

GOVERNANCE & FINANCE COMMITTEE (GFC)

Meeting Minutes – 15 June 2016

Present: Simon Le Fevre (SLF) in the chair
 James Madden (JM)
 Margaret Moore (MM)
 David Pond (DP)
 Andrew Flatt (AF)

In attendance Mark Bradbury (MB) Wilkins Kennedy Financial Planning for Item 3

Item	Minute	Action
1.0	<u>Opening Remarks and Quorum</u>	
1.1	SLF welcomed everyone to the meeting and asked whether there were any declarations of interests specific to the meeting.	
1.2	DP declared an interest in Item 3 – Pension Provision. No other interests were declared.	
1.3	The meeting was quorate. SLF noted that the GFC had received delegated authority from the Board of Trustees to take decisions on the approval of the future pension scheme provider and the Annual Report & Financial Statements.	
2.0	<u>Apologies</u>	
2.1	Apologies were received from Kevin Aitchison.	
3.0	<u>Pensions</u>	
3.1	<p>Mark Bradbury Client Director, WK Financial Planning, presented the Auto-Enrolment Solution Report, and highlighted the key points. The two pensions provider options he proposed were Aviva and The People's Pension, selected following research into the whole market. He summarised the main differences as:</p> <ul style="list-style-type: none"> • Aviva has a larger number of funds to invest in and has an automated system offering a greater capability which may better suit an organisation which does not use its payroll to manage the pension offer. • Aviva charge a monthly fee, currently £41, and a member charge of 0.65%; whereas PP has a one off charge of £300 + VAT and charges members 0.5% pa. • Aviva Scheme Protection is offered under FSCS, but there is no guarantee of the same protection by PP. Though PP has an expectation that it would have, this has not been tested through the courts. 	

<p>3.2</p>	<ul style="list-style-type: none"> • Aviva operates a 10 year life-styling sequence whereas the PP has a 15 year life-styling sequence <p>The Solution Report provides a detailed comparison between Aviva and PP of all the features.</p>	
<p>3.3</p>	<p>SLF asked about individuals who already have a pensions arrangement of their own? MB explained that Aviva could facilitate transfers across from their own plan, but GBWR would not be expected to contribute to a plan other than the one which is offered. JM asked about the relative performance of the two 'default' funds. MB said they tended to perform on a similar basis as both were managed funds with lifestyle sequencing. The PP starts their descent 15 years to retirement and Aviva 10 years to retirement.</p>	
<p>3.4</p>	<p>JM said he thought it important to have the performance information relative to the fund available for the staff clinics. MB said he will provide a factsheet.</p>	<p>MB</p>
<p>3.5</p>	<p>MB reminded that WK FP will undertake an annual review of whatever pension scheme is selected and offers an annual workshop with staff. SLF asked if there was a cost to the annual workshop and MB confirmed there was.</p>	
<p>3.6</p>	<p>JM summarised the choice as PP being less costly and Aviva having a broader range and bigger profile in the market. MB said that broadly speaking this was the main difference; but added that, whatever option is selected, it can later be changed by GBWR. MM asked what notice period would be required if GBWR wished to change at a later date. MB replied that there was no notice period as such but in practice it would take 3-6 months to change a scheme over and to re-register everyone. SLF asked if there were any other key considerations before selecting the provider. MB said that, other than the matters already covered in the report, there were none.</p>	
<p>3.7</p>	<p>SLF asked if there was public knowledge of other users of PP and Aviva. MB said that this is not information that has been provided, but he will seek this information.</p>	<p>MB</p>
<p>3.8</p>	<p>A discussion followed on the various options.</p>	
<p>3.9</p>	<p>Under the delegated authority of the GBWR board, the GFC resolved to adopt Aviva as GBWR's preferred pension provider subject to confirmation that the past performance of the 'default' fund is not significantly inferior to PP. MB took an action to provide this by the end of the week.</p>	<p>MB</p>
<p>3.10</p>	<p>DP confirmed that pension workshops for all staff were scheduled for 12 July.</p>	<p>DP</p>
<p>4.0</p>	<p><u>Minutes of the GFSC Meeting on 1 Dec 2015</u></p>	
<p>4.1</p>	<p>The minutes were approved with no comments.</p>	

