

ACTIVE LANCASHIRE LIMITED (“the Company”)

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS / TRUSTEES

Held at County Hall, Preston, on the 10th April 2024 from 13.00-16.15

Present:

Brian Cookson	Director / Trustee - Chair	BC
CC Rob Bailey	Director / Trustee	RB
Bryan Jones	Director / Trustee	BJ
CC Michael Green	Director / Trustee	MG
Ken Masser	Director / Trustee	KM
Kathryn Moffitt	Director / Trustee	KMo
Dannielle Roberts	Director / Trustee	DR

In attendance:

Adrian Leather	Chief Executive, Active Lancashire	AL
Paul Blythin	Director of Operations – Health and Skills, Active Lancashire	PB
Claire Lovick	Company Secretary and Executive Assistant, Active Lancashire (<i>minute taking</i>)	CL
Jane Moodie	Operations Manager – Tackling Disadvantage, Active Lancashire (<i>attended items 1-3 only</i>)	JM
Sarah Walker	Director of Business Development, Active Lancashire	SW
Darren Wright	Director of Operations – Communities, Active Lancashire	DW
Stuart Oliver	Director of Finance, Active Lancashire	SO

Apologies:

Tina Pilkington	Place Relationship Manager, Sport England	TP
Zuleikha Chikh	Director / Trustee (<i>left meeting at 16.35</i>)	ZC
Roger Davies	Director / Trustee	RD
CC Scott Smith	Director / Trustee	SS
Amanda Thornton	Director / Trustee	AT

ACTION

1 Board Chair Welcome

- 1.1 The Chair welcomed everyone and confirmed a quorum was present.

2 Apologies

- 2.1 The Chair noted apologies (as listed above).

It was noted that Lucie Unsworth (LU), Strategic Lead – Place Relationships, Sport England will be attending Active Lancashire Board meetings as an observer going forward.

3 Trauma Informed Overview

- 3.1 Paul Becouran’s film was shown at this meeting and JM provided an update on Trauma Informed.
- 3.2 Active Lancashire met with some of the other Active Partnerships last week around Trauma Informed and we are currently seen as a leader in this area. These meetings will continue on a monthly basis.
- 3.3 Additional funding has been secured for Trauma Informed work for the coming year.
- 3.4 The Chair thanked JM for this update.

JM LEFT THE MEETING AT THIS POINT.

4 Declarations of Interest

- 4.1 It was noted BJ has a declaration of interest with regards to the BHM project which is largely transferring to UCLan (his employer).

5 Minutes of the Previous Meeting

- 5.1 It was proposed that the minutes of the Board meeting held on the 17th January 2024 were a complete and accurate record. The Board approved.

It was resolved that the minutes of the meeting held on the 17th January 2024 be approved as an accurate record of the meeting.

6 Action List

- 6.1 AL confirmed the action list has been updated and included in these Board papers.

7 Matters Arising

- 7.1 There were no matters arising to report.

