

# 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 09.00 and 11.00 on Tuesday 26 September 2017

### Minutes

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

### ITEM

#### 1. Opening Remarks

SJ welcomed all directors and attendees to the meeting.

#### 2. Apologies for Absence & Confirmation of Quorum

Apologies for absence had been received from MB and KM. SJ noted that there was a quorum for the meeting.

#### 3. Minutes of the Initial APT Board Meeting on 24 August 2017

##### a. Review and Approval of Minutes

The meeting reviewed and approved the minutes of the initial meeting on 24 August 2017.

##### b. Any Actions Arising not otherwise covered in the Agenda

The meeting reviewed the actions from the previous meeting, and identified that all relevant actions could be discussed under the relevant agenda item in the current meeting.

#### 4. Declarations of Interest

##### a. Declaration of Interests Forms

SLF reminded the meeting that the Declaration of Interests Form was important to the compilation of the company's Register of Interests. **Action: All Directors to complete, sign, date and return forms to APT office.**

##### b. Fit & Proper Persons Declaration Forms

The meeting noted that a record of Fit & Proper Persons Declarations was a compliance requirement under the Code for Sports Governance and the HMRC expectations for registered charities. **Action: All Directors to complete, sign, date and return forms to APT office.**

##### c. Interests relevant to the Meeting

IF declared an interest as a potential CEO candidate with regard to Item 6b. SJ declared an interest with regard to Item 6c, as his wife has an accounting role with NTU. As both items related to progress reports, rather than decision taking, the meeting did not consider there were any conflicts of interest on this occasion.

There were no other declarations of interest relevant to the meeting.

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

##### a. Appointment of Microtrading as ICT service providers to APT

The Board noted that an evaluation of the tenders for providing ICT services to APT had been circulated to the directors and that the recommendation to appoint Microtrading had been agreed through email by 18 September 2017.

##### b. Approval of Recruitment Policy for APT Board Directors

The Board noted that SLF had circulated a Recruitment Policy for APT Board Directors, and that this had Policy had been agreed by the directors through email by 8 September 2017.

##### c. Approval of Insurance Premium payments for APT

The Board noted that the insurance quotation from Hiscox, brokered by Perkins Slade, had been circulated to the directors and agreed through email by 25 September 2017. The Board also noted that safeguarding was included within the scope of the insurance cover.

DW pointed out that the General Data Protection Regulation would bring new levels of corporate responsibility for company directors with regard to any data management breaches, and questioned whether the directors and officers liability insurance would cover the new situation. **Action: SLF/IF to check insurance cover for when General Data Protection Regulation comes into force in 2018.**

d. Adherence of APT to CSP Network Group Life Assurance Scheme

The Board noted its agreement by email correspondence by 22 September 2017 to for APT to adhere to the CSP Network Group Life Assurance Scheme.

## 6. Progress Updates on Company Set-Up

a. Staff Transfer Arrangements from DCC and NTU

JK reported that DCC had agreed that the Pensions Directions did not apply in the circumstances of APT, and that contract variation issues had also been satisfactorily dealt with. Meetings had been held with the Sport Nottinghamshire staff, and the transfer from NTU employment to APT employment was set for 1 October 2017. Meetings had also been held with Derbyshire Sport staff, and a meeting with the relevant trades unions had also been set up, with a view to the transfer from DCC employment to APT employment taking place on 1 November 2017.

SJ commented that these were positive developments, and the Board looked forward to the conclusion of the relevant legal documents. **Action: JK/SLF to progress, with support from relevant staff, Transfer Agreements for staff, funds and assets from Sport Nottinghamshire (as from 1 Oct 2017) and Derbyshire Sport (as from 1 Nov 2017) to APT with Gateley Plc.**

SJ also asked about staff morale. JK and IF responded that staff morale at Sport Nottinghamshire ranged from alright to good, and at Derbyshire Sport was generally alright. In the latter case, APT's circumstances, with regard to the affordability of the future level of staff pensions, had been accepted.

b. Recruitment of APT Chief Executive

The Board noted that the staff job descriptions & person specifications for the APT Chief Executive and the Active Derbyshire and Active Notts Strategic Directors had been drafted, reviewed by SF and MB and then circulated since the August APT Board meeting. The Board agreed that it would not be constitutionally appropriate for the positions of Chief Executive and Chair of the APT Board to be held by the same person, and that this was further evidenced in the job description by a clear reporting line for the CEO to the Chair.

