



GOVERNANCE & FINANCE COMMITTEE (GFC)

Meeting Minutes – 20 February 2018

Present: Simon Le Fevre (SLF) in the chair
 Andrew Flatt (AF)
 Margaret Moore (MM)

In attendance: Daniel Hook (DH) (GBWR Compliance & Membership Officer)
 Tom Spooner (TS) (Hogan Lovells)

Item	Minute	Action
1.0	<u>Introduction & Declaration of Interest</u>	
1.1	SLF welcomed everyone to the meeting and asked whether there were any declarations of interests specific to the meeting. No interests were declared.	
2.0	<u>Apologies & Quorum</u>	
2.1	SLF noted David Pond's (DP) apologies.	
2.2	SLF confirmed that the meeting was quorate.	
3.0	<u>Minutes of the GFC Meeting on 5 December 2017</u>	
3.1	SLF noted that the proposed amendments to the minutes of the previous meeting (the " Previous Minutes ") had been made.	
3.2	The Previous Minutes were approved as amended.	
3.3	TS agreed to circulate a clean version of the Previous Minutes to SLF.	TS
3.4	SLF would sign the Previous Minutes upon receipt of a clean version.	SLF
4.0	<u>Actions Arising & Identification of AOB</u>	
4.1	It was noted that the following actions were carried over from the previous meeting:	
4.2	4.3 – SLF to confirm that the Reserves Policy document had been updated to align with the reserves policy set out in the 31 March 2017 Annual Report and Accounts.	SLF
4.3	4.7 – SLF to provide a signed copy of the resolutions passed at GBWR's 2017 AGM to Hogan Lovells. Upon receipt of the signed resolutions, Hogan Lovells would file the updated articles of association with Companies House.	SLF HL

4.4	All other actions arising had been completed or included in the agenda for the meeting.	
5.0	<u>Compliance Action Plan with Code for Sports and other Regulations</u>	
5.1	<i>Consolidation of Corporate Governance Requirements</i> – SLF highlighted the need to produce a consolidation of all the corporate governance requirements that GBWR is subject to. It was noted that this would dovetail with DH's work in respect of the Compliance Action Plan.	
5.2	DH explained the Compliance Action Plan was based on the governance document submitted by GBWR to Sport England and followed SE's template. The Governance Action Plan sets out where GBWR has evidenced compliance with the Code for Sports Governance (the “ Code ”) and other regulations. SLF further explained that the document would also capture the governance requirements that GBWR is subject to in addition to those required by UK Sport and Sport England.	DH
5.3	<i>Diversity Action Plan</i> – SLF noted that further actions need to be taken in respect to the Diversity Action Plan and the Equality Action Plan to ensure that GBWR is keeping up with the requirements of the Code and its current SE Funding Agreement. SLF suggested that a new equality and diversity champion should be appointed from among the Board of Trustees. SLF noted that the appointment should be proposed to the board at the next meeting. SLF raised the question of whether Mary Nicholls might continue to provide executive support for this area of work.	SLF DP
5.4	<i>Governance Statement</i> – SLF noted the Code requirement to include a governance statement in the annual report and financial statements. DH confirmed that Sports England have not yet published guidance in respect of the governance statement. AF noted that the accounts would need to be ready for audit in early May. The Meeting agreed that DH should prepare an email for DP to send to Phil Smith at Sport England to chase up the guidance promised in respect of the governance statement.	DH/DP
5.5	<i>Engagement Strategy</i> – SLF explained that GBWR would need to update its Engagement Strategy. Under the Code, the Engagement Strategy needs to be reviewed by the board annually. It was anticipated that DP would take this item to the Board. SLF commented that there are already a number of engagement actions in place across GBWR, and that the Engagement Strategy would supersede any previous Customer Charter.	DP
5.6	<i>Rolling Review of GBWR Policies</i> SLF and DH explained that GBWR would need to review a number of its policies. The Board is not able to consider the policies all at once and therefore a rolling review is necessary. It was noted that SLF, DH and DP have begun the review process. SLF further noted that several existing policies would also need to be updated to reflect requirements under the Code or changes GBWR had made to its Articles.	SLF/DH
5.7	<i>GDPR Compliance</i> DH explained that he attended a conference at the end of 2017 on, amongst other things, practical ways for NGBs to manage compliance with	

