

# Local Trust board meeting minutes, decisions and actions

15 November 2018

Borough conference room, 5th floor

CAN Mezzanine, 7-14 Great Dover Street, London SE1 4YR at 2pm

Discussion and decision	Action
<p><b>Present</b></p> <p><b>Trustees</b></p> <p>Kevin Sugrue (chair), Peter Mills, Penny Shepherd, Jeannette Lichner, Sahil Khan, John Whitton, David Warner (via Skype), Ben Lee (joined the meeting after item 9)</p> <p>Rosie Chapman (Protector)</p> <p><b>Non-trustees</b></p> <p>Matt Leach, Nicola Hutcheson, Rachel Rowney, Chris Falconer, Jayne Entwistle, Jayne Humm, Jessica Wenban-Smith, Margaret Bolton and Brenda Feldman (minutes) (Local Trust)</p>	
<p><b>1. Apologies</b></p> <p>Apologies were received from Bob Thust and Nicola Pollock.</p>	
<p><b>2. Welcome and introductions</b></p> <p>The chair welcomed trustees and staff and Rosie Chapman, the Protector.</p>	
<p><b>3. Declaration of interest</b></p> <p>David Warner, received payment from IVAR for work on a consultation event funded by Local Trust, as a result of late withdrawal of the event facilitator.</p> <p>Peter Mills, owner, Brand Ethos (commissioned by UnLtd, delivery partners for Big Local)</p> <p>Bob Thust, currently has a contract to support Renaisi on governance and financial reporting processes.</p> <p><b>Minutes of last meetings and matters arising</b></p> <p>The minutes of the meeting of 20 September 2018 were <b>agreed</b> as an accurate record.</p>	

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<p><b>4. Minutes of previous meetings and matters arising</b></p> <p>The minutes of the meeting of 20 September 2018 were <b>agreed</b> as an accurate record.</p> <p><b>Matters arising</b></p> <p>There were no matters arising. The update on actions from the last meeting was reviewed; it was noted that the paper on relationship between the two entities (under item 4) was included in the board papers for this meeting.</p>	
<p><b>5. Board committees</b></p> <p>5.1 The audit and risk committee minutes of the 23 October 2018 were circulated at the meeting having not been included in the board papers. The minutes were for information and noted.</p> <p>5.2 The minutes of the finance and investment committee meeting of 31 October 2018 were for information and noted.</p>	<p>Copy of minutes to be included in the board papers Brenda</p>
<p><b>6. Revised committee Terms of Reference</b></p> <p>6.1 The Board approved the revised terms of reference for the audit and risk committee to be reviewed November 2019.</p> <p>6.2 The Board approved the revised terms of reference for the finance and investment committee to be reviewed November 2019.</p>	
<p><b>7. Other governance matters</b></p> <p>7.1 Trustee indemnity insurance: Board discussed the benefits of trustee indemnity insurance and it was noted that previously it had been considered and the decision was not to take it up.</p> <p>Decision: Board <b>agreed not</b> to purchase trustee indemnity insurance but to reconsider its position in three years.</p> <p>The report on the relationship between the Local Trust and Big Local Trust was <b>noted</b>.</p> <p>7.2 Conflicts of Interest policy and practice</p> <p>Board considered the report on Conflicts of Interest.</p> <p>It was noted that there may be emergency situations when it may be appropriate to approach a Trustee for services but this would be highly unlikely and only actioned after having been reported to the Board.</p> <p>Board <b>noted</b> the conflicts of interest policy.</p>	
<p><b>8. Annual report and accounts</b></p> <p>It was noted that the auditors, from Crowe U.K. LLP, were not present.</p>	

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<p>8.1 The audit findings report for Local Trust for 2017-18 was noted and the following points raised: trustees discussed the outstanding issue around information security, and the Board was reassured that risks identified were negligible and being issues were being resolved by ongoing development work by the software provider.</p> <p>8.2 The audited accounts for Local Trust 2018-18 were considered and approved.</p> <p>8.3 The audited accounts for Big local Trust were considered and approved.</p> <p>8.4 The letter of representation for Local Trust was agreed, and would be signed by the chair and the chief executive.</p> <p>8.5 The letter of representation for the Big local Trust was agreed, and would be signed by the chair and the chief executive.</p> <p>Recommendation: The board noted the response to the Charity Governance Code.</p>	
<p><b>9. Appointment of new auditors for Local Trust and Big Local Trust for 2018-19</b></p> <p>The board approved the recommendation that Kingston Smith be appointed as auditors for Local Trust and Big Local Trust from 2018-19; they will take over from Local Trust's current auditor, Crowe U.K. LLP.</p> <p>Thanks were noted to Crowe for their services and thoroughness as auditors over the initial years of Local Trust and Big Local.</p>	<p>Nicola to supply Kingston Smith with information required</p>
<p>Ben Lee entered the meeting.</p>	
<p><b>10. Amendment to Local Trust Articles</b></p> <p>The board considered the report and the impact of the proposed process of appointment of trustees to ensure that a strong trustee group remained in place for the remainder of Local Trust's planned lifespan.</p> <p>Recommendation: The board agreed to adopt the proposal for the trustee's terms of office as set out in the report.</p> <p>The board agreed that it would be appropriate for members to approve the Articles of Association. [Members subsequently passed the amendments by special resolution by all present signing and on behalf of those not present by means of their granting authority to the chair to sign on their behalf].</p> <p>The Charity Commission and Companies House to be advised of the changes to the articles.</p>	<p>Brenda to update Charity Commission and Companies House</p>
<p><b>Break for AGM</b></p>	

