

Local Trust Board

Meeting minutes, decisions and actions

CCLA, 1 Angel Lane, London EC4R 3AB

2.30 - 6pm Thursday 23 November 2023 (Trustee only session 2.30-3.30)

Discussion and decision		
Present Trustees David Warner (chair), Matt Bell, Chris Catterall, Sahil Khan, Charlie Pickles, Nicola Pollock, Caroline Macfarland Non-Trustees Rosie Chapman (protector), Margaret Bolton (from item 9), Jon Fox, Matt Leach, Rachel Rowney, Verity Soons (minutes)		Actions
1.	Welcome, intros and apologies for absence The chair welcomed trustees and staff to the meeting. The Chair welcomed Sahil back to the Board following his leave of absence. Apologies were received from Patrick Melia and Rich Wilson. Items 7 (Long Term Financial Planning) and 8 (Governance Review), would be taken in reverse order so that the protector could be present for the governance review discussion.	
2.	Declarations of interest There were none declared further to those already on the register.	
3.	Minutes and matters arising 3.1. Approve minutes of board on 29 June 2023 The minutes of the meeting on 29 June 2023 were approved as an accurate record. 3.2. Matters arising/action points not covered by the agenda	

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	The board noted the actions update and that all actions were complete or on the agenda. Jon Fox noted that a fuller EDI strategy update would be received by trustees in the new year.	
4.	Annual report and accounts The Chair introduced the item and noted that that annual report and accounts for Local Trust and Big Local had been carefully reviewed by the finance, audit and risk committee and were recommended for approval.	
4.1.	Audit report and accounts – covering note The Board accepted the report with no further comments.	
4.2.	To note the audit management report for Local Trust for 2022-23 The Chair of the finance, audit and risk committee commended the team for their work on the audit. The Board noted the post-audit management report for Local Trust for 2022-23.	
4.3.	To consider and approve the audited accounts for Local Trust for 2022-23 The Board approved the annual report and accounts for Local Trust for 2022-23 subject to amendments to the typos noted.	
4.4.	To consider and approve the audited accounts for Big Local Trust for 2022-23 The Board approved the annual report and accounts for Big Local Trust for 2022-23.	
4.5.	To agree to sign the letters of representation for Local Trust and Big Local Trust The Board agreed to sign the letters of representation for Local Trust and Big Local Trust	
5	State of the programme update Jon provided an update on the state of the programme and slides would be shared. In discussion, the following points were noted: <ul style="list-style-type: none"> • Area advisors (formerly “Reps”) remained a part of the support offer to areas and there were currently 30 in the pool. Assignments were now more bespoke, better aligning individual skills with the needs of areas. Approaches to retaining appropriately skilled advisors (who provided services under contract rather than being employees) would be considered in line with other closure plans. 	

