

**Local Trust board meeting minutes, decisions
 and actions**

21 September 2017 at 2pm

Conference room D, 5 Floor, CAN Mezzanine,
 7-14 Great Dover Street, London SE1 4YR

| Discussion and decision | Action |
|--|--|
| <p>Present</p> <p>Trustees</p> <p>Kevin Sugrue (chair), Penny Shepherd, Jonathan Taylor, Ben Lee, Andrew Robinson, Kathy Kane, Alice Casey, Daniel Goodwin, Karen Riches (for items 4,5,6,9,10 and 11)</p> <p>Non-trustees</p> <p>Matt Leach, Nicola Hutcheson, Jayne Humm, Rachel Rowney, Jessica Wenban-Smith, Derval O'Brien and Wendy Joynes (minutes) (Local Trust).</p> <p>In attendance:</p> <p>Radojka Miljevic, Rosie Chapman (Campbell Tickell) (from 4pm)</p> | |
| <p>1. Apologies for absence</p> <p>Apologies were received from Peter Mills, John Whitton and Peter Thurston (protector)</p> | |
| <p>2. Minutes of the previous meeting and matters arising</p> <p>Minutes from the May special meeting</p> <p>The minutes from the special meeting in May 2017 were shared with trustees to be reviewed and agreed at the November meeting.</p> <p>2.1 Minutes of previous meeting</p> <p>It was agreed that the minutes should be amended to read: "Trustees unanimously agreed that Matt had successfully passed his probation and confirmed him in his role as Local Trust's chief executive. The board thanked Matt for his achievements over the six months and look forward to Matt leading the organisation to continued success in the future." There was no need for this item to be confidential.</p> <p>The minutes were, with the amendment above, accepted as an accurate record of the meeting held on 15 June 2017.</p> | <p>To amend minutes of previous meeting as discussed</p> |

| Discussion and decision | Action |
|--|--|
| <p>2. Matters arising</p> <p>There were no matters arising not covered by the agenda.</p> <p>3. Declarations of interest</p> <p>Ben Lee: director, NANM (delivery partner, Big Local)</p> <p>Peter Mills, owner, Brand Ethos (commissioned by UnLtd, delivery partners for Big Local)</p> <p>Andrew Robinson: director, CCLA (investment manager, Big Local Trust and Local Trust) and trustee of Community Development Foundation</p> | |
| <p>The order of the agenda was changed to take items 7,8 and 9 before the rest of the agenda.</p> | |
| <p>4. Chief executive's report</p> <p>The following questions were raised and information provided:</p> <ul style="list-style-type: none"> • It was suggested that future reports make it clear what spend and activities relate to Local Trust and what relate to Big Local Trust. Matt confirmed that the only activity that related solely to Local Trust is the Empowered Communities 2020 project funded from the CDF legacy funds. This would be made clearer in future reports. • Board were informed that use of the legacy fund would not be determined for another year and so should remain in the COIF deposit fund until then. • Grammar for change: Big Local neighbourhoods in action by David Boyle was shared with trustees and is an example of the type of projects in the pipeline. The book is outwardly focussed and is being shared with the media and others. It is the first one that Local Trust has commissioned and so expect the Trust will develop the approach over time. • Rachel Roberts, communications coordinator has left Local Trust and recruitment is underway for a replacement. • Margaret Bolton has been offered a nine month, three day a week contract as a knowledge and learning curator. She is due to start in October. • The film festival that took place in July was a celebration event that brought people together. It isn't expected that this would happen every year in the same way, but was part of the TSRC contract. • On behalf of CCLA Andrew had offered to provide lunch or dinner on the day of the November board. The board thanked Andrew and CCLA for the kind offer which will be accepted. | <p>Matt to separate Local Trust and Big Local Trust spend activities in future reports</p> <p>Wendy to support the organisation of the dinner or lunch</p> |
| <p>5. Performance risk and finance</p> <p>Trustees were informed the report was in a new format and trustees were</p> | |

