

ACTIVE BLACK COUNTRY LIMITED
- a company limited by guarantee and without a share capital -
Company Number 14537800

Board of Directors Meeting
held by video call at 08.05 on Friday 14th of April 2023

Minutes

Directors present: Amanda Tomlinson (AT) in the chair
Carol Bate (CB) *(from Item 3)*
Richard Medcalf (RM) *(until Item 5b)*

In attendance: Ian Carey (IC) ABC Ltd Chief Executive Officer Designate
Simon Le Fevre (SLF) Wharton Consulting.

1. Introduction

a) Quorum & Apologies for Absence

AT noted that there were no apologies, and that the meeting was quorate.

b) Declarations of Interests

There were no declarations of interest pertinent to the meeting.

2. Minutes of Board Meetings dated 17th March 2023

a) Review and Approval of Minutes

The Directors approved the Minutes of the Board Meeting of Active Black Country Limited (ABC Ltd) held on 31st March 2023.

IC confirmed that the relevant section of the Minutes, that agreed the change of address for ABC Ltd, had been provided to Knights Plc to file with Companies House.

b) Any Actions Arising not otherwise on the Agenda

The meeting reviewed the Schedule of Board Meeting Actions. IC reported that:

- the Summary Letter to staff outlining the planned Aviva Pension Fund offer had been sent out;
- the necessary arrangements for staff transferring into ABC Ltd to leave the Local Government Pension Scheme had been actioned;
- the contents review of the Staff Handbook is work in progress;
- relevant GDPR & Privacy Notices systems and processes had been put into place;
- cross-referencing of the Safeguarding Policy to the Whistleblowing Policy is work in progress; and

- circulation of the letter containing the Written Statement of Employment Terms & Conditions to staff transferring into ABC Ltd is dependent on confirmation of the final transfer date.

3. Governance & Compliance Updates

a) Update on review of future charity compliant Articles of Association by Knights Plc

IC explained that Knights LLP had reviewed the draft revised Articles modelled on the Charity Commission template and provided some comments. SLF presented the responses to those comments, and relevant proposed amendments, in the version of the draft Articles that had been circulated to the ABC Ltd Directors. The Directors agreed that these amended draft revised Articles would be referred to Knights Plc for a final legal check, after which the final version would be circulated to the Directors to adopt in their capacity as the voting Company Members. **Action: IC, SLF, & Directors.**

In response to questions from RM, the meeting noted that in order to comply, upon their adoption, with the relevant provisions in the revised Articles of Association regarding the minimum number of Board Directors, it would be necessary for the current ABC Ltd Directors to:

- pass a Directors' Resolution to appoint additional Directors under Article 17.1.b of the 2006 Companies Act Model Articles, as they currently apply to ABC Ltd; and to
- pass a duly proposed and seconded Directors' Resolution to appoint the additional Directors as Company Members, under Articles 20.1 and 20.2 of the current 13th December 2022 ABC Ltd Articles.

Action: IC & Directors

The ABC Ltd Directors agreed that AT, as ABC Ltd Chair, would give advance notice to the other ABC Partnership Board Members, who are intending to transfer into ABC Ltd as Company Members and additional Independent Non-Executive Directors, and that IC would provide them with copies of the ABC Ltd Board Handbook (containing the Board Terms of Reference, Board Code of Conduct, and Directors' Role Descriptions) as well as the HMRC Fit & Proper Persons Form for them to complete. After their acceptance of their appointments, the additional ABC Ltd Directors would then receive the relevant Letters of Appointment from AT. **Action: AT & IC**

b) Sport England Tier 3 Assessment

IC reminded the meeting that Sport England require ABC Ltd to file the revised Articles of Association with Companies House as a condition of approval of Sport England's intended novation of the Grant Funding Agreements from BCC Ltd to ABC Ltd. IC reported that he had advised Sport England that ABC Ltd intend to submit the revised set of Articles to Companies House after approval by the ABC Ltd Board. **Action: IC & Knights Plc**

The meeting noted that there may be a need for further modifications to the revised ABC Ltd Articles of Association, after the Charity Commission has reviewed them as part of the submission documentation for ABC Ltd's application to register as a charity.

4. Operational Planning Updates

a) Pension Scheme

IC confirmed that the ABC Ltd staff pension scheme had been registered & approved by Aviva, and that the estimated annual employer pension contributions would be circa £53,595.36. In response to a question from CB, IC explained that the Punter Southall Aspire pension advisers would be available to assist with any staff questions.

b) Office Accommodation

IC explained that the Heads of Terms & Lease for ABC Ltd office accommodation at 1st Floor, Neville House, are being reviewed by Anthony Collins Solicitors, and that the identified date for commencement of the lease and occupation is the 1st of May 2023. In the event that this occupation date could not be met, the IT arrangements noted in Minute 4.d below would make home working by ABC Ltd staff feasible.

c) ABC Ltd contract templates

IC Informed the meeting that Anthony Collins Solicitors are reviewing the following ABC Ltd contract templates and aim to have them operational by the 17th of April 2023:

- contract for supplies and services (where ABC Ltd is procuring);
- short form grant agreement (where ABC Ltd is making grants to other bodies; and
- short form services agreement (where ABC Ltd is being asked to provide services).

d) IT Migration, Accounts Set-Up, & Transfer of Data Files

IC explained that Superfast IT had configured the relevant laptops and set up all user accounts under the domain "activeblackcountry.org". This arrangement will allow:

- the existing ABC Partnership staff to use the new accounts from the week commencing 17th April 2023, thus mitigating some of the risk with IT migration; and
- the integration of further domains in the future.

