

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 3rd February 2023

MINUTES

Directors present: Amanda Tomlinson (AT) in the chair
Carol Bate (CB)
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 reported that she had resigned as a director of Black Country Consortium Limited (BCC Ltd).

2. Minutes of Board Meeting dated 20th 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 20th 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. Governance & Compliance Updates

a) 1st Draft of future charity compliant Articles of Association

SLF presented a paper containing draft revised Articles of Association for ABC Ltd, based on the Charity Commission Model Articles, with modifications to reflect the particular circumstances of ABC Ltd and the Requirements of the 2021 Code for Sports Governance, together with explanatory notes.

The ABC Ltd Directors were generally content with the draft. After discussion, the meeting asked SLF to modify the draft Articles in order to:

- allow the ABC Ltd Board to shorten Directors' terms of office in order to allow appropriate staggering of the end dates of terms in the interests of continuity on the Board; and to
- provide for Directors to be indemnified by the Company to the extent permitted under the Companies Act 2006. **Action: SLF.**

It was agreed that the updated revised draft ABC Ltd Articles would then need to be sent to Knights Plc, for their review and comments from a legal perspective, and – after any relevant further updating – provided to the ABC Partnership Board for any comments at their meeting on 14th February, before returning to the ABC Ltd Board for approval at their meeting on 17th February. It was also agreed that the version as reviewed by Knights Plc would need to be provided to Sport England for any comments or questions. **Action: IC & SLF.**

SLF suggested, and the meeting agreed, that Knights Plc be asked to assist with the relevant wording for the Members' Special Resolution to adopt the final version of the revised Articles, which might stipulate that the revised Articles would come into effect on the date that ABC Ltd is registered as a charity by the Charity Commission for England and Wales. **Action: IC & SLF.**

b) Sport England Assurance – Governance Tracker Schedule

IC explained that he planned a session with SLF to review the draft ABC responses in the Governance Tracker Schedule in the light of the various decisions on constitutional and operational matters agreed and planned by the ABC Ltd Board for the Company as it moves to register as a charity. **Action: IC & SLF.**

c) Nominations & Governance Committee Membership Appointments

Noting the discussions that she had held with the current ABC Partnership Board Members, AT proposed, and CB seconded, the appointment of RM as Chair of the ABC Ltd Nominations & Governance (N&G) Committee, with AT and CB as Committee Members. The ABC Ltd Board approved these appointments.

d) Appointments of Additional Directors to the ABC Ltd Board

AT reported that she had almost finished a round of discussions to establish which other existing Members of the ABC Partnership Board were willing and able to join the ABC Ltd Board. She intended to update the ABC Partnership Board on the outcomes of the discussions at the Partnership Board meeting on 14th February, ahead of the initial ABC Ltd Directors then passing the appropriate resolutions at their meeting on 17th February to appoint the relevant individuals as Members and Directors of ABC Ltd. **Action: AT, CB, & RM.**

Based on Wharton Consulting's experience of other similar projects, the meeting noted that Sport England would usually expect that:

- any individuals, who had been appointed as existing Members of the ABC Partnership Board through an openly advertised recruitment process, would not need to go through a further recruitment process to be appointed as ABC Ltd Directors;
- any new individuals, appointed to fill any identified gaps in the ABC Ltd Board, would need to be recruited through an openly advertised process led by the Nominations & Governance Committee; and

- the opening of a recruitment process for any new individuals would be notified to Sport England (SE) by the N&G Committee.

4. Operational Planning Updates

a) Consultations on TUPE transfer of staff from Black Country Consortium Ltd

IC reported that Round 1 and Round 2 of the TUPE Consultation Process had been completed, with the key area of staff questions being about the proposed pension fund provider for ABC Ltd. Apart from IC himself, there had been no requests from existing ABC Partnership staff for any individual consultations.

Darren Kehoe (DK) of Kraft HR Consulting Ltd had provided draft contracts of employment for the staff due to transfer from Black Country Consortium (BCC) Ltd to ABC Ltd. DK would update the ABC Partnership Board meeting on 14th February, attend the Consultation Final Round on 15th February, and then report on these matters to the ABC Ltd Board on 17th February. **Action: DK.**

IC explained that he was also working with DK to draft a set of broader HR and Staff Policies for approval by the ABC Ltd Board in due course. **Action: IC & DK.**

b) Identification of potential Service Providers for Administrative Support

IC explained that he and DK had met with Punter Southall Pension Consulting to identify 3 options for cost effective defined contribution (DC) pension schemes that would be presented to the ABC Ltd Board for consideration at the meeting on 17th February. **Action: IC & DK.**

IC reported that Mike Salmon (MS) had done further work on the options for an IT support provider, and was awaiting costings information from Majestic IT. If this information was not available by the 17th February ABC Ltd Board meeting, then the AIR IT and Superfast IT options would be put forward for a decision. **Action: MS.**

c) Identification of potential independent External Auditors

IC explained that this was a piece of work in progress. **Action: IC.**

d) Office Accommodation

IC reported that responses regarding the potential lease for office accommodation in Neville House were still awaited from Fisher German property agents. In the meantime, he would be viewing two other site options, and would report back to the 17th February ABC Ltd Board meeting. **Action: IC.**

e) Bank Account Opening Arrangements

IC explained that he would be approaching the initial ABC Ltd Directors for information relevant to opening a bank account for the Company with the Co-operative Bank. **Action: IC.**

f) ABC Ltd 2023/24 Budget Preparation

IC presented an initial ABC Ltd budget schedule for the financial year 2023/24. He explained that the budget schedule:

- assumed a conservative approach that only included the current funding from Sport England that was restricted to core ABC Ltd activities and programmes;
- did not currently include anticipated additional SE funding streams;
- included £52,000 of general reserves that could be used for unrestricted purposes; and
- anticipated a further £110,000 of 'ad hoc' reserves that could also be used for unrestricted purposes.

IC noted that this was a working document that would require revisiting as the transition process to a fully operational status proceeds. AT requested that the next version of the budget schedule clarified the allocation of staff costs across restricted and unrestricted income streams and that a Reserves Policy for ABC Ltd be drafted. **Action: IC.**

The ABC Ltd Directors then endorsed the initial 2023/24 budget schedule for the Company.

g) Risk Management Arrangements

The Directors requested that arrangements be put in place for a relevant training session for the extended ABC Ltd Board on the role and responsibilities of charity trustees. **Action: IC & SLF.**

IC reported that he had held useful ground work and progress discussions with Sport England regarding arrangements for the novation of the SE Grant Funding Agreement from BCC Ltd to ABC Ltd and the SE Governance Tracker Schedule.

The meeting noted that, in her capacity as Chair of the ABC Partnership Board, AT had sent a formal notification letter to Sarah Middleton (SM), CEO of BCC Ltd, regarding the termination of the Host Agency Agreement for the Partnership, thus triggering the 6 month continuing administrative services support period from BCC Ltd. IC commented that arranging the early transfer to ABC Ltd, of unrestricted cash reserves identified by the Partnership, would be a priority focus. **Action: IC & SM.**

5. Incorporation & Transition Action Plan

a) Updated Action Plan & Timetable

IC undertook to circulate an updated Action Plan & Timetable to the ABC Ltd Directors and to the ABC Partnership Board Members after a review session with SLF and DK. IC explained that they would review the prioritisation of relevant policies, for approval and implementation within ABC Ltd, as part of the session. **Action: IC, DK & SLF.**

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 17th of February 2023.

END