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<p>Following the AGM, it was noted that Penny Shepherd was resigning as trustee and thanks were expressed for her long and effective trusteeship. Karen Mellanby was welcomed further to her appointment as a new trustee.</p>	
<p><b>11. CEO's report</b></p> <p>Matt Leach presented his report drawing the board's attention to his and staff's recent visits to Big local Trust areas. The new board secretary who would be taking up post in the new year, would liaise with the Board members on potential dates for visits to Big Local areas. There was particular value in trustees being willing to take on ambassadorial and event based visits where possible. Dates would be shared as they arose.</p> <p>Discussion took place regarding the upcoming trustee awayday. A group of trustees would be meeting on 29 November to plan for the second day of the awayday.</p> <p>It was noted that the papers for the meeting were exceptionally long due to the inclusion of AGM requirements and other pressing issues. It was agreed that future board papers be shorter, to include strategic issues and the agenda to state purpose of each item.</p>	<p>Board secretary to share dates post arrival</p> <p>Matt to ensure future board papers standardised</p>
<p><b>12. Performance, finance, investment and risk</b></p> <p>12.1 Local Trust business plan monitoring was noted. The format of colour coding was complimented for clarity of use.</p> <p>12.2 Local Trust risk register as at 23<sup>rd</sup> October 2018 was noted. The board were advised that this report had been scrutinised by the audit and risk who had suggested changes to presentation of the report, simplification of the description of risks and the appointment of a gatekeeper to ensure trustee responsible for register. Register to be considered by the Delivery and the Finance and Investment committees and all comments to be pulled together by the audit and risk committee to be reported to the board.</p> <p>It was agreed that the risk register be reviewed annually but the board be updated quarterly.</p> <p>12.3 Big Local Trust management accounts to 30<sup>th</sup> September 2018 were noted and approved.</p> <p>The report was complimented for its ability to translate figures into reality of what happens on the ground. .</p> <p>12.4 Local Trust management accounts to 30<sup>th</sup> September 2108 were noted and the board agreed to accept the head of finance's report.</p> <p>12.5 Big local Trust investment, including the due diligence report to 30<sup>th</sup> September 2018 was considered. The board agreed to accept the Big Local investment report for the quarter ended September 2018.</p>	

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<p>12.6 Local Trust investment report was considered. The board agreed to accept Local Trust investment report for the quarter ended 30<sup>th</sup> September 2018.</p>	
<p><b>13. Mid-year financial review of 15 year budget</b></p> <p>The board were advised that mid-year review identified areas of underspend and downward forecasting in 2 areas: local economies support and menu of support.</p> <p>It was noted that there had been slow uptake of the menu of support leading to lack of expenditure. This necessitated a reallocation of funds. The reduction in spend on the local economies line reflected lower demand for Small Change’s social investment advice, although Local Trust would continue to use her for advice and consultancy. As a consequence, funds had been scaled back and transferred to other areas.</p> <p>The board were advised that, overall, there was £3.8 m of unallocated funding arising from the surplus distribution in Autumn 2017, and £1.5m of funds from existing budget lines to be reallocated.</p> <p>The following points were raised:</p> <ul style="list-style-type: none"> <li>• There is demand from areas to increase their knowledge of measuring change.</li> <li>• It was noted that funds would need to be retained for staffing costs at the end of the 15-year programme.</li> </ul> <p>Board were asked to consider the budget allocations as set out in the report and the suggestions for distribution of the surplus returns on the investment.</p> <p>Decision: The board <b>approved</b> the amendments to the 15 year Big Local budget.</p>	
<p><b>14. Community Wealth Fund and Shared Prosperity Fund proposals</b></p> <p>Margaret introduced the report which focused on Local Trust work on the Community Wealth Fund and Shared Prosperity Fund.</p> <p>She reported that a report had been published on the Community Wealth Fund (CWF) proposal which had the support of a number of voluntary sector umbrella organisations, independent funders and other initiatives. A further 90 organisations have also registered an interest in joining the CWF Alliance. The report had also received positive press coverage.</p> <p>An advisory group of key Alliance members had also been established which had met twice to date.</p> <p>Following comments about the draft CWF paper’s commentary on local economic development - a key focus for the forthcoming Shared Prosperity Fund consultation - a meeting was held with the Ministry of Housing, Communities and Local Government. This led to discussion of a couple of draft</p>	

