2016, 13 October 2016 (including AGM), 8 December 2016

**Trustee awayday**

12 noon on 21 January to 2pm on 22 January 2016

**Finance and audit sub-committee 2-5pm**

1 March 2016, 13 September 2016

**Investment sub-committee**

13 November 2015, 2pm to 4pm, 26 February 2016, 2.30pm to 4.30pm, 13 June 2016, 10am to 12noon, 19 September 2016, 10am to 12 noon, 22 November 2016, 2.30pm to 4.30pm

Ken Hughes

Chair

10/12/2015