8 CEO Report – Questions from Board

- 8.1 The paper was taken as read and AL highlighted the following:
- Work is taking place in the Culture and Physical Activity Network (CPAN) and Active Lancashire has been leading that network for the last four years.
 - The network supports the further development of some work which we have been approached to undertake by Lancashire County Council (LCC) in partnership with them around Culture and Physical Activity Strategy. This request came via CC Peter Buckley (previously an Active Lancashire Board member and the Lead for Culture at LCC).
 - This is also an identified piece of work for Lancashire 2050, Place and Community. Rob Huntington (CEO, Rossendale Borough Council) is keen to further develop how this can contribute to Lancashire 2050 and the emerging negotiations for future proposed structure on devolution which features Culture and Physical Activity.
 - We are in partnership with Arts Lancashire to develop a series of workshops and to run a conference as part of a consultation event to build awareness of Culture and Physical Activity so we can agree key priorities and share best practice.
- 8.2 BJ highlighted that bringing art and sport together is a connected piece that will develop over the next few years.
- 8.3 KM asked if the potential bids to arts organisations within the business plan are part of Active Lancashire's strategy – do we see this as a strategic shift? AL confirmed LCC recognise the journey Active Lancashire has been on and Arts Lancashire through their Lead Officer (Alex O'Toole) have approached us for support in their journey to become a more entrepreneurial organisation with a greater presence for its contribution across Lancashire. The aim is for Arts Lancashire and Active Lancashire to keep their own identities and Boards, but to potentially share resources, in the medium term, to support growth. This has the advantage of enhancing relationships and developing a Culture and Physical Activity focus for the network and strategy.
- 8.4 DR asked if we will be including Arts as well as Physical Activity for projects and AL confirmed that is the hope. The Arts Council are supportive of this type of partnership and it reflects what is happening on a national level.
- 8.5 The Chair highlighted we are in difficult times economically and we need to look for entrepreneurial opportunities where they arise. The Chair and Board gave their support to AL and SW with this work and look forward to developments as they arise.
- 8.6 KM highlighted that page 3 of the CEO Report references conversations with Local Authorities about remaining their level of contribution as previously. There was a previous Board discussion about increasing contribution costs and KM enquired why this has not

happened. AL confirmed the Board gave their support for us to increase these costs but that with the current economic climate unfortunately it is not realistic for Local Authorities to pay more at this time. We want to ensure we do not endanger our relationships with Local Authorities but we are seeking individual conversations with them around providing additional support to them for a funding contribution for that work. E.g. we receive substantial funds from Pendle for the Pendle YES Hub through the Town Deal. MG confirmed LCC have committed in their budget to provide their current funding amount to Active Lancashire for the next three years.

- 8.7 Preston and West Lancashire may need additional support for Sport England Place Expansion work. We have already assisted Blackpool with this and that is now in place. Preston have now started this and West Lancashire are considering their position.

9 Integrated Performance Report (IPR) – Questions from Board

- 9.1 The report was taken as read and DW provided the following update:

- Board have commented on the length of this report and DW/PB will look at how we can reduce this moving forward. There is a lot of great work taking place and staff are keen to show that to the Board.
- Since the restructure we have 39 staff and they are now becoming familiar with their new roles.
- Active Partnerships national team and Sport England have asked us to become involved in some multi-sport facilities activation work. This is a pilot to increase usage of sites when they are not currently in use. We are one of two Active Partnerships who have been asked to work on a hybrid model where we do not do any of the onward granting; we identify the projects in Lancashire on sites, do the development work and submit applications, then Sport England do the onward granting and due diligence. This is not part of our place based work and we would have to find internal resource to continue to do that at our own expense. This is a challenge as we were initially informed we would receive a 10% management fee and the proposal we submitted was based on that, but Sport England decreased the management fee to 5%.
- Active Cycles are doing very well in Hyndburn. Some staffing changes have taken place to improve capacity to expand the mechanical side of things and also offer training programmes. This commenced in April. We have links with prisons to assist with bikes. They collect the bikes from us, refurbish them in the prisons, then bring them back to us. This has increased the number of bikes we can offer to residents in Lancashire. There is an Active Cycles pop-up shop in Burnley which is proving successful. It would be beneficial if this could be replicated in other areas.

- 9.2 The Chair thanked DW for this update.

10 Audit and Finance Committee Chair

- 10.1 The Chair confirmed that we need a new Chair for the Audit and Finance Committee since David Clarke (DC) retired from the Board. RB highlighted the importance of this area of work and confirmed he is happy to take on the Audit and Finance Committee Chair role in the interim. The Chair thanked RB for taking on this role.

The Board approved for RB to become Chair of the Audit and Finance Committee on an interim basis.

- 10.2 CL to update documentation accordingly to show RB is now Chair of the Audit and Finance Committee on an interim basis.

