

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

Board Meeting

held by video call at 08.05 on Friday 17th March 2023

MINUTES

Directors present: Amanda Tomlinson (AT) in the chair
Carol Bate (CB) (*Items 1 to 4a*)
Richard Medcalf (RM)

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 Meeting dated 7th March 2023

a) Review and Approval of Minutes

After a brief discussion of relevant amendments, the Directors approved the amended version of the Minutes of the Board Meeting of Active Black Country Limited (ABC Ltd) held on 7th March 2023.

b) Any Actions Arising not otherwise on the Agenda

The meeting noted that there were no actions arising that were not covered later on the agenda.

3. Governance & Compliance Updates

a) Update on future charity compliant Articles of Association by Knights Plc and Sport England

The meeting noted the email dated 15th March 2023 from IC regarding the amendments requested by Sport England to the proposed charity compliant ABC Ltd Articles of Association. The ABC Ltd Directors agreed that the following relevant amendments to:

- Article 33.3, referring to a maximum of nine years continuous service and to stand-down periods of less than 4 years being included in the calculation of the maximum; and to

- Article 33.4, referring to a maximum of 12 years' service for the chair of the charity and the inclusion of their prior service as a director;

would be included in the updated version of the proposed charity compliant Articles. **Action: IC & SLF**

IC reported that Knights Plc were yet to complete their legal review of the proposed charity compliant Articles.

b) Sport England Tier 3 Governance Factcheck Assessment

IC informed the meeting that the responses, prepared by himself and SLF, had been submitted to Sport England's Head of Governance Assessment, [REDACTED] who was now reviewing ABC Ltd's updated Governance Factcheck Tracker Schedule. Sport England had confirmed that only [REDACTED] sign-off is required for the relevant Sport England Executive Director to approve Sport England's future investment into ABC Ltd.

c) Governance Actions & Policies Review Planner

The meeting noted the initial 2023-2026 ABC Ltd Governance Actions & Policies Review Planner, which would be subject to review at the next Board meeting.

4. Transition Target Date

a) Critical Path & TUPE

IC presented a Report to the ABC Ltd Directors regarding current progress on the Critical Path towards the TUPE target date of 1 April 2023 for the transfer of relevant staff and for ABC Ltd to become fully operational. He noted that verbal agreement had been given by the CEO of Black Country Consortium (BCC) Ltd to the transfer of identified non-Sport-England-funded unrestricted financial reserves to ABC Ltd, but that no final agreement had yet been given to the transfer of non-financial assets. There had been some agreement on specific assets - i.e. laptops, but a question remained regarding branding - i.e. logos, ABC Partnership website, and social media account. The question relating to these assets largely revolved around the ownership and intellectual property of these non-financial assets.

IC also noted that BCC Ltd had not yet put any of the agreed transfer actions in writing or given any written acknowledgement of the ABC Partnership's formal notification of the Partnership's planned transfer into the ABC Ltd independent legal entity on 1 April 2023. IC explained that this target date remained generally still achievable if key milestones could be met by 23 March 2023, including:

1. opening of the ABC Ltd bank account with the Co-operative Bank;
2. sign-off of the Tier 3 Governance Factcheck Assessment by Sport England; and
3. relevant written agreements from BCC Ltd relating to the support and facilitation of the transfer processes, as mandated under the current Host Agency Agreement.

IC considered that points 1 and 2 would be completed by 23 March, but that point 3 remained uncertain.

In response to a question from CB, IC confirmed that Sport England is already anticipating that it will arrange any future Grant Agreements for new funding streams directly with ABC Ltd.

After discussion of the Report and extensive consideration of the associated risks and their mitigation, the ABC Ltd Directors decided:

- to send a letter from ABC Ltd to BCC Ltd setting out the agreed position on the unrestricted financial reserves and formally requesting their transfer;
- to agree, with the best interests of the transferring staff and prudent risk management in mind, an “in principle” “fall back” target transfer date of 1 May 2023, in the event that any or all of the 23 March 2023 milestones are not met;
- to request, accordingly, the ABC Partnership Board to send a letter to BCC Ltd advising that the Partnership would require, under Clause 18.1 of the Host Agency Agreement, the continuation of relevant support services from BCC Ltd until 1 May 2023;
- to inform Sport England of the position, including advising Sport England of the potential need for the Sports Council’s legal team to engage directly with BCC Ltd in order to resolve outstanding issues;

and authorised AT and IC to undertake these tasks. **Action: AT & IC**

b) Office Accommodation Lease Review

IC requested authorisation, on the basis of a competitive quote by comparison with Knights Plc, to instruct Anthony Collins Solicitors to provide advice on the proposed office accommodation lease for ABC Ltd at Neville House, which was agreed by the unconflicted ABC Ltd Directors. AT noted that she was familiar with the work of Anthony Collins Solicitors, as they provide legal services to Black Country Housing Group, of which she is the Chief Executive. **Action: IC**

5. Operational Planning Updates

a) IT Service Provider

IC requested authorisation to enter into a Letter of Engagement between ABC Ltd and Superfast IT Ltd for the provision of IT support services, which was agreed by the ABC Ltd Directors. **Action: IC**

b) Payroll & Management Accounts Service Provider

IC requested authorisation to enter into a Letter of Engagement between ABC Ltd and SRC Accountancy Services Ltd for the provision of payroll and management accountancy services, which was agreed by the ABC Ltd Directors. **Action: IC**

c) Procurement Policy

The meeting noted the draft ABC Ltd Procurement Policy, which would be subject to review at the next Board meeting.

d) ABC Ltd Board Director Induction Checklist

The meeting noted the draft ABC Ltd Board Director Induction Checklist, which would be subject to review at the next Board meeting.

e) Stakeholder Engagement Strategy

The meeting noted the draft ABC Ltd Stakeholder Engagement Strategy, which would be subject to review at the next Board meeting.

6. Incorporation & Transition Action Plansa) Updated Action Plans & Critical Path

The meeting noted that relevant matters had been discussed under Item 4a above.

b) Any Other Business

The ABC Ltd Directors asked IC and SLF to consider any knock on effects on other items of ABC Ltd business from any decision to defer the operational implementation target date to Monday 1 May 2023. **Action: IC & SLF.**

c) Date of next Board Meeting

The date of the next online Board meeting was confirmed for Friday 31 March 2023 at 08.05.

Actions Schedule

Item	What	Who
3a	Include amendments on Directors' continuous service and stand-down periods in Articles 33.3 and 33.4 of the updated version of the proposed charity compliant ABC Ltd Articles of Association.	IC & SLF
4a	Send a letter from ABC Ltd to BCC Ltd setting out the agreed position on the unrestricted financial reserves and formally requesting their transfer.	AT & IC
4a	Request the ABC Partnership Board to send a letter to BCC Ltd advising that the Partnership would require the continuation of relevant support services from BCC Ltd until 1 May 2023	AT & IC
4a	Inform Sport England of the points above, including the potential need for the Sports Council's legal team to engage directly with BCC Ltd in order to resolve outstanding issues.	AT & IC
4b	Instruct Anthony Collins Solicitors to provide advice on the proposed office accommodation lease for ABC Ltd at Neville House.	IC
5a	Enter into a Letter of Engagement between ABC Ltd and Superfast IT Ltd for the provision of IT support services.	IC
5b	Enter into a Letter of Engagement between ABC Ltd and SRC Accountancy Services Ltd for the provision of payroll and management accountancy services.	IC
6b	Consider any knock on effects on other items of ABC Ltd business from any decision to defer the operational implementation target date to Monday 1 May 2023.	IC & SLF

END