IC also explained that:

- ABC Partnership staff are preparing files to be transferred from the BCC Ltd server to the ABC Ltd SharePoint storage platform;
- BCC Ltd are preparing all the current and historic hardcopy and electronic ABC Partnership HR files for transfer to the ABC Ltd SharePoint storage platform in the week commencing 24th April 2023;
- SRC Accountancy Services Ltd are setting up payroll and accountancy software for use from the week commencing 24th April 2023.

In response to a question from RM, IC confirmed that SRC Accountancy Services Ltd would ensure that the salary payments made on the relevant date would cover the whole month of May.

In response to a question from AT, IC confirmed that:

- SRC Accountancy Services Ltd would be preparing ABC Ltd management accounts from the start of the Company's operations; and that
- SRC Accountancy Services Ltd and the ABC Ltd auditors, Folkes Worton, are primed to undertake relevant scrutiny of the transfers of funds and assets from BCC Ltd into ABC Ltd, in liaison with the BCC Ltd auditors, Cooper Parry.

e) Transfer of Financial Balances

IC confirmed that BCC Ltd had transferred £61,407.00 of unrestricted reserves across to ABC Ltd during the week commencing 11th April 2023, and that a further tranche of £107,088.00 of unrestricted reserves was due to be transferred during the week commencing 17th April 2023. This would provide a total of £168,495 of funds to support ABC Ltd's initial operations, against an estimated cashflow requirement of £149,107 across the months of May and June 2023.

f) Update on BCC Ltd Response to ABC Ltd Letter on Intellectual Property & Social Media Transfers

The meeting took note that, following consultations during a video call on 6th April 2023, the ABC Ltd Directors had authorised IC to propose the following outline course of action to BCC Ltd:

1. delete all the historical posts across the social media platforms;
2. retain the social media handles;
3. retain the existing followers;
4. agree a joint BCC Ltd/ABC Ltd message re: handover;
5. provide passwords and log-in details; and
6. agree a timeframe for handover to ABC Ltd.

IC reported that the CEO of BCC Ltd, Sarah Middleton (SM), had agreed to action this approach, subject to receiving advice from BCC Ltd colleagues on how best to implement the proposed course of action. **Action: IC**

5. Incorporation & Transition Action Plans

a) Updated Action Plans, Action Tracker

The ABC Ltd Directors noted, with concern, IC's report that BCC Ltd and ABC Ltd are still awaiting the Letter of Novation from Sport England, which sets out the details of the Grant Funding that is subject to the Deed of Novation. IC explained that he had advised Sport England of the effective cut-off date, of 21st April 2023, to confirm the transfer of the ABC Partnership staff from BCC Ltd to ABC Ltd on 1st May 2023.

After detailed discussion of the issue, the ABC Ltd Directors agreed that AT, as the Chair of ABC Ltd, would directly contact Phil Smith, Sport England's Executive Director of Partnerships, in order to explain the urgency for BCC Ltd and ABC Ltd to receive the Letter of Novation by Thursday 21st April 2023. **Action: AT**

The ABC Ltd Directors further agreed that the following conditions would need to be met by Thursday 21st April for them to authorise the transfer of the ABC Partnership staff from BCC Ltd to ABC Ltd on 1st May 2023:

1. the transfer of unrestricted funds, detailed in Minute 4.e above, by BCC Ltd to ABC Ltd;

2. written confirmation agreed between ABC Ltd and BCC Ltd on the transfer of non-financial assets;
3. receipt by BCC Ltd & ABC Ltd of the Letter of Novation, with its accurate contents confirmed by Sport England; and
4. the Sport England Deed of Novation duly signed by BCC Ltd and ABC Ltd.

The meeting also authorised AT and IC to inform SM that ABC Ltd is doing everything possible to expedite matters but that, if the 21st of April deadline cannot be met, then a further delay of the staff transfer to 1st June 2023 would be necessary. **Action: AT & IC**

b) Any Other Business

AT noted that the recruitment of an ABC Ltd Business Manager to support the increasing corporate governance and operational oversight work of IC, as the ABC Ltd Chief Executive Officer Designate, was becoming a priority. **Action: AT & IC**

c) Date of next Board Meeting

The meeting noted that the next ABC Partnership Board Meeting is scheduled for Wednesday 26th April and the next regular ABC Ltd Board Meeting for Friday 28th April. The ABC Ltd Directors agreed to be available for an additional Board Meeting on Tuesday 18th April, if required.

Actions Schedule

Item	What	Who
3a	Refer amended draft revised Articles to Knights Plc for a final legal check.	IC & SLF
3a	Circulate final version of revised Articles to the ABC Ltd Directors to adopt in their capacity as the voting Company Members.	IC
3a	Pass a Directors' Resolution to appoint additional Directors to the ABC Ltd Board.	IC & Directors
3a	Pass a duly proposed and seconded Directors' Resolution to appoint the additional Directors as Company Members of ABC Ltd.	IC & Directors
3a	Give advance notice to ABC Partnership Board Members, intending to transfer into ABC Ltd as additional Company Members and Directors.	AT
3a	Provide additional Directors with copies of the ABC Ltd Board Handbook and the HMRC Fit & Proper Persons Form for them to complete.	IC
3a	Send relevant Letters of Appointment to the additional Directors.	AT
3b	Submit the revised set of Articles to Companies House after approval by the ABC Ltd Board.	IC & Knights Plc
4f	Action the agreed approach to the transfers of intellectual property and social media from BCC Ltd to ABC Ltd.	IC
5a	Contact Phil Smith at Sport England to explain the urgency for BCC Ltd and ABC Ltd to receive the Letter of Novation by Thursday 21 st April 2023.	AT
5a	Inform SM at BCC Ltd that, if the 21 st of April deadline cannot be met, then a further delay of the staff transfer to 1 st June 2023 will be necessary.	AT & IC
5b	Prioritise the recruitment of an ABC Ltd Business Manager.	AT & IC

END