CL/10.2

11. Board Recruitment

- 11.1 The Chair confirmed we need to recruit a new Board member to take on the role previously held by DC. We are currently in the recruitment process and requirements were discussed

at the Nomination and Remuneration Committee meeting. The Committee agreed we would be seeking a female Board member, from a BAME background, with strong financial skills.

- 11.2 AL, BJ and DR have reached out to their networks regarding this role and we are also advertising on LinkedIn. The Chair requested all Board members reach out to their network to help us find an appropriate candidate.
- 11.3 MG highlighted that whilst it may be desirable for us to recruit a female Board member and for them to be from a BAME background, it is a requirement that we recruit a Board member with the appropriate financial skills to help take the company forward. The Chair confirmed these are fair comments and confirmed that whilst we are hoping to find a new Board member who fits all three of these areas, it is the financial skills which are the priority.

12 Committee Minutes

- 12.1 BJ (Nomination and Remuneration Committee Chair) provided an update on the Nomination and Remuneration Committee meeting of 12/03/24 and the main points to note are as follows:

- SS was apologies for the meeting but decisions which were provisionally made at the meeting (pending SS approval) have since been approved by SS, making the Committee meeting decisions quorate.
- An issue was raised around the referral mechanisms from the Welfare Report. There were two safeguarding issues raised which were handled internally. The concern was there was no referral so if something bad happened we could be at risk. Ronan McMahon (RM) is liaising with the Ann Craft Trust to ensure we have appropriate procedures in place going forward for referral.
- The Succession Plan was approved by the Committee. This is a useful document for identifying areas where there are clear links to succession, where improvement is required, and where staff members require training to move forward into positions.
- The Active Partnerships Collective Network People Survey was discussed. There are some interesting points in this report and the headlines are in the Nomination and Remuneration Committee minutes which were shared in the meeting papers for today's Board meeting.
- The Prospective Board Member Information Pack was discussed and the Committee are recommending this is approved by Board.
- PB and DW's Interim Operations Director roles were approved to become permanent positions – congratulations to PB and DW.
- The People Plan was approved by the Committee.
- Policy amendments were approved by the Committee.
- The DIAP Plan, being led by AL, was approved by the Committee.

The Board approved the Prospective Board Member Information Pack.

- 12.2 The Chair thanked BJ for this update.
- 12.3 KM (Audit and Finance Committee Vice-Chair) provided an update on the Audit and Finance Committee meeting of 26/03/24 and the main points to note are as follows:
- At the last Board meeting it was agreed KM would meet with AL and SO to discuss the business plan and financial position. KM is pleased to report to the Board that the financial position is better than envisaged at the last Board meeting. Work has taken place on the budget for the financial year ending 31/03/24 and there will be a small surplus.
 - The request for additional funding from LCC has not been taken forward.

- The 2024/25 budget was discussed, along with the Business Plan and the Risk Management Policy.

12.4 The Chair thanked KM for this update.

13 Active Lancashire Articles of Association and Board Terms of Reference

13.1 The Board were asked to approve the Articles of Association and Board Terms of Reference, then we can send these documents to LCC for final approval.

13.2 KM highlighted that the Board Terms of Reference does not state that Board members are responsible for setting the strategic direction of the organisation. It was agreed item 2.1 of the Board Terms of Reference would be amended to read “to establish and ensure compliance with strategic objectives and core values”. CL will make this amendment to the Board Terms of Reference then share this with the Chair for approval on behalf of the Board, before sharing the Board Terms of Reference and Articles of Association with LCC for final approval.

CL/13.2

13.4 The Chair reminded Board members we previously increased the quoracy of Committee meetings from two to three members to assist with quoracy. We struggle with quoracy at meetings due to the number of apologies received, and this is more of a challenge at the Committee meetings. The Chair requested Board members make every attempt to attend Board and Committee meetings as often as possible, as attendance at meetings is a priority. This is particularly important for our LCC nominated Board members as we need one of them to be in attendance at each Board and Committee meeting for the meeting to be quorate.