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<p>papers with MHCLG officials and ongoing engagement with those working on community issues and economic development.</p> <p>Board praised Margaret’s work to date as being consistent with LT values to influence decision makers and its aspiration to be a thought leader in advocating for policy change to improve life for communities which are ‘left behind’.</p> <p>Board agreed to have a longer and more detailed discussion of the topic at their away day in January 2019.</p> <p>Decisions:</p> <ol style="list-style-type: none"> <li>1. The board <b>approved</b> the next steps including exploring the possibility of establishing an inquiry including the prospect of raising additional funding.</li> <li>2. The board <b>approved</b> the proposal for creation of a further budget of £150k over the next 12 months drawing on the CDF legacy fund</li> </ol>	
<p><b>15. Research Action Plan/Forward research pipeline</b></p> <p>Jayne introduced the report which followed the same format as the research and evaluation strategy agreed by the board in November 2017 The paper incorporates feedback from trustees at September board meeting. The trustees were thanked for their input.</p> <p>The following points were raised:</p> <ul style="list-style-type: none"> <li>• A more simple statement than the hypothesis may be required for the public</li> <li>• The long-term nature of Big Local will need to be emphasised in later action plans</li> <li>• A biennial research conference to be organised to highlight outcomes of research</li> </ul> <p>Decision: The board <b>approved</b> the action plan.</p>	
<p><b>16. Board Effectiveness</b></p> <p>This item was brought forward as Peter had to leave early.</p> <ol style="list-style-type: none"> <li>1. Board survey results</li> </ol> <p>Discussion took place regarding the outcomes of the survey.</p> <p>The following points raised:</p> <ul style="list-style-type: none"> <li>• It was noted that there were now new board members who needed to take ownership in order to overcome any possible lethargy which had been a feature of the previous board members.</li> <li>• Trustees agreed on the importance of creating a culture of trust and engaging individuals to work as a team.</li> <li>• The board renewal was still at an early stage and it was envisaged that in a year, a more collective spirit would be apparent.</li> </ul>	

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<ul style="list-style-type: none"> <li>It was agreed to redo the survey next year to note any variances and to include information on what the trustees contributed individually</li> </ul> <p>The Trustees noted the board survey.</p> <p>2. The role of the Board</p> <p>The trustees were asked to consider the report in particular the role of the board and submit any views to the chair or Bob. The trustees considered the decisions highlighted and agreed to take ownership of the awayday and considered the possibility of a follow up meeting to explore the issues-to be confirmed.</p>	
<p><b>17. Any other business</b></p> <p>There was feedback from the trustees that the meeting was very long, with heavy paperwork and complex terminology despite efforts of staff to simplify. Whilst it was acknowledged that this had been necessary to deal with all the issues and financial requirements, it was noted that an effort be made to simplify future meetings and trustees requested detail and simplification of substantive matters to be reported to meetings.</p> <p>There was no other urgent business and the meeting closed at 5.30pm.</p>	
<p><b>Dates for future meetings</b></p> <p><b>Board and AGM 2pm – 5pm at Local Trust’s offices (except where noted)</b></p> <p>Thursday 20 September 2018, Thursday 15 November 2018 (including AGM).</p> <p>Thursday 24/Friday 25 January – Awayday</p> <p>Thursday 21 March 2019</p> <p>Thursday 27 June 2019</p> <p>Thursday 19 September 2019</p> <p>Thursday 21 November 2019 (including AGM)</p> <p><b>Programme committee</b></p> <p>Thursday 29 November 2018 (8am – 10am).</p> <p>Tuesday 29 January 2019 (3pm – 5pm)</p> <p>Thursday 23 May 2019 (3pm – 5pm)</p> <p>Tuesday 23 July 2019 (3pm – 5pm)</p> <p>Wednesday 16 October 2019 (3pm – 5pm)</p> <p><b>Finance and investment committee 2.30pm – 5pm at Local Trust offices</b></p> <p>31 October 2018</p> <p>27 February 2019</p> <p>22 May 2019</p>	

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04 September 2019	
4 November 2019	
<b>Audit and risk committee 2.30pm – 5pm at Local Trust offices</b>	
Tuesday 23 October 2018	
Thursday 16 May 2019	
Wednesday 23 October 2019	
<b>Nominations committee 2.30[pm – 4.30p at Local Trust offices</b>	
Thursday 04 October 2018	
Thursday 11 July 2019	
Thursday10 October 2019	