	<p>the GDPR. DH identified the lack of a well-established IT system outside GBWR's central base as the key issue for GBWR to address in respect of GDPR.</p>	
5.8	<p>DH stated that in May he would be meeting a company that supplied IT support packages (the "Data Security Company"). DH did not envisage any material disruption to the team from the delivery of the new software and noted that the Data Security Company would have a team to help implement the new software. He explained that the changes would increase GBWR's data security and allow data to be shared more efficiently between the team.</p>	
5.10	<p>MM asked about encryption. DH confirmed that the Data Security Company could provide this service if necessary.</p>	
5.11	<p>DH noted that initially the system would initially only be available to members but eventually it would be rolled out to the affiliated clubs as well. DH suggested that the initial system would be in place within three months.</p>	
5.12	<p>MM asked whether GBWR has a data retention policy. DH explained that he will attend a data protection course in June. Based on the course, DH would update GBWR's data retention policy.</p>	DH
5.13	<p>AF flagged the 25 May 2018 deadline for compliance on certain GDPR requirements. DH noted that the necessary systems were in place in respect of the members to ensure compliance and that Lucy was working on ensuring compliance in respect of the donors. He assured the Meeting that GBWR's general processes were good in terms of handling the data.</p>	
5.14	<p><i>Criminal Finances Act</i> AF explained that the Criminal Finances Act (the "Act") was not a major issue for GBWR. The Act creates a corporate offence for failing to prevent tax evasion either by a corporate in the UK or overseas. The Act is targeted at banks, import/export businesses and not so much at companies such as GBWR. AF directed the Meeting to the HMRC website, which sets out guidance and a checklist that SMEs such as GBWR need to comply with. AF agreed to pass this checklist to DP.</p>	AF
5.15	<p>AF confirmed that the Act would apply to associated persons (i.e. contractors) that GBWR engaged.</p>	
5.16	<p><i>Code of Fund Raising Practice</i> MM noted two strands to GBWR's obligations in respect of the Code of Fundraising Practice: (1) GBWR is registered with the Fund Raising regulator and therefore GBWR has publically committed to complying with the Code of Fund Raising Practice; and (2) GBWR needs to comply with CC20, which is a more general list of trustees' duties in relation to fund raising. To stay on top of these two strands, MM suggested that: (1) a member of the staff team should be selected to lead on the Code of Fund Raising Practice; and (2) the board of GBWR needs to be satisfied that they have complied with CC20.</p>	

5.17	It was agreed that the Code of Fund Raising Practice and CC20 compliance should be added to the agenda of a future board meeting.	DP/DH
6.0	<u>December Management Accounts</u>	
6.1	AF noted that the December Management Accounts were reviewed at the BOT Strategy Away Day. AF confirmed that GBWR was in a strong position financially and is on track to end the year ahead of budget. AF does not expect the auditors to raise any issues in their "going-concerns" assessment, which looks forward over the next 12 months.	
7.0	<u>2017/18 Q3 Business Plan Review</u>	
7.1	SLF noted that the review was primarily a matter for the GBWR Board but directed the Meeting to the key areas of responsibility for the GFC.	
7.2	In particular, SLF again highlighted the Equality Action Plan and the need to file the latest GBWR articles of association with Companies House.	
7.3	The Meeting noted the positive outcome on Strategic Priority 7, <i>Reducing Reliance on Grant Funding</i> .	
8.0	<u>Planning for 2017/18 GBWR Annual Report & Financial Statements</u>	
8.1	AF noted that he would be reaching out to the auditors by the end of the month to arrange the planning meeting. AF advised that DH would need to attend the planning meeting.	AF/DP/DH
8.2	AF noted that the Charity Commission's new annual reporting requirement would not come into effect until next year. AF confirmed that, as far as he was aware, there had been no material changes to the audit requirements that the Meeting needed to be aware of.	
8.3	SLF noted that the future changes to the contents of the Annual Report are likely to be driven by the key items in the Code. In particular, going forward, GBWR would need to provide more detail about how it manages risk.	
8.4	<i>Reporting from GBWR Trading Ltd</i> AF explained that GBWR Trading, in its capacity as a subsidiary company of GBWR Ltd, would provide monthly reporting to the GBWR Board. AF noted that the accounting was done by the third party service provider and that they would need to take on the increased reporting requirements.	
8.5	AF noted that the Quad Nations would be accounted for in GBWR Trading Ltd. AF explained that it was likely that there would be a small loss from holding the Quad Nations but that this would be manageable, within the bounds of what was agreed with the Board of GBWR, as the parent company; and, in any event, less than it would cost for the GBWR national team to travel and gain a similar level of experience against quality opposition.	AF/DP
8.6	SLF noted that the GFC needed to avoid taking on responsibilities for	

