

GOVERNANCE & FINANCE SUB COMMITTEE (GFSC)

Meeting Minutes – 26th November 2014

Present: Simon Le Fevre (SLF) in the chair
 James Madden (JM)
 David Pond (DP)
 Andrew Flatt (AF)
 David Gibbs (DG) notes of the meeting

Apologies: Kevin Aitchison (KMA)

In attendance: Not Applicable

Item	Minute	Action
1	<p><u>Opening Remarks and Quorum</u></p> <p>SLF welcomed everyone to the meeting and asked whether there were any declarations of interests to be made.</p> <p>SLF declared that he was about to start a new 4 month contract as Interim Head of Corporate Governance for Sport England. JM asked whether Sport England were clear in terms of SLF’s association with GBWR. SLF advised in the affirmative and that appropriate arrangements were being put in place to manage any conflicts of interest that might arise.</p> <p>There were no other declarations of interest relevant to the business of the meeting.</p> <p>The meeting was quorate.</p>	
2	<p><u>Minutes of the GFSC Meeting on 3rd September 2014</u></p> <p>SLF advised that action points would come up under items on the current agenda or had already been actioned.</p> <p>Under previous item 5, DP reported that the AGM in Leicester went well and the club affiliation proposal was agreed.</p> <p>DP also advised that, regarding GBWR's annual Self Assurance submission, we are waiting for the subsequent review from Sport England.</p> <p>JM suggested that, given the current commitments of DP and his team, can the next Onsite Audit be arranged with Sport England / UK Sport for late next year? DP replied that there was need for the audit to be carried out and there is never a really quiet time for it to be undertaken; but he would ask about timing to fit best with GBWR's other commitments.</p>	<p>DP</p>

	<p>There were no other comments on the previous minutes; and the GFSC approved the Minutes of the 3rd September 2014 accordingly.</p>	
3	<p><u>Action Points not otherwise covered on the Agenda</u></p> <p>All items were covered by the agenda.</p>	
4.	<p><u>Reporting to Stakeholders</u></p> <p>(i) Business Plan Review</p> <p>DP advised that the Business Plan Review indicated that all areas of activity are progressing, and would be reported further to the December Board meeting .</p> <p>JM expressed his concern that DP and his team were currently working under considerable pressure, particularly regarding work on a potential commercial deal to provide additional income to the sport. DP advised that, while his current main focus was with generating income, he received a lot of help from AF in keeping GBWR's finances managed.</p> <p>AF suggested that it is worth keeping an eye on the workload and resources issue as at some time this will have to be addressed. DP replied that he feels well supported by his Senior Management Team and the Board; however his current job is very different from the job when he first started and if GBWR lands a commercial deal we may have to consider some recruitment.</p> <p>The committee agreed with SLF that ways of managing the resourcing concerns should be an item for discussion at our January 2015 Board of Trustees away day.</p>	All
5.	<p><u>Progress Checks on Finance Matters</u></p> <p>(i) <u>Finance</u></p> <p>AF reported that he was reasonably sanguine regarding the finances at this time and there were no issues to report. AF also advised that he will be talking to Mazars soon to discuss the implications of registering GBWR for VAT, particularly regarding the potential commercial deal.</p> <p>Comments on the finance reports were requested. DP confirmed that further grants from Sport England (Reward) and UK Sport (Major Events Legacy) will be added to the finance schedule once they are received. AF confirmed that some of the variances regarding expenditure were a timing issue.</p> <p>There were no further comments.</p>	AF