JK reported that there had been a delay to the original schedule for the recruitment of the APT Chief Executive, while the negotiations with DCC were concluded. The Board agreed that a revised timetable therefore needed to be put in place. **Action: MB/SF to progress, with support from JK, recruitment of CEO through to interviews on 11 Oct 2017.**

The Board noted that it might be desirable to include a Local Authority Funding Partner representative on the interview panel for the Active Derbyshire Strategic Director. **Action: IF/JK to progress advertisements for Active Derbyshire and Active Notts Strategic Directors roles thereafter.**

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

The Board noted that a conference call was due later in the day with Gateley Plc, APT's legal advisers, to work through the outlines of the key legal documents required to effect the transfers. **Action: JK/SLF to progress Transfer Agreements for staff, funds and assets from Sport Nottinghamshire (as from 1 Oct 2017) and Derbyshire Sport (as from 1 Nov 2017) to APT with Gateley Plc.**

d. Initial Funding Agreement for APT with Sport England

IF reported that she was awaiting relevant funding application documentation from Sport England, which would then need to be completed by 14 October 2017, for the funding period commencing on 1 April 2018. Sport England would also make arrangements to novate Funding Agreements, relating to existing awards for Derbyshire Sport and Sport Nottinghamshire activities and programmes, from DCC and NTU respectively to APT.

IF reported that the transfer of existing funds from NTU would cover APT's cash flow needs in the immediate future. The Board also noted that an initial tranche of funding was due to be injected into APT in the short term. **Action: IF to progress funding application for initial APT £50,000 set up grant from Sport England.**

e. Recruitment of additional APT Board Directors

The meeting noted that this recruitment process would become practicable once the relevant Cabinet Member at DCC had signed off on the process of transfer to APT. **Action: SLF to draft role descriptions & person specifications for the four additional Directors.**

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

The Board discussed the paper on board tenure previously circulated by SLF, noting the arguments for treating APT as a completely new entity. The meeting recognised that this question needed to be settled before the terms of office for the six initial APT directors could be determined for the intended Transition & Succession Plan. **Action: SLF to put case for APT Directors to be considered as new appointments to Sport England.**

## 7. Operational Reports

a. Initial Business Plan for APT

IF informed the meeting that an initial draft of an APT Business Plan had been drawn up, and would need further development in line with the investment requirements of expected funding from Sport England. **Action: IF to progress Initial Business Plan, with support from DS & SN staff, for circulation in advance of 30 Oct 2017 APT Board meeting.**

As part of the supporting financial information, SJ offered to assist with confirming the opening balance sheet for APT. **Action: IF to progress, with support DS & SN staff and SJ, the creation of opening balance sheet for APT.**

b. Opening of APT Bank Account with NatWest

DH reported that he had completed the bank mandate form, and SJ agreed to chase Nat West for confirmation of the opening of the bank account. **Action: SJ to notify relevant staff once confirmed bank account documentation is received from NatWest.**

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

IF explained that NTU's legal advisers had drafted a lease for the APT premises at the Clifton Campus, and the meeting welcomed this progress. **Action: IF, with support of relevant staff, to progress review of NTU premises lease for APT with Gateley Plc.**

With regard to the Licence with DCC for the continued use of Godkin House, IF informed the meeting that relevant rent had been paid up front for the coming months. Options for the

future location of APT's Active Derbyshire staff team were being investigated, including the possibility of co-locating with the local Community Sport Trust.

d. IT Systems implementation for APT with Microtrading

IF reported that the relevant staff were content thus far with the ITC systems implementation with Microtrading, and that this was being assisted by NTU's familiarity with similar situations for other organisations on the Clifton Campus.

e. Pensions Support implementation for APT with Punter Southall Aspire

[REDACTED] Steps were being taken to manage the tax implications and to liaise with NTU regarding the prompt issuance of relevant P45 forms to facilitate the staff transfers. **Action: JK** to have delegated authority from the APT board to sign off relevant forms to set up the pension arrangements identified by PSA.

f. Gap Analysis of APT versus the Code for Sports Governance

The Board noted that APT had received a Fact Check Questionnaire from Sport England on 14 September 2017 and that answers were required in order to indicate APT's progress towards being fully Code compliant. **Action: SLF** to prepare Response to Fact Check Questions received from Sport England and circulate to APT Board before submitting to Sport England.