	<p>issues that GBWR Trading's own Board were responsible for. In particular, the GFC could not also act as GBWR Trading's governance and finance committee. The GFC's role is to ensuring that GBWR fulfils its obligations as a prudent parent to GBWR Trading Ltd. This includes obligations such as gaining assurance that GBWR Trading is holding regular board meetings.</p>	
8.7	<p>AF confirmed that GBWR Trading would continue to operate on a "project by project" basis, but noted the importance that GBWR itself should not do anything that would amount to trading, as that could put GBWR's privileged tax position as a charity at risk. AF noted that, for example, sponsorship should go through GBWR Trading whereas donations could continue to go to GBWR. It was further noted that any expenses relevant to sponsorship activities, including time spent by staff, should also be directed through GBWR Trading. As such, AF suggested GBWR Trading would likely have a more significant role to play going forward than it has done in the past.</p>	DH/AF
8.8	<p>It was agreed that GBWR needs to establish a clear policy in respect of what it needs to receive, as a parent company, from GBWR. The Meeting agreed that the GFC should receive GBWR Trading's quarterly financial reports. The Meeting agreed that "reporting from GBWR Trading to GBWR" should be added as a point of discussion for the next meeting of GBWR's Board.</p>	
8.9	<p>The Meeting also agreed that the GBWR Board should have sight of the minutes of GBWR Trading's board meetings.</p>	AF
8.10	<p>AF would circulate GBWR Trading's management accounts for the period up to February once they became available, which would likely be in mid-March.</p>	AF
9.0	<p><u>2018/19 Business Plan & Budget</u></p>	
9.1	<p>AF noted that the GBWR 2018/19 business plan had been presented at the Board Strategy Away Day.</p>	
9.2	<p>AF noted that DP had prepared the budget for 2018/19. The Meeting agreed that there was no requirement to approve the budget before the year commenced but that it would be good practice to do so, if feasible. It was agreed that DP would give an oral update to GBWR's board at the Board meeting next week.</p>	DP
10.0	<p><u>GBWR Affiliated Clubs</u></p>	
10.1	<p>The Meeting noted that the Board would need to have further discussions about any relationship between GBWR and Wheelchair rugby 7s. SLF noted that Richard Allcroft could explain the position of the IWRF in terms of any IWRF role in respect of wheelchair rugby 7s. DH noted that there is a misunderstanding in some quarters that GBWR manages wheelchair rugby 7s in the UK.</p>	RA/DH
10.2	<p>The Meeting noted that further checks would need to be carried out on the underlying information that had been provided by the clubs that had</p>	

<p>10.3</p>	<p>provided to become affiliated with GBWR. AF also noted the need for GBWR to be prudent in establishing affiliated club relationships.</p> <p>It was agreed that there should be a consultation with DP to put together a refresher session for the RDOs and potential information and training arrangement for the affiliated clubs on governance related matters.</p>	<p>All</p> <p>DP/DH/SLF</p>
<p>11.0 11.1 11.2 11.3</p>	<p><u>GBWR Risk Management Matrix</u></p> <p>SLF noted that there has not been any material change from the Risk Management Matrix presented at the Board Strategy Away Day.</p> <p>SLF acknowledged the risks associated with the continuing process of "bedding in" the arrangements for the affiliation of clubs and emphasised the need to properly understand and manage the affiliation process. It was agreed that this risk should be added to the Risk Management Matrix.</p> <p>SLF noted that risk management should not only be "high-level risk management" but that the Code anticipated that it would permeate through the organisation. SLF pointed out that risk management and identification needed to take place in all the departments that are under members of the SMT. DH agreed that risks should be documented at SMT level and that he would take steps in respect of this. SLF noted that risks identified at a SMT level should feed into the Risk Management Matrix, which is a dynamic document.</p>	<p>DP</p> <p>DH/DP</p>
<p>12.0 12.1 12.2 12.3</p>	<p><u>Recruitment of Additional GFC Member</u></p> <p>AF confirmed that he had not received a response from Grant Thornton about assisting to identify potential candidates but stated that he would reach out to them again.</p> <p>SLF stated that he would prepare a short explanation of the role that could be provided to applicants.</p> <p>SLF noted that under the Code the process would need to be formal and transparent. It was agreed that the position should be advertised. SLF further noted that the additional GFC Member may potentially be a future candidate to become a trustee and therefore there were benefits to undertaking a formal recruitment process at this stage.</p>	<p>AF</p> <p>SLF</p>
<p>13.0 13.1</p>	<p><u>AOB</u></p> <p>The Meeting noted its thanks to Tom Spooner for his work over the last six months.</p>	