

Executive Board Meeting held on Friday 24th & Saturday 25th February 2017 at the Holiday Inn Express, East Midlands Airport, Donnington.

Circulation: Board, Senior Management Team, Commission Presidents

Directors Present	Titles
Keith Nicholls [KN]	Acting President
Bartek Luszcz [BL]	Marketing Director <i>(apologies for 25th February 2017)</i>
Elizabeth Clarke [EC]	Development Director
Jefferson Williams [JW]	Playing Director
John Boughton [JB]	Finance Director
Freda Bussey MBE [FB]	International Events & Competitions Director
Steve Matthews [SM]	Technical Director
Tracey Watkinson [TW]	Non-Executive Director (Change Management) <i>(Joined by Telephone 24th March 2017, apologies for 25th February 2017)</i>
Honorary Members Present	
Richard Callicott MBE [RC]	Honorary
Staff Present	
Janet Inman [JI]	Interim Chief Executive Officer
Stewart Dunne [SD]	Chief Operating Officer
Sport England Representative	
Melissa Bennet [MB]	Relationship Manager <i>(apologies for 25th February 2017)</i>

Apologies for absence - See above

19:30 EB/16-17/24 Board Directors pre-meeting (JI, SD & MB not present)

Confidential Statement - During the discussion amongst the Directors present the consensus of meeting was that the Review Group Disciplinary Paper submitted should be withdrawn. This was concurred by the remaining two members of the Review Committee. The paper has therefore been withdrawn and no action will be taken against any of the Directors or ex-Directors named.

20:45 EB/16-17/25 Meeting Opening

25.1 - Apologies:

TW requested that the agenda reflect she was attending the meeting via a telephone link.

25.2 Conflict of Interests

All potential conflicts of interest were reported in advance of the meeting to the President who reported that for this meeting's agenda items there were none

25.3 Approval of Agenda

The agenda was approved

25.3 Previous Minutes

25.3.1 Confirmation

The previous minutes were confirmed

25.4.2 Matters Arising

Confirmed Mr Jim Mutton had resigned from the Board. The Board wished to note his long and distinguished contribution over the years.

Board members were asked by the Chair to report directly on any actions they had not completed

20.50 EB/16-17/26 Matters for Information

26.1 Articles of Association Distributed at the meeting – emailed to TW

26.2 Framework Document Distributed at the meeting – emailed to TW

26.3 Self Assurance Documentation Distributed at the meeting – emailed to TW

Jl stated that the above documents will be reviewed in the working sessions on the 24th February 2017 and completed during the 25th February 2017. Jl explained that SE awards were conditional on these being defined and approved by the Board members.

21.00 EB/16-17/27 COO's Operational Report

27.1 – Current Significant Issues:

The COO operational report contained the key tasks and actions following the appointment of SD on 19th December 2016.

The COO report outlined the key staff changes since the November 2016 Board meeting.

SD confirmed that the re-structure was well underway and that the staff had understood the need for the action. Moreover, the consultation meetings had been positive and the views of the staff acted upon in some instances. **Action SD**

SD confirmed that following a Finance Sub-Committee meeting in January an independent Finance Review by James Murphy had been carried out and the findings were published prior to the Board prior to the meeting. The report summary confirmed **SD's** initial findings.

- **SD** could find no evidence that budgets had been confirmed to the budget holders for 2016/17
- **SD** was concerned that the reserves had been depleted and that working capital was less than 100k. With no more Sport England funding, due until late April 2017 this was an issue.
- The GP finance package that was purchased to give budget holders and the SMT real time vision of finances was implemented from the beginning of April 2015 with the Sage system being switched off and therefore not running concurrently.
- Issues were identified early on to the suppliers and solutions were slow to be rectified. A major issue was the need for a VAT module.

The net result that the AGM in 2016 was presented with unaudited accounts for 2015/16.

- On November 26th, it was reported by the Business Director at the Board meeting that “The 2015-16 accounts are currently being audited by BDO, they are expected shortly”. **SD** could find no record of the final audited accounts and when he approached the BDO representative was informed that the audit was aborted as preparations had not been completed.
- The former Finance Manager informed **SD** that he would be working for 8 days in December/January [part of his new working agreement] to rectify this issue, despite leaving the business at the end of November following a 3-month notice period. This proved not to be the case [current employers not agreeing] and an agreement outside of working hours was made.
- As no accounts were prepared VE missed the filing date for 2015/16 with Companies House. The Board were informed that Companies House had agreed to withhold litigation whilst we established a recovery plan.
- A deadline of 31st March 2017 for filing was agreed with Companies House. Now, we have agreed with the auditors to resume the process on 20th March 2017 to allow time for the work to be completed.
- Given the suppliers of the new system could present no firm documentation to prove successful implementation the process of adding data to the new system has been laborious and many thanks go to the Finance Officer for her diligence in assisting the former Finance Manager in preparing the accounts.