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	<ul style="list-style-type: none"> • The number of very high-risk areas (based on spend) has decreased since April 2023, a result of spend picking up – to a degree – in those places. • The team are starting to work with the TNCLF regional funding teams to support areas build relationships for post Big Local. • David queried the weighting of area balances within the higher risk categories and asked for more information, in particular, on the number of areas at the boundary between high risk and very high risk. 	Jon to circulate more detailed information on the balances
6	<p>Closure Plan</p> <p>Rachel introduced the item, noting the discussions that had taken place at previous board and Governance and Remuneration committee meetings regarding the content of the plan. The paper set out progress against key deliverables.</p> <p>The board noted the update and discussed the following:</p> <ul style="list-style-type: none"> • Staff had welcomed the openness around messaging of the closure plan. Whilst, as expected, reactions had been mixed, staff were largely accepting of the changes and the information being presented to them. Focus had shifted amongst many staff towards considering their own ‘what next’, which the new training and coaching offer has been designed around helping them work through. • The most recent update to staff had been received at an all-staff away day the previous week which David Warner and Nicola Pollock had attended. David and Nicola commented on the positive atmosphere and high level of staff engagement at the away day. This day also included a panel of speakers who spoke about the origins of Big Local. • The legacy projects team had been set up in April with a specific short term brief around providing momentum to a small number of specific legacy projects during 2023, including the final Connects, ACT and the Local Trusters. Whilst that team was being disbanded in December, legacy continued to be a feature of workplans across the organisation, consistent with the clear focus of the 2023-24 Business Plan. • Earlier this year, Local Trust had made a clear external statement about our plans to close, reflecting the priority on clear messaging contained within the Closure Strategy. A more detailed “close out communications plan” focused on ongoing external messaging was being developed and a draft would be shared with trustees in the new year. 	
7	<p>Long Term forward financial planning</p> <p>Rachel introduced the item, asking Board to consider and note the following:</p> <ul style="list-style-type: none"> • Each year in the autumn the Board have been presented with a long-term financial plan, which reviews budget and staffing to the end of the Deed. Board then receives a detailed budget proposal in March set in the context of that previously agreed longer term financial plan, and the targets and staffing profile set out in the forthcoming year’s business plan. • The long term financial plan brought to board this autumn increases resources allocated to cover redundancy costs, delivery support and confirms the Board’s decision in September to allocate £1m for the ESRC research centre. 	

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- There has been significantly higher than expected return on the investment due to higher-than-expected interest rates, and we have included projections for future returns in our long term financial projection.

The Chair invited Chris Catterall, as chair of finance, audit and risk committee, to reflect on conversations from the recent committee meeting where this paper was discussed. Chris commented that committee felt the proposal reflected thorough consideration from the executive and that it was – largely - a cautious approach but this was something supported by committee to safeguard and secure delivery of the programme.

It was also noted that trustees should be aware that if there were an underspend in – say - the staffing budget or delivery contingency, it would result in additional funds being released to fund other activities. The executive cautioned against planning against this generating significant additional uncommitted funds at this stage, although it was likely that small amounts of redundancy provision would be released back into the general budget as a result of natural staff churn.

The board also discussed the value of ensuring adequate budget was retained to deliver work in key areas, such as communications, legacy and learning from Big Local. At present the long term financial plan assumed a declining staff profile – if activity levels were to be sustained through to the end of the programme, for example, this would need to be additionally resourced. It was agreed that the ability to deliver in many areas relied on our ability to retain people with certain skills.

The executive confirmed that some decisions on long term resource allocation, including final staffing profiles in some areas, would be dependent on the outcome of discussions at the trustee away days in January.

The board accepted the proposed long-term budget as the basis for the 2024-25 budget which would be brought to board in March 2024, subject to further amendments as necessary in the light of January awayday.

8 Governance review

The chair invited Nicola Pollock, as chair of the governance and remuneration committee, to introduce the paper which was taken as read. Nicola said that whilst the proposal had been produced following significant engagement with trustees, including through the September awayday, the committee had felt this proposal should be considered by all trustees and so was presented for comments. She asked the Board to note that a dynamic approach would be needed over the remainder of the programme to ensure the governance structure remained fit for purpose throughout the closure phase. Advice from the protector had confirmed the need to ensure the board’s fiduciary responsibilities were met was reflected in the proposal.

The following points were made in discussion regarding the proposed board and committee structure:

- Trustees recognised the need to retain some contact with areas through organised visits but queried the creation of a visits committee for a small

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group of trustees, noting the value and importance of visits for all trustees. The concept, logistics and description of this area of trustee work would be considered further in the light of experience.