14 A Code for Sport Governance Compliance

14.1 AL asked Board members to be mindful that for us ensure we receive future Sport England funding we are required to be compliant with A Code for Sport Governance, Tier 3. We are reviewed on this bi-annually by Sport England and are required to provide an annual return which we receive feedback on.

14.2 We are not currently compliant in the around Board member Annual Review meetings. This was previously discussed at Board and Board members felt this was not something they wanted to undertake with their roles being voluntary and the capacity of individuals, but this has now become a mandatory requirement for this code. Board members nominated by LCC may be exempt – AL/CL are liaising with Sport England on this and will update the LCC nominated Board members when clarification is received.

AL/CL/14.2

14.3 The Board agreed to have Annual Review meetings, with the Chair and SID holding these meetings, and for another Board member to undertake the Annual Review for the SID (as the SID undertakes the Chair’s Annual Review). This will ensure no two Board members are reviewing each other.

14.4 The Chair requested Board members ensure they respond to email requests from Active Lancashire staff, particularly the Company Secretary. It was agreed Board members will aim to reply to requests within 48 working hours.

14.5 The Board Skills Matrix was also discussed as this is another requirement for us to be compliant with A Code for Sport Governance. It is important we receive 100% completion for this survey moving forward to ensure we comply with the code, as this is not currently the case.

14.6 BJ confirmed he is happy to be given 3-4 objectives around things he does for the Board, and for Board attendance to be seen as essential. It was highlighted Board attendance at meetings is in the Articles of Association.

- 14.7 It was suggested Board members will list the things they do for the Board at their Annual Review meetings to ensure we are complying with the code to continue to secure future funding.
- 14.8 There was a suggestion that two Board member Annual Review meetings could take place before or after each Board meeting (one with the Chair and one with the SID), this would cover most of them throughout the year at a time when people are already together. Whilst this can be considered for future years, for this year Board member Annual Reviews are required to take place before the end of June, and it was agreed these would therefore be carried out as Teams meetings on this occasion. CL to arrange Board member Annual Review meetings. CL/14.8
- 14.9 The Nomination and Remuneration Committee will consider the best way forward for Board member Annual Review meetings next year, ensuring this is as straight forward as possible. BJ/CL/14.9
- 14.10 AL/CL will produce a Board member Annual Review form for the Board Member Annual Review meetings taking place on Teams throughout May and June. AL/CL/14.10

15 Diversity and Inclusion Action Plan (DIAP)

- 15.1 The report was taken as read and AL provided the following update:
- The language is moving from EDI to DIAP, and even beyond that to a real focus on lived experience.
 - AL shared on screen the DIAP High Impact Values that will bring the DIAP to life. These are included in the DIAP presentation within the Board papers for this meeting. These are the things we are seeking Board members to sign up to and the actions will be reported back to Board as they are progressed.
 - We are seeking for Board to approve the actions which we will focus on over the next 12 months as part of A Code for Sport Governance.

The Board approved the DIAP actions.

- 15.2 AL/CL to arrange for the DIAP presentation, including actions, to be added to the Active Lancashire website. AL/CL/15.2

16 BHM / ESF close down

- 16.1 The report was taken as read and PB highlighted the following:
- The impact of losing funding for four large projects (MPT, MPT Steps, BHM ESF and BHM ISCF) resulted largely in the restructure.
 - MPT has been extremely successful and has had a huge impact on peoples lives. Moving forward, a number of partners are looking to continue this work and one legacy for us is that it helped us set up the Cycle Recycle programme.
 - MPT Steps was also extremely successful and had a huge impact on peoples lives. There is still some project delivery taking place for this via UKSPF.
 - The risk of clawback for MPT and MPT Steps is very low as we met targets and received positive audit reports.
 - The BHM projects were both much more challenging. We did achieve 70% of our target for workplace health champion qualifications. We will be transferring health check work across to UCLan as Active Lancashire were unable to continue putting a large amount of financial investment into this project and UCLan have the funds to keep this going in the short to medium term. We are working with Leisure Trust partners to ensure a smooth handover and limit any reputational damage.
 - We are looking to keep the BHM brand and workplace health champion training will be a significant part of the Learning Zone and will be BHM branded.

