

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 20th January 2023

MINUTES

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

In attendance: Ian Carey (IC) Director – Active Black Country Partnership
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

AT declared an interest as a director of Black Country Consortium Limited (BCC Ltd).

2. Minutes of Board Meeting dated 6th January 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 6th January 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. Development of Charity Compliant Constitutional Documentation

a) Input from Active Black Country Partnership Board Meeting on 17th January 2023

AT reported that the ABC Partnership Board had reviewed, discussed, and endorsed the draft Terms of Reference that had been prepared for the ABC Ltd:

- i) Board;
- ii) Audit, Risk, & Compliance (ARC) Committee;
- iii) Nominations & Governance (N&G) Committee; and
- iv) Strategic Investment Committee.

b) Board & Key Committees Terms of Reference

SLF explained that the Terms of Reference for the ABC Ltd Board and for its three Board Committees had been slightly amended to take account of the ABC Partnership Board discussions and of comments from the ABC Ltd Directors. The ABC Ltd Board approved the amended Terms of Reference, noting that they were “living documents” that would be subject to annual review and any necessary updating in the light of experience.

RM raised the point, and the meeting agreed, that it would now be desirable to start appointing additional willing and able ABC Partnership Board Members as Directors on the ABC Ltd Board, so that the roles of Vice Chair, Senior Independent Director, and Chairs of the Board Committees could be agreed and filled. The meeting noted the Sport England expectation that, like the three initial Directors, the calculation of the terms of office of such appointees would include their period of service on the ABC Partnership Board. AT informed the meeting that she was scheduled to have relevant discussions with ABC Partnership Board Members in early February. **Action: AT.**

The meeting also noted that the early establishment of the Nominations & Governance Committee would allow ABC Ltd to undertake the open recruitment of any needed new Board Directors and of any needed Non-Director Members of the ARC Committee and/or the N&G Committee.

AT requested that these appointment matters be included as an agenda item for the 3rd of February Board Meeting. **Action: SLF.**

c) Schedule of Matters Reserved for the Board + Scheme of Delegation

IC explained that the Schedule of Matters Reserved for the Board + Scheme of Delegation had been updated to take account of the comments from the ABC Ltd Directors at their previous meeting and had been reviewed and endorsed by the ABC Partnership Board. The ABC Ltd Board approved the updated Schedule, again noting that this was a “living document”.

d) Preparation of future Articles of Association

SLF confirmed that he would incorporate relevant high level items from the Terms of Reference of the ABC Ltd Board and its three Board Committees in drafting suitable wording in the future version of the Company’s Articles of Association. He anticipated providing a working draft of those Articles to the 3rd of February 2023 Board Meeting. **Action: SLF.**

The meeting considered the possibility of including the CEO position as an *ex officio* Director on the ABC Ltd Board, recognising that any such *ex officio* Director position would necessarily be included in the maximum Board size of twelve and would likely require Charity Commission approval. IC expressed the view that there was no current obvious need for the CEO position also to be a Director, and SLF also pointed out that the Board Terms of Reference included the CEO as a regular report and attendee at ABC Ltd Board meetings.

The meeting concluded that the CEO position would not be an *ex officio* Director on the ABC Ltd Board at this point. AT noted that this could be reconsidered by the Board in the future, recognising that any change would necessitate an amendment to the Company’s Articles of Association.

4. Operational Planning Updates

a) Input from Active Black Country Partnership Board Meeting on 17th January 2023

AT reported that the ABC Partnership Board had reviewed, discussed, and endorsed the various operational plans and arrangements that the ABC Ltd Board has put into place to date.

b) Arrangements for TUPE transfer of staff from Black Country Consortium Ltd

IC reported that the preparations for the start of the TUPE consultations on 25th January were proceeding as planned. The Directors agreed that any decisions with regard to the TUPE consultations, that might be required of ABC Ltd before the 3rd of February Board Meeting, could be taken by circular resolution.