- Whilst most significant decisions on the Big Local programme had now been made, and the focus was now largely on operational implementation, trustees wanted to ensure that the new governance structure allowed space for continued engagement with programme delivery.
- A continuation of the finance and audit committee role would be helpful to ensure trustees’ fiduciary responsibilities were being met, whilst creating space in full board meetings for more strategic discussions.
- The remit and name of a governance and closure committee was discussed at length. It was suggested that “people and culture” might better recognise the nature of business delegated to that committee.
- There was a preference to meet as a full board 5 (not 6) times per year. The most straightforward way to achieve this might be to drop the proposed May board date from next year’s calendar

Trustees discussed the importance of establishing shared priorities as a board, along with agreed expectations around culture and behaviours. This would be explored further in January at the awayday

Whilst there was scope for continued discussion of the detail of the proposals, the greater priority was moving forward with planning for 2024. As initially explained, the expectation was that board would need to be dynamic in its approach to governance over the next two years, keeping arrangements under review and changing them to reflect the needs of the organisation. As a consequence, there would be considerable scope for further fine-tuning of committee remits and the focus of the board in the light of experience implanting new arrangements. On this basis, the board agreed to proceed with the proposals as set out in the paper and schedule meetings accordingly, subject to reducing board meetings to 5.

David and Nicola would continue to consider input from trustees in relation to the remit of committees based on the feedback from trustees and would ask Radojka to reflect key points in initial draft TORs she would be asked to prepare for the new committees ahead of their first meetings.

Rosie chapman left the meeting 16.44

The board agreed to co-opt three new trustees following the conclusion of the recent recruitment campaign:

- Kate Hainsworth
- Jessica Studdert
- Stephen Aldridge

Consistent with Local Trust’s Articles, the co-options would last until the next AGM in November 2024, unless otherwise confirmed by an SGM before that date.

9	Committee proceedings
	<i>Margaret Bolton joined the meeting – 17.20</i>
9.1	Governance and remuneration committee -11 July 2023 and 19 October 2023

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	The minutes of both meetings were noted with no further comments.	
9.2	Programme Delivery Committee -14 November 2023 Sahil Khan noted that much of the meeting had focussed on information that trustees had received in the programme update with lots of interesting and valuable discussions. Minutes would be circulated to trustees when available.	MBr to take forward work on capturing Local Trust's investment strategy
9.3	Finance, Audit and Risk Committee -7 September 2023 and 9 November 2023 Chris Catterall noted that CCLA had attended the finance, audit and risk committee in November to discuss a proposed future approach to the management of the investment portfolio, which was recommended to the board as a prudent and sensible approach. Matthew Brumsen, investment co-optee, was present and endorsed the new approach. Matthew had also agreed to remain as a co-optee for Local Trust through to 2027. The board noted that Matthew had written a paper documenting much of the history of the investment portfolio development and approach, however, it lacked some historical information from before he was co-opted to the committee. As part of our body of work documenting Local Trust and its work for the purposes of legacy, Margaret Bolton would look to combine a historical note about work with CCLA with the more recent one from Matthew, which would act as both a legacy reference document and a case study for others interested in creating a similar investment model in the future. The board noted the minutes of both meetings and accepted the recommendation for the investment strategy from the meeting of 9 November 2023.	
10	Standing items: CEO's Report, performance and risk, management accounts and investment report	
10.1	CEO's report The board noted the report which was taken as read with no further comments.	
10.2	Local Trust Business Plan Performance Monitoring to October 2023 The board noted the report which was taken as read with no further comments.	
10.3	Risk Register November 2023 The board noted the report and changes to legacy risks with no further comments.	
10.4	Big Local Trust and Local Trust management accounts to 30 September 2023 The board noted the report which was taken as read with no further comments.	
10.5	Local Trust and Big Local Trust Investment reports to 30 September 2023 The board noted the reports which were taken as read with no further comments.	

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11	<p>Any other business</p> <p>Matt noted that a report from Toby Lloyd which considered the work of the Policy team would be shared with trustees ahead of the January awayday. The executive felt that the report provided a good summary of what had been achieved to date.</p> <p>The board noted that Charlie Pickles would be unable to attend several meetings in 2024 due to other diary commitments.</p> <p>Trustees asked to receive an invitation to join the Local Trusters alumni network.</p>	<p>James Goodman to share an invitation to the 'Local Trusters' LinkedIn page with all trustees.</p>
17.42 – Meeting close		