| Discussion and decision | Action |
|---|--|
| <p>invited to comment on this. Trustees welcomed the new format.</p> <p>Strategic plan monitoring</p> <p>There were no questions or comments on the strategic plan monitoring.</p> <p>Risk register</p> <ul style="list-style-type: none"> A question was raised about the absence of health and safety and staff were asked to review and make a recommendation on whether this needed to be a future agenda item. Trustees were advised that Rachel and Nicola are working on the new GDPR and PECR regulations and that an update will be submitted to November board. <p>Big Local Trust finance report</p> <ul style="list-style-type: none"> A question was raised in relation to the terms used in the report, such as funding committed, cashflow and constructive obligations. Nicola will review the presentation of the next quarterly finance report to the board, to ensure clarity and consistency. <p>Local Trust finance report</p> <p>No questions or comments were raised.</p> <p>The board agreed to accept the performance, risk and finance reports.</p> <p>5.1 Investment sub-committee minutes/recommendations</p> <p>The board received the minutes of the investment sub-committee meeting held on 5 September 2017.</p> <p>The board took the recommendations and:</p> <ul style="list-style-type: none"> accepted the investment report for Big Local Trust for the quarter ended 30 June 2017, the proxy update and the CCLA annual audited accounts to 31 March 2017 noted the investment report for Local Trust for the quarter ended 31 March 2017 | <p>Staff to confirm if a report on H&S needs to go to the board</p> <p>Report on GDPR and PECR to November board</p> <p>Review of terms used in finance report to ensure clarity</p> |
| <p>6. Allocations of investment returns</p> <p>The following questions and comments were raised:</p> <ul style="list-style-type: none"> It was noted that whilst areas had access to some funds in addition to the £1m at the start of the programme, for example getting people involved and getting started, which had been held and dispersed in part by Big Lottery Fund and CDF, the amount invested on behalf of areas has always been calculated on the basis of an allocation of £1m each amounting to £150m in total There may be an opportunity to distribute further returns in two-three years' time, although the scale is not yet known. Future distributions would be decision for the board at that time, although the principles established through this distribution may be difficult to substantively change later. A new paper from CCLA was shared with trustees, updating them on the current state of the investment. On the basis of those figures it was confirmed by trustees that £105k should be allocated to each area. | |

| Discussion and decision | Action |
|--|--------|
| <p>Karen Riches then joined the meeting at 3.20pm.</p> <p>The board then took the following recommendations:</p> <ul style="list-style-type: none"> • confirmed the allocation in the ratio of 69% direct to areas and 31% to central, administrative and support costs • reconfirmed the decision that all areas receive the same returns irrespective of the timing of their withdrawals. • agreed that staff will prepare an announcement for the last week of September • agreed the communication approach set out, including replacing previous statements on handling any surplus with a new statement that reflected the board's decisions. | |
| <p>7. Big Local Trust Deed</p> <p>Trustees noted that discussions continued with the Big Lottery Fund and the Charity Commission on ways to resolve the inconsistencies in the Big Local Trust deed.</p> <p>There were several solutions including a court order correct errors in the drafting of the deed or the Charity Commission stepping in to make an amending order.</p> <p>It was asked if there was anything the board could do to help Matt and Kevin progress the matter. Matt responded that Local Trust needed to wait for the Charity Commission response. It was important to ensure that any action taken reflected their input.</p> <p>The board agreed to await a definitive response from the Charity Commission but should the outcome be to follow the route recommended by Michael Furness QC, the board further agreed that should Big Lottery Fund choose to exercise its power of appointment in favour of Local Trust as a means of resolving the issue, Local Trust would in principle be willing to accept funds from Big Local Trust with a view to using funds released in that manner to draw together the lessons learned from the Big Local programme and disseminate that knowledge for the benefit of the public generally, in accordance with the founders wishes set out in the relevant schedule to the Big Local Trust deed.</p> <p>It was also agreed that Matt Leach and Kevin Sugrue are hereby authorised to agree with the Big Lottery Fund the specific terms of any such appointment, subject to their reporting back to the Board with details of those terms.</p> | |

