

ACTIVE PARTNERS TRUST ("APT")

a company limited by guarantee: 10876876

Board Meeting

held in Executive Boardroom S303
at the University of Derby, Kedleston Road, Derby DE22 1GB,
between 16.00 and 18.00 on Monday 30 October 2017

Minutes

Present:	Melanie Berry	(MB)	<i>APT Board Director</i>
	Derek Higton	(DH)	<i>APT Board Director</i>
	Stephen Jackson	(SJ)	<i>APT Board Director & Initial Chair</i>
	Kath Mitchell	(KM)	<i>APT Board Director</i>
In attendance:	Ilana Freestone	(IF)	<i>APT Chief Executive</i>
	John Krafts	(JK)	<i>Kraft HR Consulting</i>
	Simon Le Fevre	(SLF)	<i>Wharton Consulting</i>
Apologies:	Sarah Fowler	(SF)	<i>APT Board Director</i>
	David Williams	(DW)	<i>APT Board Director</i>

ITEM

1. Opening Remarks

SJ welcomed the directors and attendees to the meeting.

2. Apologies for Absence & Confirmation of Quorum

SLF reported that apologies had been received from SF and DW. SJ noted that there was a quorum for the meeting.

3. Minutes of the APT Board Meeting on 26 September 2017

a. Review and Approval of Minutes

The meeting reviewed and approved the minutes of the APT Board meeting held on 26 September 2017.

b. Any Actions Arising not otherwise covered in the Agenda

It was agreed that all actions arising would be covered under the relevant items on the agenda.

4. Declarations of Interest

a. Declaration of Interests Forms

SLF noted that completed forms were on file for four directors and were in the process of completion by the remaining two directors.

b. Fit & Proper Persons Declaration Forms

SLF noted that, similarly, completed forms were on file for four directors and were in the process of completion by the remaining two directors.

c. Declarations of Interests relevant to the Meeting

SJ reported that he had recently been appointed a Non Executive Director of Derbyshire Health United.

It was noted that there were no specific interests relevant to the current meeting,

5. Formal Record of Previously Agreed Company Set-Up Decisions

a. Appointment of CA Plus as financial management & payroll service providers to APT

The meeting noted that an evaluation of the second set of tenders for providing financial management & payroll services to APT had been conducted and that the recommendation to appoint CA Plus had been agreed by the Board through email by 9 October 2017.

SJ noted that CA Plus had made a particular effort to meet APT's needs and were the best bidders on cost. He also reported that Ken Pollard (KP) and Margaret Blount (MB) had visited CA Plus in order to be briefed on the planned systems. He also asked for a check on the length of notice period which would apply under the service contract. **Action: SLF & KP to check CA Plus notice period with KP and MB.**

b. Appointment of APT Chief Executive

The meeting also noted that the Board had agreed the appointment of IF to the position of Chief Executive of APT by email on 13 October 2017.

SJ thanked MB and SF for their efforts in arranging and conducting the interviews, and noted that the appointed candidate had proved successful against the benchmark of a strong short list. SJ reported that he had informed Sport England of the appointment.

6. Consideration of Remuneration & Benefits Package

IF left the meeting at this point.

a. APT Chief Executive

JK presented a paper setting out recommendations for a remuneration package for the position of APT Chief Executive and also for additional responsibilities allowances for two senior positions in the interim APT staff structure. After discussion, and noting that the

recommendations were affordable within the relevant APT budget figures, the meeting agreed to accept the recommendations in the paper.

JK was requested to include the relevant rationale from the recommendations paper in a formal notification letter to IF, now that she had been appointed to the position of APT Chief Executive. **Action: JK to draft letter to IF for signature by SJ, as APT Chair.**

IF returned to the meeting at this point.

7. Progress Updates on Company Set-Up

a. Staff Transfer Arrangements from DCC and NTU

IF reported that the transfer of Active Notts staff from Nottingham Trent University to APT had been completed. She noted that the transfer of Active Derbyshire staff from Derbyshire County Council had been approved by the relevant Cabinet Member on behalf of DCC, and was due for completion on 1 November 2017. New email addresses had been set up to reflect the move of staff into the Active Derbyshire and Active Notts teams within APT.