	<p>(ii) <u>Guidance for Trustees on Setting Remuneration</u></p> <p>AF advised that this item needs some thought and should be carried forward, as it is a consideration for good practice in the charity sector.</p> <p>DP stated that UK Sport is commissioning an 'anonymised' survey that will provide data on remuneration in the Sports Councils-funded NGBs. SLF suggested that if we are looking for a model for remuneration we may need to look at what charities are doing. The meeting recognised that, to attract the best talent, we must ensure that we pay relevant market rates.</p>	
<p>6.</p>	<p><u>Progress Checks on Governance Matters</u></p> <p>(i) Club Affiliation</p> <p>SLF reported that he and Kirsty Clarke have been putting together the further paperwork needed to support the new Club Affiliation arrangements, and had circulated a draft Affiliation Application Form, Guidance Notes and Agreement. They would welcome any further feedback from GFSC members, as the target is to have the paperwork agreed by the EGM.</p> <p>It was noted that there could be complexities where a wheelchair rugby club is operating as part of an RFU club. It was agreed that GBWR needs to discuss this with the RFU and preferably for the RFU to advise RFU clubs to talk to DP regarding affiliation to GBWR, if they plan to include wheelchair rugby as part of their activities.</p> <p>(ii) Equality Standard Action Plan</p> <p>SLF stated that another update report had been produced and circulated, based on feedback received. DP also advised that GBWR has received feedback on its equality survey from over 20% of our members. Indications are that GBWR is in a reasonable place regarding the requirements of the Preliminary Level of the Equality Standard, with SLF due to have an update session with Liz Davidson, our adviser, on 9 December.</p> <p>(iii) Full application to the Sports Councils for NGB Recognition</p> <p>SLF has sent a chasing e-mail to Sport England to find out if the 5 Sports Councils Boards have reached a final decision after their autumn meetings.</p> <p>(iv) Safeguarding</p> <p>DP advised that he wants to be sure that Safeguarding is not seen as a “tick box” exercise by any club and that clubs have appropriate persons in place who have received the relevant training. DP is to undertake further</p>	<p>SLF /KC</p> <p>ALL</p> <p>DP</p> <p>SLF</p> <p>SLF</p>

	<p>investigation into the roll-out of the current procedures and robustness of Safeguarding within clubs, before reporting to the Board on this matter.</p> <p>(v) Evaluation of Super Series</p> <p>A report is to be provided by DP for future discussion, in order that we evaluate things better.</p>	<p>DP</p>
<p>7.</p>	<p><u>Review Draft Articles</u></p> <p>The meeting noted that the draft new Articles for GBWR had been circulated by DP and a number of comments sent in by GFSC members.</p> <p>JM advised that there is now a need to contact Farrers & Co for a quote in order to incorporate the comments into a revised draft. DP is to negotiate the cost with Farrers for this work. AF volunteered to be involved with the process.</p> <p>JM and SLF advised the meeting that the key concerns and where changes need to be made are with:</p> <ul style="list-style-type: none"> • Article 2: Name and Office • Article 26: Nominations and Election of Elected Directors. • Article 30: Terminating a Member and • Article 44: Voting Majorities. <p>Article 2:</p> <p>The present wording allows for the Board to change the name of the charity.</p> <p>The wording needs relevant alternations to allow for:</p> <ul style="list-style-type: none"> • The removal of this power. <p>Article 26:</p> <p>The present draft provides for directors being 'declared elected' without a vote at the AGM.</p> <p>The wording needs relevant alternations to allow for:</p> <ul style="list-style-type: none"> • The Board to have the power to review director nominations against GBWR's skills, knowledge and competencies matrix; and • The AGM to continue GBWR's current practice of voting for all director posts, even where there is only one candidate for such a post. 	