## 8. Approval of Company Policies

SLF referred to the following policies, which had been circulated to the Board for review:

- a. Terms of Reference for APT Board
- b. Terms of Reference for Active Derbyshire Oversight Panel
- c. Terms of Reference for Active Notts Oversight Panel

The Board agreed to ratify these policies.

SLF informed the Board that a number of points in the Gap Analysis versus the Code would be covered by an APT Board Code of Conduct, which he would draft and circulate to the Board in time for the next meeting. **Action: SLF** to draft APT Board Code of Conduct for approval at 30 Oct 2017 APT Board meeting.

## 9. Identification & Approval of Service Providers for APT

a. External Audit

The meeting noted that a tender for independent external auditors would take place after the revised tender for payroll & accountancy/financial management services.

b. Pay Roll & Accountancy/Financial Management

The Board took note of email correspondence between the directors which established that the initial tender evaluation had not identified a service provider which was acceptable to the

Board at this stage. A revised tender had therefore been put in place, and JK had identified a "fall back" provider, in the event that an appointment could not be made within the timeframe for a 22 October initial pay run. In the interests of time, and taking account of the views about the criteria for a suitable provider which had already been expressed by the directors, the Board agreed to delegate the choice of a provider to SJ and IF. **Action: SJ/IF to review, with support from relevant staff, responses to revised tender and inform APT Board of chosen services provider for pay roll & financial management.**

c. Pensions Administration

JK reported that the implementation of pensions administration was proceeding satisfactorily. **Action: JK to have delegated authority from the Board to sign off relevant forms to set up the pension arrangements identified by PSA and the CSP Network Group Life Assurance Scheme.**

## 10. Key Next Steps for Company Set-Up

a. Registration with HMRC

The meeting noted that there would be more than one area of tax registration with HMRC, including corporate tax, payroll-related tax and Gift Aid charitable tax relief. **Action: IF, with support of relevant staff, to progress registration with HMRC once APT bank account number is confirmed.**

b. Registration with Charity Commission for England & Wales

The Board noted that progress would be made on this matter once the HMRC registrations and the APT Business Plan were in place. In discussion, the directors identified that, although several directors were familiar with charity trustee obligations, there was a training need to bring the whole Board up to speed with current compliance requirements. **Action: SJ/SLF to schedule an APT Board Development "Away Day" to provide briefing on APT's compliance obligations once the company becomes registered with the Charity Commission.**

## 11. Risk Management

a. Review of Risk Matrix & Mitigation Actions for APT

IF reported that an initial APT Risk Matrix was being drafted. Key areas of risk and mitigating actions were being identified with regard to:

- keeping Sport England, as APT's major funding stakeholder, well informed of progress on the company's set-up, including through the Q2 2017/18 review;
- ensuring a long term, or temporary fall back, payroll system was in place in time for the first staff salary payments in October;
- the management of staff morale and capacity during the initial structuring of the APT workforce;
- reviewing, and where necessary, revising delivery plan working against this capacity background;
- developing new KPIs in order to ensure APT would be delivering appropriately against the new Sport England investment requirements; and
- managing the arrangements with DCC for as long as the Active Derbyshire team remained in Godkin House.

**Action: IF**, with support of relevant staff, to develop APT Risk Matrix for circulation ahead of APT Board meeting on 30 Oct 2017.

## 12. Any Other Business

a. Dates of next APT Board meetings

The Board agreed to continue to meet on a monthly basis during the set-up period of the company until end March 2018, and to consider at what point it would be appropriate to invite an attendee from Sport England.

DW offered meeting rooms at the Derby or Nottingham offices of his law firm as possible venues. **Action: SLF** to arrange for next APT Board meeting on 30 Oct 2017 at a suitable location.

**END**