SD, JB, James Murphy and VE Finance Department met with the supplier to establish why the GP Finance package is not operational and have taken steps to ensure it is on stream to enable the 2015/16 accounts to be completed. **Action SD, JB, SA & JM**

The Board reviewed the existing Risk Register and made necessary amendments. A revised and simpler to view format of the risk register will be introduced following requests from TW. **Action JI & SD**

27.2 – Finance Report: Presented by JB & SD

Following the identification of the finance issues outlined by SD following his investigations, JB reported the current position and its implications relating to the reserves figure.

Having reviewed the current reserves policy, it was clear that reserves were below £100k and not the £292 stated in the November report. Having investigated all payments for the calendar year 2016, SD confirmed that no large or non-authorized payments were made.

With an estimated 60k of VAT reclaim to added at some point. SD stated this would be needed to settle creditor accounts and pay salaries/redundancies in March/April 2017. SD expressed concern at the reserve figure reported in November of £292k.

Upon identification of the cash shortage, actions to curb spending were

implemented by SD. Despite initial resistance from budget holders who believed they were on track, budget holders were tasked with explaining the position to their respective work groups and volunteer groups. The reality was that for this year income generation had not met budget targets. This was compounded by the budget holders not having had their budgets for 2016/17 confirmed and a lack of control throughout the year based on lack of accurate reporting.

The position reported in November of a year-end deficit of £108k reflects current forecasts but without reserves.

Reconciliation of debt and debtors proves to be a problem given the system is currently not fully live. Initially SD was presented with a manual debtors file totalling more than £256k. A task force was established to understand the nature of the debt, given some were dated as far back as 2015. Further investigation showed the number to be £136k. It became clear that just over 77k of this debt had been received. Invoices were not marked as paid when multiple invoice payments made by Individual/institutions in a single payment. This will be rectified moving forward. This project will continue to ensure historical debt is either at zero or reasons known/identified.

Following a meeting with the Finance Coordinator in early January 2017 a back log of finance data entry was identified and an additional task and finish group within the office established to update all outstanding entries. Completion is due the end of February for all entries for 2016 and the 15th March for January and February 2017 entries. **Action SD & SA.**

27.3 Sport England Governance Plan

A short update from JI with supporting information from MB. The requirements of SE are non-negotiable. The interim award is conditional on VE electing an Independent Chair of the Board.

Scoping is currently taking place between VE & SE with a view to a new 3½ year award. The submission date is early May 2017. MB gave an overview of the process and where VE are currently. Her view is we are on track following positive meetings with the new SMT.

27.4 Governance Structure

The terms of reference for the Board were reviewed and amended where necessary.

The evening session halted at 23:00 on 24th March and reconvened at 09:00 on 25th March

27.5 Skills Matrix

This was reviewed and new clauses and charges to existing clauses were agreed by the Board members present.

27.6 Update on Sport England Scoping

This item was moved to earlier in the meeting to accommodate MB not attending on the 25th.

27.7 Priority Actions until September 2017

JI outlined the priority actions that will need to be taken over the next 6 months.

27.8 Working Group Lead Updates

FB Reported that the Review Committee report on the Beach Tour (VEBT) was close to completion and distributed the report to the meeting. The President thanked FB for her hard work and diligence despite being out of the country for part of the period.

A recommendation would be made in the coming weeks and key members of the review group are now finalising aspects of the plan.

JW reported he had started the AASE review but had no results to bring to the Board

EC reported that along with FB the VEBT was the priority and the next task groups would be looking at the Age Group Competition's. This task will begin in March 2017.

10:40 EB/16-17/28 Matters for Noting

28.1 CEV Report

RC stated this was a carryover from November and there was nothing to report

28.2 Programme Project Reports

The Board were referred to the report submitted by Steve Kerr [SK] regarding Care Market activities. KN noted the excellent contribution made by SK over the past months.

10:45 EB/16-17/29 Meeting Finalisation

29.1 Review and Actions to be taken:

KN briefly summarised the actions to be taken

29.2 Next Meetings

23rd April 2017 Leadership (am) and Strategy (pm) meetings - Loughborough

20th May 2017 Board Meeting - Loughborough

22nd July 2017 Board Meeting (am) and AGM (pm) *Loughborough (TBC)*

16th Sept. 2017 Leadership (am) and Strategy (pm) meetings - Loughborough

25th Nov. 2017 Board Meeting - Loughborough

29.1 Meeting Close 10:55

Signed as a true record

Date.....