IF also explained that a two week consultation process would start the following week, regarding the re-structuring of staff positions in a way that was relevant to the current and future needs of APT.

b. Legal Agreements for Transfers of Funds & Assets from DCC and NTU

IF reported that the two legal agreements had been drafted by APT's legal advisers at Gateley Plc and were currently being reviewed by the relevant parties at DCC, NTU and APT.

The meeting noted that it was expected that some limited sums would initially be held back by DCC against outstanding invoices from external suppliers and/or service providers.

c. Initial Funding Agreement for APT with Sport England

IF reported that the submission had been sent in to Sport England on 14 October 2017, relating to funding for the period commencing on 1 April 2018. Where necessary, Sport England was in the process of novating existing Funding Agreements for sums due to be paid to APT during the period up to 31 March 2018.

The meeting noted that, as sufficient funds were available for transfer from NTU and DCC to APT, the previously discussed potential for a £50,000 advance on future funding from Sport England had not been needed.

d. Recruitment of Strategic Directors for Active Derbyshire and Active Notts

IF informed the meeting that the recruitment of the two posts had attracted some 50 applications, which had then been reviewed against the job descriptions & person specifications and whittled down to a short list of 8 interviewees. An interview panel, including an observer from Sport England, would be sitting on 1 November 2017. IF explained that she would also be giving feedback to those internal candidates who had not been successful in being included on the short list.

The meeting welcomed the level of interest in the positions and looked forward to being informed of the successful candidates in due course. **Action: IF to notify APT Board of**

appointees to the APT executive staff positions of Strategic Directors for Active Derbyshire and Active Notts.

The meeting also noted the need for senior executive staff to be added to the APT Succession Plan after the relevant re-structuring had been completed later in the current year. **Action: IF to add senior executive staff, in due course, to the APT Succession Plan drawn up by SLF.**

The meeting wished to record the APT Board's thanks, to both JK and SLF, for their assistance in progressing the set-up of APT and in supporting the company's actions progressively to reach a fully operational status.

8. Operational Reports

a. Initial Strategic & Operational Business Plans for APT

IF explained that operational activities would continue according to the existing Active Derbyshire and Active Notts Operational Delivery Plans for the time being. Information on central services for APT was being put together by MB.

The meeting supported IF's intention to present an Initial Strategic Plan for APT for the Board to review at an APT Away Day in the New Year of 2018. This would also allow the soon-to-be-appointed Strategic Directors for Active Derbyshire and Active Notts to be involved in the process. **Action: IF to plan for an Away Day for the Board and senior APT executive staff early in 2018.**

b. Initial Budgets & Financial Forecasts for APT

IF informed the meeting that the planned staff structure for APT was based on the availability of known sources of initial income from Sport England and from the transfers from NTU and DCC. The NTU transfer included the one year funding to deliver the Sport Premium and School Games programmes. More detailed budgets would be developed as part of the input for the Away Day.

c. Status of APT Premises Lease (NTU) & Licence (DCC)

The meeting noted that NTU was generally content with the proposed APT Premises lease for its Nottinghamshire Office and that this was therefore close to signing.

IF informed the meeting that APT was considering possible office space at M1 Junction 28. This was, in part, dependent on a 17 November 2017 decision on a funding application by the Community Sport Trust for a Local Delivery Pilot. If successful, this would facilitate the co-location of APT's Derbyshire Office with the CST and a local Public Health body. In the meantime, APT had a rolling one month licence arrangement with DCC for the continuing use of space in Godkin House, Ripley.

d. Status of APT Financial Management implementation with CA Plus

The meeting noted that CA Plus were setting up the relevant Quick Books system for APT. MB and KP were working with CA Plus on confirming the line items needed for the APT chart of accounts. The first payroll payments had been made satisfactorily in late October.

e. Status of IT Systems implementation for APT with Microtrading

IF reported that the implementation of the IT systems had necessitated the purchase of some additional equipment to facilitate the installation of suitable broadband connections and also a new contract with Vodafone.

