

Present Attendees		Apologies	Also Distributed To:
Sharon Heath (SH)	Chair	Hazell Thorogood	
Kimiyo Rickett (KR)	Senior Independent Director		
Malcolm Armstrong (MA)	Together Active Chair		
Jane Kracke (JK)	Chief Operating Officer		
Jude Taylor (JT)	Chief Executive		

### Meeting Minutes

No.	Item Topic
1.	<b>Apologies</b> – As above
2.	<b>Declarations of interest</b> – JK and JT as members of staff, as per previous minutes
3	<b>Minutes of Last meeting</b> <ul style="list-style-type: none"> <li>- Actions 1 and 3 completed</li> <li>- Action 2 ('Additional two item agenda FAG / GAG Meeting to be held in end Feb / early March to discuss in-year deficit and to review liabilities') has been put on hold pending the legal advice being procured (see item 10)</li> <li>- The minutes were approved as a true record</li> </ul>
4	<b>2021-22 Budget – Q4 Update</b> <ul style="list-style-type: none"> <li>- This has been produced to 29.03.22, with various end-of-year adjustments to be made. A final update will be taken to the July Board Meeting</li> <li>- JK went through the expenditure against budget as per the report, no items of concern</li> <li>- <b>Action 1:</b> It was agreed that the full Board should receive the Budget Update summary as produced for FAG, but did not need to receive the appendices (the various reports from the finance system). FAG will continue to receive these in order to be able to fulfil their scrutiny role.</li> </ul>
5	<b>2022-23 Draft Budget</b> <ul style="list-style-type: none"> <li>- JK talked through the budget and any key differences from 21-22 as per the report</li> <li>- Due to significant underspend from 2021-22, and the fact that our grants programmes will be covered through separate Sport England funding awards during 2022-23 rather than from our Core funding, we do not plan to use any of our reserves or 2022-23 local partner funding during the year</li> <li>- <u>Pension Review</u> – It was agreed that this should be every three years, so would take place in September 2023</li> <li>- <u>Pay Award</u> – Since the decision was made at the January Board meeting to give a 1.75% pay award to staff as of 01.04.22, there have been various discussions across the Active Partnership network. The average pay award across a representative sample of APs is 2.86%, and most are budgeting for a 3% pay award for 2023-24 onwards.</li> <li>- <b>Action 2:</b> It was agreed to budget for a 3% pay award for 2023-24 onwards. It was also agreed to propose to the Board that the 1.75% pay award for 2022-23 is increased.</li> <li>- <b>Action 3:</b> JK to model two scenarios (2.5% and 2.8%) and circulate to FAG.</li> <li>- <u>Purchase of Additional Annual Leave</u> – as part of the above AP network</li> </ul>

	<p>discussions, other staff benefits have been discussed, and several APs offer the option for staff to purchase additional annual leave, which is valued by staff.</p> <ul style="list-style-type: none"> <li>- <b>Action 4:</b> It was agreed that JK would investigate how this would work with the pension scheme, and to draft some parameters for a potential scheme.</li> <li>- <u>Capitalisation of Office Furniture</u> – it was agreed not to capitalize / depreciate the office furniture purchased during 21-22 as no individual item met the threshold.</li> <li>- <u>Office Move Implications</u> – A potential new office base at Staffordshire University (Stoke Campus) is being considered. The additional travel costs and time for some staff were discussed. Ex-Stafford BC staff have any additional travel costs covered for three years, it was proposed that this should be offered to all staff. It was also proposed that for staff that live nearer to the current office, then this should be the 'home to work mileage' taken off any work-related travel claims for a period of three years.</li> <li>- <b>Action 5:</b> The proposal will be taken to the Board for approval (JT and JK to develop parameters / processes for this if approved).</li> <li>- Additionally it was felt that the current policy of travel time to meetings (less normal home to work travel time) being claimed as working time should be reviewed.</li> </ul>				
6	<p><b>5-Year Forecast</b></p> <ul style="list-style-type: none"> <li>- Various amendments to the 5-Year Forecast are outlined in the report</li> <li>- Net result is that at the last FAG meeting, reserves as at 31.03.27 were predicted to be £101,430 in deficit. These are now predicted to be £104,640 in credit by 31.03.27. However, from 23-24 onwards we are still predicted to have a significant annual in-year deficit.</li> </ul>				
7	<p><b>Risk Register</b></p> <ul style="list-style-type: none"> <li>- The Risk Register and the Key Risks and Mitigations document have been updated</li> <li>- No scores have been amended</li> </ul>				
8	<p><b>Finance Policy Amendments</b></p> <ul style="list-style-type: none"> <li>- The amendments outlined in the report were agreed with the following adjustment:</li> <li>- Grant Applications section – the threshold of getting Board approval if the team is considering applying for grants should be raised to £50,000 and the wording tightened</li> <li>- <b>Action 6:</b> The proposed amendments, including to the Grant Applications section, should be taken to the Board for approval</li> </ul>				
7	<p><b>Funding Partner Update</b></p> <ul style="list-style-type: none"> <li>- Three Local Authority partners have verbally confirmed funding for 2022-23. Meetings with the remaining partners are being arranged</li> </ul>				
9	<p><b>Review of Liabilities / Reserves Policy</b></p> <ul style="list-style-type: none"> <li>- Legal advice was sought from a firm of Solicitors regarding potential ways of reducing liabilities. Having looked at the documentation they recommended using a TUPE specialist who has now been identified and instructed.</li> <li>- The amendments to the Reserves Policy reflecting the changes to how we finance our liabilities, have been made and the updated figures for our reserves as at 31.03.23 have been added</li> <li>- <b>Action 7:</b> The agreed amendments to the Reserves Policy should be taken to the Board for approval</li> </ul>				
11	<p><b>Dates of next meetings</b></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 60%;">Tuesday 12<sup>th</sup> July 2022</td> <td style="width: 40%;">11am</td> </tr> <tr> <td>Tuesday 11<sup>th</sup> October 2022</td> <td>11am</td> </tr> </table>	Tuesday 12 <sup>th</sup> July 2022	11am	Tuesday 11 <sup>th</sup> October 2022	11am
Tuesday 12 <sup>th</sup> July 2022	11am				
Tuesday 11 <sup>th</sup> October 2022	11am				

Actions	Owner	Date
---------	-------	------

1. No longer send full set of finance system reports to full Board	JK	26.04.22
2. Pay Award of 3% to be included in 5-year forecast for 2023-24 onwards	JK	30.04.22
3. JK to model a couple of scenarios for an increased pay award for 2022-23 and circulate to FAG – FAG to take a recommendation to Board	JK	26.04.22
4. JK to investigate how an annual leave purchase scheme would work with the pension scheme, and to draft some parameters for a potential scheme	JK	31.05.22
5. The proposal regarding additional travel costs linked to potential new office base will be taken to the Board for approval	FAG	26.04.22
6. The agreed amendments to the Finance Policy should be taken to the Board for approval	FAG	26.04.22
7. The agreed amendments to the Reserves Policy should be taken to the Board for approval	FAG	26.04.22

Item	Decisions
1.	FAG agreed to recommend an increased pay award for 2022-23 for all relevant staff, backdated to 01.04.22. This will now be taken to Board.
2.	FAG agreed to recommend that all staff have any additional travel costs to a new office base covered for three years, and that for staff that live nearer to the current office, then this should be the 'home to work mileage' taken off any work-related travel claims for a period of three years.

Prepared By	Date	Checked By	File Code
Jane Kracke	07.04.22	Sharon Heath	Finance Audit Group Minutes 07.04.22