- The BHM projects do create a slightly higher risk of clawback but we have received the final close down letter and this project took place during mitigating circumstances due to Covid/lockdown, so we believe the risk of clawback is low, but it needs to be acknowledged clawback could be requested anytime over the next 10 years.

16.2 The Chair thanked PB and colleagues for all their work in this area.

17 Business Plan

17.1 The Business Plan was taken as read and AL explained that this Business Plan is an overview for Board members, staff and partners showing how we structure the business, our 12 month priorities (including plans and strategies), and how the Business Development Plan works alongside the strategy and links to the Business Plan for opportunities.

17.2 There was a detailed discussion around finances and SO confirmed the following:

- The budget for year ending 31/03/24 had £8m external income and a deficit (it is not unusual for us to set a deficit budget on known knowns rather than speculative). We will have a small surplus which shows we have a track record of being able to bring in additional funding.
- A key feature has been the ESF funding closure and the surplus we have created would have been larger if we had not needed to use funds for the closure of those projects, redundancy payments, and financially supporting the ISCF project for three years.
- Final ESF claims have been submitted, approved and paid. Official closure notices have been received which significantly reduces the risk of clawback (although we need to note there is a 10 year period during which we could be approved for clawback).
- SO and AL met with KM to discuss the 2024-25 budget and finances in detail and it was a good meeting. Income in the budget is prudent and based on known knowns rather than speculative. Costs around payroll and assumptions around the likely NJC pay increases have been built into the budget at 5% inflation. Inflation is currently 3.5% so potentially we may see a saving there.
- SL and AL also met with Sakthi Karunanithi and his financial lead as part of the budget preparation.
- The budget we have put together does not include additional contributions from Local Authorities or LCC – it lends to the Business Development Plan in terms of moving us forward.
- We still need significant coverage of the reserves policy and this is important. We are looking to see £135k of reserves this year as we transition from being a larger organisation.
- The loss of European Funding makes the charity sector a difficult sector moving forward as there will be a lot of competition with the European Funding not all having been replaced elsewhere.
- Following discussions with KM and LCC we went through the budget at the Audit and Finance Committee meeting. There was a detailed discussion on this at that meeting and the Committee recommend Board approve the budget, recognizing assumptions we have built in and that we have receive additional contributions from some Local Authorities.
- The 5 Year Business Plan is more speculative. We are looking at 5% growth and continual management of costs. As staff members leave the organisation we are looking if we can manage to cover roles without recruiting, or recruiting at lower positions to save costs. Following discussion at the Audit and Finance Committee meeting, the Committee recommend Board approve the Business Plan.