| Discussion and decision | Action |
|---|--------|
| <p>8. Resignation of the protector</p> <p>Peter Thurston, the protector had sent letters of resignation to trustees and to the Big Lottery Fund.</p> <p>The following questions and comments were then raised:</p> <ul style="list-style-type: none"> • Trustees were advised that receipt of the letter had been acknowledged by Nicola. • It was agreed that any public statement on the matter was for Big Lottery Fund to make, as the role was one appointed by BLF, not Local Trust • The Big Lottery Fund had indicated that they did not intend to make any statement until a new protector had been appointed. • Given the particular role of the Protector, a serious incident report had been submitted to the Charity Commission, and the matter had been noted in ongoing correspondence between Local Trust's lawyers and the Commission in relation to the resolution of issues relating to the deed. • Penny advised the board that she had been in contact with Peter Thurston in a personal capacity, but would not meet with him until the conclusion of his notice period in December. | |
| <p>9. Governance review</p> <p>Radojka Miljevic and Rosie Chapman of Campbell Tickell joined the meeting at 4pm and to present the findings from their governance review report. They highlighted the following key points</p> <ul style="list-style-type: none"> • The review had taken longer than originally expected. It had been initiated with narrow remit to talk to chairs about committee structures and delegation, but the review had grown in response to the range of matters raised by those spoken to. • Local Trust is a well-functioning organisation and it appeared that trustees were doing a good job, were committed and cared about the organisation. • The review would conclude following the forthcoming Board awayday in February. <p>The following questions and comments were then raised:</p> <ul style="list-style-type: none"> • Trustees agreed with the finding of the review that that there are occasions when important topics needed to be discussed but there was not the time to do so. • Whilst a lot of time was spent on day to day operations, there was a sense that the board did not have enough time to be challenging and forward looking on strategic issues. • There was then a discussion around the timing and implementation of the recommendations. It was suggested that Matt consult with trustees about the timetable to seek their opinions on approaches of implementing the recommendations. • There was a need to resolve issues around board membership and succession. | |

| Discussion and decision | Action |
|--|--------|
| <ul style="list-style-type: none"> • A lot of these issues would be resolved at the February awayday <p>There were no further questions or comments and the board then agreed the following recommendations:</p> <p>Governance review</p> <p>Agreed the future governance arrangements be discussed at the February awayday including:</p> <ul style="list-style-type: none"> • sub-committee structure, power and terms of reference • whether to continue with lead trustee arrangements • succession arrangements for the board chair-ship when the current chair's terms ends in September 2019 • trustees' terms of office to the end of the Big Local programme • arrangements and support mechanisms conducive to move to more effective working by the board, by individual trustees and between trustees. <p>Board members</p> <p>Agreed that:</p> <ul style="list-style-type: none"> • All trustees indicate by the end of September 2017 whether they intend to stay on as trustees or not. • Those staying on as members will participate in a skills audit. • Karen Riches, Peter Mills and Andrew Robinson form the nominations committee tasked with filling board vacancies, overseeing the recruitment process and bringing recommendations for new members to the board for approval. They will work with Matt. • An executive search agency will be sought through a competitive tendering process to support this process. <p>Approved the recruitment policy to supplement the (limited) provisions in the Articles, setting out how board members in future should be recruited</p> <p>Programme and impact committee</p> <ul style="list-style-type: none"> • Trustees will be invited to join the programme and impact committee. • A meeting will be set up in the next 6-10 weeks to take forward terms of reference and an initial workplan. • Membership will be reviewed in February 2018, following the away day. <p>Agreed that Campbell Tickell will set out the questions that would have formed part of the review had they taken their normal approach to a full governance review.</p> | |
| <p>10. Presentation: providing support to areas facing problems</p> <p>This item was deferred to the next meeting.</p> | |
| <p>11. Any other business</p> <p>There was no other urgent business and the meeting closed at 5pm.</p> | |
| <p>Full board meetings 2-5pm</p> <p>16 November 2017 (including AGM),</p> | |

| Discussion and decision | Action |
|---|--------|
| Finance and audit sub-committee 2-4pm – 19 October 2017 Investment sub-committee 2-4pm – 31 October 2017 | |

Kevin Hughes

Chair

15/02/2018