<p>5.0</p> <p>5.1</p> <p>5.2</p>	<p><u>Action Points</u></p> <p>All actions were complete or covered by the agenda.</p> <p>It was noted that the GFC planned for 17 February was cancelled due to insufficient business. A special GFC took place on 18 May to discuss Pension Provision, and a copy of the meeting notes are attached to these minutes.</p>	
<p>6.0</p> <p>6.1</p> <p>6.2</p> <p>6.3</p> <p>6.4</p> <p>6.5</p> <p>6.5</p>	<p><u>GBWR Annual Report & Financial Statements 2015-2016</u></p> <p>AF presented the GBWR consolidated Annual Report & Financial Statements which had previously been circulated to the GFC. AF began by highlighting changes in the structure of the report which had been introduced this year, largely in response to the latest version of the SORP requirements for charities. Key changes included:</p> <ul style="list-style-type: none"> • A more detailed financial analysis as part of the CEO’s report • A statement that no non-executive Trustee is being paid • Key senior management personnel named • Employment benefits paid to key personnel stated • Increased detail on the company’s investment policy • Increased detail of the company’s risk policy <p>AF led the GFC through the contents of the report and statements and responded to questions of detail presented by individual members. The GFC discussed the revised Reserves Policy detailed at P9 of the report. AF explained that this has been expanded and was set at £150-£200k, the estimated figure it would cost to meet staff redundancy and associated personnel costs and to honour any other commitments. Noting that current reserves stood at £135k, MM asked how the shortfall would be met. AF explained that it would come from future surpluses. DP explained that it was important to get the balance between reserves and operational expenditure right because cash held in reserve had an impact on delivery.</p> <p>The GFC formally adopted this updated Reserves Policy.</p> <p>AF directed the GFC to P14 and the Consolidated Statement of Financial Activities. The company returned a surplus of £100,856 over the year with £58k coming from WWRC15.</p> <p>AF and DP responded to a series of questions presented by individual GFC members and agreed to action a number of limited textual changes to aid clarification.</p> <p>Subject to any further feedback received, the Annual Report & Consolidated Financial Statements of GBWR for the year to 31 March 2016 were approved by the GFC, under the delegation of authority from the</p>	

<p>6.6</p> <p>6.7</p> <p>7.0</p> <p>7.1</p> <p>8.0</p> <p>8.1</p> <p>9.0</p> <p>9.1</p>	<p>GBWR Board. The GFC authorised the GBWR Chairman and AF to sign the documents on the appropriate date.</p> <p>Audit Completion Report (Mazars). AF presented the audit completion report which had been distributed earlier and advised the committee that it contained no significant issues. JM asked for clarification of the £11k unadjusted audit figure. AF explained that the auditors had not considered it material.</p> <p>The audit completion report was accepted by the GFC and AF was authorised to return the relevant letter of representations to the auditors</p> <p><u>WWRC15 Statement</u></p> <p>The GFC noted that there would be WWRC15 Board meeting to consider the closing accounts and that a summary should be presented to the full GBWR Board when it meets in July.</p> <p><u>Membership & Competition Fees</u></p> <p>DP presented the proposed fee structure for 2016-17 which he had previously circulated. The GFC commended the proposed fees for 2016-17 to the BOT for approval.</p> <p><u>Club Affiliation Requests</u></p> <p>Time precluded consideration of the requests which will be represented to the GFC at a later date. Based on what members had been presented with ahead of the meeting there was a general feeling that in some areas more detail would be required if the GFC was to be in a position to recommend affiliation to the Board of Trustees. DP requested that GFC members emailed him the areas they wished to see more detail, with any specific information required.</p>	<p>DP/AF/KMA</p> <p>AF</p> <p>DP/WWRC15 Board</p> <p>DP</p> <p>ALL</p>
<p>9.0</p> <p>9.1</p> <p>9.2</p>	<p><u>AOB</u></p> <p>This being JM’s final GFC meeting, SLF thanked him on behalf of the Committee for the very significant contribution he had made. JM had been a founder member of the GFC and his attention to detail and legal mind had been a true asset to the work of the GFC. All joined in thanking JM and DP also thanked Nabarro’s for hosting GBWR meetings over many years.</p> <p><i>Next Meeting</i> <i>28 Sep Knight Frank</i> <i>6 Dec Knight Frank</i></p>	