17.3 KM highlighted the organisation is already starting to make savings and this is positive.

- 17.4 KM also highlighted that whilst not ideal, to provide the Board with further assurance, the £250k budget could all be recovered from reserves if required and we would still maintain our minimum required reserves.
- 17.5 RB suggested Board members need further confidence that additional funding will come through. The Business Plan shows a growth strategy – is there confidence this is achievable? There was a detailed discussion around finances and it was agreed a finance/budget update will be on each quarterly Board meeting agenda moving forward. SO/CL/17.5
- 17.6 MG raised concern that income has dropped 50% but costs are not dropping significantly. Do we have staffing numbers right or do we need to make the difficult decision of reducing them, as using reserves is concerning. It was agreed that AL and SO will meet with MG, RB, SS and others at LCC to discuss Active Lancashire's finances in detail and MG will arrange this. MG/17.6
- 17.7 MG thanked SO for all his work on the budget. These are challenging times and the Board need to monitor the financial situation closely as we move forward. The Chair echoed MG's comments.
- The Board approved the Business Plan and Forecast Budget for 2024/25, subject to regular reviews.***
- 17.8 SO advised Board members we are talking with the pension administrators for an indication of what an exit fee would be if the decision was made to withdraw from the Local Government Pension Scheme (LGPS).
- 18 Board Development Day**
- 18.1 It was suggested the strategy and strategic priorities for Active Lancashire for the next 12 months and then the next five years, and what the core purpose is (as Board members need to be able to articulate this) should be discussed at the Board Development Day as there is not time to cover it in this meeting. AL will consider this for the Board Development Day agenda. AL/18.1
- 18.2 CL will circulate date options for a Board Development Day in June and the event will be confirmed for the date which the majority of Board members are able to attend. CL/18.2
- 19 Business Development Plan (including Marketing and Communications Strategy 24/25)**
- 19.1 SE provided an update on the Business Development Plan and the main points to note are as follows:
- This Business Development Plan is part of the overall Business Plan.
 - New income generation was discussed and there is monthly reporting in place around income generation.
 - Plans to generate income over the next five years are; funding, income generation, sponsorship, fundraising, donations.
 - The Business Development Plan has been set to align with our financial priorities, along with the goals of Sport England and LCC.
 - Challenges have been highlighted and are being worked on.
 - Timescales around the various objectives have been set for 24/25.
 - The Marketing Communications Strategy has been set for 24/25 and our target audience are funders, partners, the public and corporate companies.
 - Marketing Strategy objectives for 24/25 are Brand, PR, Digital and Internal Communications.
 - There is a Business Development and Marketing and Communication monthly calendar which shows what is taking place during those times and where the focus areas are for each month.

- 19.2 There was a discussion around Sport England's expectations of Active Lancashire and Board members agreed that whilst doing all we can to fulfil their requirements, we should not lose sight of our core purpose to generate funding/income so we can support the people who need our support in Lancashire. It is important if something brings in appropriate funding that we move forward with that, even if there are occasions when it does not meet Sport England's core strategic ideas.

The Board approved the Business Development Plan and the Marketing Communications Strategy 24/25.

- 19.3 The Chair thanked SW for this update.

20 Active Lancashire Awards

- 20.1 Due to this meeting overrunning, it was agreed the Active Lancashire Awards update will be deferred to the July Board meeting CL/20.1

21 Culture and Physical Activity Network (CPAN) proposed workshops and conference

- 21.1 AL confirmed this was briefly mentioned during the CEO update earlier in this meeting. AL will circulate a briefing paper which is being considered by CC Buckley regarding the proposed CPAN workshops and conference. AL/21.1

- 21.2 Once Board members have read through the briefing paper AL would appreciate their thoughts for the workshops and highlighted there is a commercialisation theme and we are looking for partners who can make a contribution towards the conference. KM confirmed he is happy to support with this where he can and AL thanked KM.

22 Board reflection

- 22.1 RB raised concern that with Board meetings having recently increased in length from two to three hours, he wonders if it would be better to reduce the amount of material being discussed at these meetings rather than extending the length of them. The Chair highlighted there is a lot going on in the organisation at the moment, and Board members did agree at a previous Board meeting to increase the length of these meetings in the short to medium term, with a view to decreasing them to two hours in the future if appropriate. The amount of documentation circulated for these meetings was acknowledged and many Board members felt the same about this so AL and the team will work on reducing the size of Board packs going forward. AL/22.1

23 Any other business

- 23.1 The Chair and Company Secretary requested Board members attend the SPAR School Games in June and early July if their diaries allow. There are three events taking place and it would be great to have Board member support at these.
- 23.2 The Chair requested that Board members complete the survey which the Company Secretary circulated on behalf of Sport England (Diversity Value Survey), if they have not already done so.

24 Date of next meeting

- 24.1 The next Board meeting will take place on the 17th July 2024.

Signed by

Brian Cookson



Chair of the Board:

Date: 17th January 2024