c) Identification of potential Service Providers for IT Administrative Support

IC presented an options paper prepared by Mike Salmon (MS) on IT infrastructure transition arrangements and potential service providers. After careful consideration, the meeting reached the following conclusions:

- i) The lower transition-related risks of continuing with Majestic IT made this option attractive.
- ii) Any continuation with Majestic IT would need to be on a “stand alone” contract basis for ABC Ltd.
- iii) The complexities, GDPR implications, and potential risk exposures of any “shared” contract with the Economic Intelligence Unit, under its future hosting arrangement with Walsall MBC, were deemed too great for this to be a suitable option for ABC Ltd.
- iv) The inclusion in the ABC Ltd budget of replacement costs for the staff team’s laptops was considered prudent and welcome.
- v) A more fully costed comparison between Majestic IT, AIR IT, and Superfast IT was considered to be helpful to inform a final decision.
- vi) Further clarity on website domain, email system, and cyber protection aspects would also be useful.

The ABC Ltd Directors requested that these conclusions be taken into account in a revised and updated options paper, for agreement either during the 3rd of February Board Meeting or by circular resolution if needed more urgently before then. **Action: IC & MS.**

d) Identification of potential Accountancy Service Providers and Independent External Auditors

IC reported that the Birmingham firm of Locke Williams Associates LLP had now indicated that it did not have the capacity to provide services to ABC Ltd within the required timeframe. However, he was now in promising discussions with the Stourbridge firm of SRC Accountancy Services Ltd regarding financial management support and external audit services, and would report further to the 3rd of February Board Meeting. **Action: IC.**

In the meantime, AT and IC had agreed to contract, via BCC Ltd, a financial services agency worker to provide relevant support for reconciliations and other financial matters connected with the planned transfer of funding, staff, and assets from BCC Ltd to ABC Ltd. **Action: AT & IC.**

e) Office Accommodation

IC reported that the lease for office accommodation at Dudley Court has been extended to 31st March 2023.

IC also explained that slow responses from the Fisher German property agents and the continued uncertainties over the landlord's lease terms meant that the Neville House option for future office accommodation was looking progressively less viable. He planned to view the other shortlisted properties and would report back to the 3rd of February Board Meeting. **Action: IC.**

f) Bank Account Opening Arrangements

IC presented a paper on potential banking service providers that indicated a preference for the Co-operative Bank on the basis of cost, access, and integration with ABC Ltd's expected accounting platform, as compared with Metro Bank, CAF Bank, and Lloyds Bank. After discussion, the Directors authorised IC to proceed with investigating account opening arrangements for ABC Ltd with the Co-operative Bank. **Action: IC.**

g) Arrangements for Novation of Sport England Grant Funding Agreement from BCC Ltd to ABC Ltd

IC reported that Sport England (SE) had now confirmed their requirements for arranging the relevant Novation Agreement in due course, including the separate reconciliation of each individual SE funding stream at an agreed date that will need to be set. IC also explained that Sport England, had recognised that BCC Ltd – as a limited company owned by local authorities – was a unique Host Agency for an Active Partnership, thus necessitating an element of flexibility in the management of the transition process of the ABC Partnership into the ABC Ltd company.

The meeting noted that IC and SLF were arranging a working session on 26th January to review the ABC responses in the SE Governance Tracker Schedule, which would be a key assurance document for Sport England's anticipated approval of the Novation Agreement. **Action: IC & SLF.**

h) Risk Management & Budget Arrangements

The meeting noted that the principal current risks, and their mitigation, were recorded in Item 4c) above.

In response to a question from CB, IC confirmed that he intended to present an ABC Ltd annual budget for 2023/24 to the 3rd of February Board Meeting. **Action: IC.**

5. Incorporation & Transition Action Plan

a) Updated Action Plan & Timetable

IC undertook to circulate an updated Action Plan & Timetable taking account of the outputs and outcomes from the Board Meeting. **Action: IC.**

b) Any Other Business

There was no other business.

c) Date of next Board Meeting

The next Board Meeting was confirmed for 08.05 on Friday 3rd of February 2023.

END