	<p>Article 30</p> <p>The present draft provides for the Board to review its own disciplinary decisions to terminate membership.</p> <p>The wording needs relevant alternations to allow for:</p> <ul style="list-style-type: none"> • Disciplinary matters leading to termination of membership to be handled by the relevant committee (e.g. as set out in GBWR's current Disciplinary Policies); and • The Board to review any appeal against the decision of the relevant committee. <p>Article 44</p> <p>The present draft provides for the possibility of a proxy to be someone who is not a member of GBWR.</p> <p>The wording needs relevant alternations to allow for:</p> <ul style="list-style-type: none"> • Proxies only to be persons who are voting members of GBWR. <p>In addition to the above amendments to the Articles:</p> <p>It was noted that Northern Ireland is excluded from the Articles as GBWR's remit only covers Great Britain and not the United Kingdom.</p> <p>The committee also discussed KMA's comments regarding expenditure and borrowing monies. While recognising that GBWR needs to ensure that the indiscriminate borrowing of funds is not carried out at any time, AF stated that the draft Articles contain what are standard borrowing powers and we have to be careful not to unintentionally restrict normal operational borrowing (e.g. temporary overdrafts).</p> <p>The Articles now need to be updated appropriately and submitted to the Board for its agreement before the EGM vote.</p> <p>The agreed way forward is as follows;</p> <ul style="list-style-type: none"> (i) DP and AF will contact Farrers to negotiate a fee and update the Articles in line with the comments received. (ii) DP to confirm with Farrers that the majority required in the new Articles for special resolutions is 75% of the voting membership <u>present in person or by proxy at the AGM or EGM concerned.</u> (iii) The updated Articles will be presented to the Board, with a summary of the key changes, for the Board's agreement. (iv) DP will advise the DMG of the Articles and consider how best to notify the membership in advance of the EGM (e.g. via the the GBWR website). 	<p>DP / AF</p> <p>DP</p> <p>DP</p> <p>DP</p>
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	(v) The Articles will be presented to the EGM for endorsement on the 18 th February 2015.	
9	<p><u>Rolling Review of GBWR Policies</u></p> <p>(i) Money Laundering Prevention Policy.</p> <p>This is to be carried forward, DP is to discuss with the NCVO.</p> <p>(ii) Expenses, Contract Authorisation & Financial Management</p> <p>AF advised that he had received feedback from KMA and will communicate directly with DP with his comments. AF wants to add some wording to reference 1.1 of the document referring to “conditions and stipulations.”</p> <p>It was noted that the documents are scheduled for the 9 December Board.</p>	<p>DP</p> <p>AF</p>
10	<p><u>2015 / 2016 Business Plan and Budget Setting</u></p> <p>The meeting reviewed the business plan and budget setting schedule for the coming financial year.</p> <p>DP stated that the potential commercial deal could have a major impact on the Business Plan; therefore he is going to have management sessions in January 2015 to consider any further feedback and consolidate events.</p> <p>AF confirmed that the timetable for Mazars audit has been agreed and that the date of the fieldwork has been set in order to enable sign off by the 9th June 2015.</p>	<p>DP</p> <p>AF</p>
11	<p><u>Review of Risk Management</u></p> <p>DP advised that he is comfortable with the finances and we are in a strong place with the contracted outcomes for Sport England.</p> <p>DP also confirmed that he sees no major risks regarding the governance of GBWR and that we have high credibility regarding our governance and finance procedures and controls. The challenge may be how we continue to maintain this momentum, given the sport's current successful growth, so as to be able to continue delivering to a high standard.</p> <p>JM expressed his concern about the reputational risk that could be a result of unauthorised events by other parties outside of GBWR, who may be assumed by the public to be operating under the NGB's banner. DP advised that he had spoken with Steve Brown (Leicester club) and his view is that they do not have the capacity to deal with large events. Steve has confirmed that moving forward he will contact DP for advice prior to any event being organised. The feedback was welcomed by the committee as there was concern that unauthorised events may do damage to the GBWR 'brand' and the sport as a whole particularly as our profile is very credible</p>	

	<p>at the moment. It was welcome to know that people were being encouraged to come to GBWR for advice.</p> <p>DP also advised the committee that the potential commercial sponsor had conducted in-depth due diligence on GBWR before getting involved in any commercial proposal with us.</p> <p>SLF asked whether there is anything happening with potential future Invictus Games. DP advised that Invictus has recently made an announcement regarding tenders for the Games to be held during 2016 and 2017, which will leave a lull in 2015, which is already a very busy year for GBWR.</p>	
<p>12</p>	<p><u>Any Other Business</u></p> <p>The GCSF recognised that the primary responsibility for the WWRC 2015 subsidiary company lies with its own board of directors, but took note of DP's advice we may at some point need to channel relevant items via GBWR, as the parent company.</p> <p>The first report on the WWRC 2015 subsidiary company is to be ready for the February 2015 Board.</p>	<p>DP/AF</p>