The transfer of Active Notts staff to the new system had been completed and the transfer of Active Derbyshire staff was due over the next two days.

f. Progress of APT Registration with HMRC

The meeting was pleased to note that APT was satisfactorily registered with HMRC for PAYE, payroll tax and corporation tax. Further work was due to complete the necessary registration for APT to receive Gift Aid. **Action: IF & KP to progress Gift Aid registration with HMRC for APT.**

JK informed the meeting that Punter Southall had notified APT that Aviva would be taking over Friends Life and that the consequent Pension Scheme for APT staff was due for set up on 22 November 2017. He was monitoring the set up arrangements against the requirements of the Pensions Regulator and would inform the APT Board of any relevant matters. **Action: JK to inform APT Board of progress on set up of Pension Scheme for APT staff.**

g. Status of APT website

IF informed the meeting that the APT website was due to go live on 1 November 2017, with relevant links to branded Active Derbyshire and Active Notts websites, which would replace the former Derbyshire Sport and Sport Nottinghamshire websites.

New APT emails addresses were also being set up for all staff.

9. Governance Matters

a. Gap Analysis Fact Check of APT versus the Code for Sports Governance

SLF reported that the information requested by Sport England for its Gap Analysis Fact Check had been provided to Sport England on 13 October 2017, after circulation to the APT Board for prior information.

b. APT Code Compliance Action Plan

SLF explained that Sport England had then requested APT to provide a Code Compliance Action Plan, which had been submitted to Sport England on 27 October 2017, also after circulation to the APT Board for prior information. Reaction by Sport England to the submission was now awaited.

KM mentioned that "value for money" was likely to figure as a prominent component in future reporting to Sport England regarding public funding provided to APT.

In response to further questions from the directors, IF also explained that part of the responsibilities of the planned APT Head of Operations staff position would be to monitor progress against the APT Code Compliance Action Plan.

c. APT Diversity Action Plan

The meeting noted that reference to the creation of an APT Diversity Action Plan was included in the draft APT Diversity Statement to be considered under Item 10 d. on the agenda.

d. Impact of Criminal Finances Act 2017

SJ had raised the question of the potential impact of the implementation of the Criminal Finances Act on such matters as recruitment and the contracting of external service providers. The meeting felt this would be a matter for review by the Audit Committee when this is set up in the New Year of 2018. **Action: SLF to place the 2017 CF Act on the agenda of the first APT Audit Committee meeting.**

e. Impact of General Data Protection Regulation in 2018

DW had raised the question of the impact of the 2018 GDP Regulations on such matters as privacy statements and APT's future charitable fund raising activities. The meeting felt this would also be a matter for review by the Audit Committee when this is set up in the New Year of 2018. **Action: SLF to place the 2018 GDP Regulations on the agenda of the first APT Audit Committee meeting.**

The meeting also asked IF to arrange to identify impacts on APT staff and any relevant liabilities of the company of both items 9 d. and 9 e; and also to check what areas (including these items) would be covered by APT's Directors and Officers Insurance. **Action: IF to arrange identification of the impacts of the 2017 CF Act and the 2018 GBP Regulations on APT, and to check relevant coverage of liabilities by APT's insurance.**

10. Approval of Company Policies

a. Updated Terms of Reference for APT Board

SLF explained that the previously circulated updates were intended to align more closely with the Requirements of the Code for Sports Governance with regard to the conduct of meetings, the management of conflicts of interest and the evaluation of the Board's effectiveness. The meeting approved the updated APT Board Terms of Reference.

b. Updated Recruitment Process for APT Board Directors

SLF explained that the previously circulated updates were intended to align more closely with the Requirements of the Code for Sports Governance with regard to the maintenance of the Board's Knowledge, Skills & Experience Matrix and the role of the Senior Independent Director. The meeting approved the updated Recruitment Process for APT Board Directors.

c. APT Board Code of Conduct

SLF explained that the previously circulated APT Board Code of Conduct was a mandatory Requirement of the Code for Sports Governance with regard to the duties, behaviours and commitment of directors on the APT Board. The meeting approved the APT Board Code of Conduct.

d. APT Diversity Statement

SLF presented a draft APT Diversity Statement, and explained that this was a first step in the creation of an APT Diversity Action Plan, which was a Requirement under the Code for Sports Governance. Following comments from DH and further discussion, the meeting requested the inclusion of the full texts of the existing Equity/Equality Statements of Active Derbyshire and Active Notts and also reference to the diverse communities within the two counties. **Action: SLF to modify the APT Diversity Statement to include the additional Active Derbyshire and Active Notts texts accordingly and to re-circulate to the APT Board .**

11. Identification of Service Providers for APT

a. Status of Tender for Independent External Auditors for APT

A separate Request for Quotations had been sent out to potential providers of independent external audit services, including a number of local firms, on 27 October 2017. SJ and MB would review the submissions and, if appropriate, meet potential providers, with a view to recommending a preferred candidate firm to the APT Board at its next meeting. **Action: SJ & MB to provide recommendation on Independent External Auditors to the next APT Board meeting.**

12. Key Next Steps for Company Set-Up

b. APT Board Skills, Experience & Knowledge Matrix

SLF presented a draft Skills, Experience & Knowledge Matrix to the meeting, which captured information available thus far about the existing 6 directors on the APT Board and also about potential gaps. The meeting reviewed the draft Matrix, and agreed for the existing directors to provide further input to complete and update the Matrix. **Action: SLF to circulate the draft Matrix and all directors to provide further input.**

c. Transition & Succession Plan from initial to full APT Board

SLF reported that Sport England had confirmed that, under the Requirements of the Code for Sports Governance, they would consider previous tenure on the Boards of Derbyshire Sport or of Sport Nottinghamshire, by any of the current APT Board directors, as continuous service and therefore subject to the maximum terms in office set out under the Code. APT would be at liberty to make use of the relevant allowances in the Code for extended and/or additional terms of office to facilitate appropriate succession planning.

Accordingly, SLF presented a draft Transition & Succession Plan, which identified the existing 6 directors on the APT Board, on a knowledge, skills and experience basis, against relevant positions as set out in the APT Articles of Association and the APT Board Terms of Reference.

The meeting discussed the draft Transition & Succession Plan, and agreed for the existing directors to provide relevant feedback in order for the appropriate 6 appointments to be confirmed by a Written Resolution of the Company in due course. **Action: SLF to circulate the draft Transition & Succession Plan and all directors to provide relevant confirmation. Action: SLF then to draw up relevant Written Resolution to confirm the relevant 6 appointments and circulate for signature by all directors, as Members of the Company.**

d. Recruitment of additional APT Board Directors

The meeting further noted that the completion of the APT Board Transition & Succession Plan would consequently confirm the identification of the 4 vacancies on the APT Board, which would then need to be appropriately recruited through an open advertisement and interview process. The meeting requested arrangements to be put in place to complete the recruitment, with relevant involvement of existing APT board directors, before the calendar year end. **Action: SLF & IF** to facilitate the recruitment process for the 4 vacancies on the APT Board, once these are confirmed.

The meeting also noted that the appointment of the full 10 director positions on the APT Board would then allow APT to move on to appoint the Audit Committee in the New Year 2018. **Action: SLF** to draft Terms of Reference for the APT Audit Committee by calendar year end 2017.

e. Registration with Charity Commission for England & Wales

The meeting considered the substantial amount of work to be completed with regard to the staff structure, board composition and operational implementation of APT in the next few months, as well as the intention to review an over-arching APT Strategic Plan at the Away Day in the New Year of 2018.

With this in mind, the meeting agreed that work on registering APT with the Charity Commission could best be undertaken in the January - March quarter of 2018.

13. Risk Management

a. Review of Risk Matrix & Mitigation Actions for APT

IF presented the initial APT Risk Matrix and Mitigation Actions to the meeting, focusing on those items currently assessed as higher risks. The meeting requested any risks relating to progressing the APT Code Compliance Action Plan, and/or the legal requirements identified under agenda items 9 d. and 9 e. above, to be included in the next version of the Risk Matrix. **Action: IF** to present an appropriately updated Risk Matrix & Mitigation Actions to the next APT Board meeting.

14. Any Other Business

a. Date of next APT Board Meeting

It was agreed that the next APT Board Meeting would take place between 15.30 and 17.30 at Geldards' Office in Derby. **Action: SLF** to make relevant arrangements for the next APT Board meeting.