

**THE NATIONAL LOTTERY COMMUNITY FUND
BOARD**

**MEETING OF THE NATIONAL LOTTERY COMMUNITY FUND BOARD HELD ON
24th AND 25th JUNE 2019
BISHOPSGATE HOTEL, DERRY, NORTHERN IRELAND**

MINUTES

PRESENT:

Emma Boggis	Board Member
Tony Burton	Board Vice-Chair
Perdita Fraser	Board Member
Julie Harrison	NI Chair
Maureen McGinn	Scotland Chair
Elizabeth Passey	Board Member
Rachael Robathan	Board Member
Adrian Webb	Wales Chair

IN ATTENDANCE:

Dawn Austwick	Chief Executive
Kate Beggs	Northern Ireland Director
Gemma Bull	Funding Strategy Director
James Harcourt	England Grant-making Director
Ben Harrison	Director of Engagement
John Rose	Wales Director
Catherine Roberts	Head of Governance (Minutes)
Dominic Newlyn	Governance Officer (Minutes)

1. CLOSED SESSION

- 1.1. The Board held a closed session ahead of the main business meeting with the Chief Executive in attendance.

2. INTRODUCTORY REMARKS

- 2.1. In the Chair's absence, Tony Burton, Vice-Chair, chaired the meeting and welcomed all.
- 2.2. Apologies were received from Peter Ainsworth, Natalie Campbell, Danielle Walker Palmour, Sarah Benioff, Joe Ferns, Martin Cawley. Elizabeth Passey had sent apologies for this meeting but would join the business meeting on 25th June.
- 2.3. There were no declarations of interest.
- 2.4. The minutes of the meeting held on 25 March 2019 (Board(19)M04) were approved as an accurate record.
- 2.5. There were no actions arising.

3. DELIVERING PEOPLE IN THE LEAD NORTHERN IRELAND - P18

- 3.1 The Board received Board(19)P18 with an update on Funding over the past year in Northern Ireland. Against a difficult background with a lack of devolved administration and uncertainty for the future, communities had shown resilience and determination to maintain cohesion.

- 3.2 The report highlighted positive progress in a portfolio where size and scale allow close proximity with grant holders. Combined with the new conversational approach it translated into high rates of customer satisfaction. The team were also using learning in more effective ways and in some areas were involved in policy discussions. There had been increased engagement with UK wide projects.
- 3.3 The contribution of the new director was acknowledged; she had brought new energy and changes where needed. The team had responded positively to internal changes and efforts had been made to engage with the whole organisation. There had also been extensive stakeholder engagement and management at local senior level.

4. DELIVERING PEOPLE IN THE LEAD ENGLAND - P19

- 4.1 The Board discussed Board(19)P19. Over the past year the England portfolio had welcomed new members, embedded major changes to ways of working and how we fund to advance the Fund's ambitions in England. The Board noted that the full grant budget had been committed, 90% of applications were online with higher volumes managed and our funding had a broader geographical spread.
- 4.2 In the future more thinking was needed around capacity funding and how this is built into our offer. Workloads were high with applications rising and it was essential to maintain a balance between processing high volumes and community-based activity. Another future focus would be on learning, with a number of strategic programmes entering the latter part of their funding period.
- 4.4 The Board congratulated England leaders for the significant progress accomplished over the past two years. They asked that workloads be monitored carefully and queried the impact of People in the Lead and local working on access to our funding in communities. This would be explored further by the executive.

ACTION: England directors

5. PRIVATE SECTOR ENGAGEMENT - P20

- 5.1 The Board were invited to share their views on the thinking outlined at Board(19)P20 to further the development of our approach to private sector engagement. They welcomed the work already achieved. They felt that it is important to understand how teams across regions are already engaging with business. There is a wide variety of understanding and the approach could offer coherence and guidance on how to relate to a complex environment.
- 5.2 The Board were clear that we should prioritise organisations that reflect our principles and embrace a richness of partners including local institutions. Board members were keen to proceed at a pace. It was agreed that we should move to development stages in at least two of the areas of collaboration highlighted in the paper, Young People and the Environment. Updates would be provided at future meetings.

6. EMERGING PRIORITIES - P21

- 6.1 The Board received Board(19)P61. In small groups, they were invited to explore emerging priorities and how they could shape the delivery of the Strategic Operating Plan in the next 18 months and beyond; this against the backdrop of the Fund's external landscape, political uncertainty and our funding become more and more politicised.
- 6.2 Group outcomes can be found at Annex A (confidential).
- 6.3 The discussion highlighted that bringing people together should be more prominent in the Plan. It was also suggested that People in the Lead was a powerful model as a way of working which should be leveraged externally. The next iteration of the plan would be brought to Board in December.

TUESDAY 24 JUNE - BUSINESS MEETING**PRESENT:**

Emma Boggis	Board Member
Tony Burton	Board Vice-Chair
Perdita Fraser	Board Member
Julie Harrison	NI Chair
Maureen McGinn	Scotland Chair
Elizabeth Passey	Board Member
Rachael Robathan	Board Member
Adrian Webb	Wales Chair

IN ATTENDANCE:

Dawn Austwick	Chief Executive
Kate Beggs	Northern Ireland Director
Gemma Bull	Funding Strategy Director
Matthew Green	Technology Director
James Harcourt	England Grant-making Director
Ben Harrison	Director of Engagement
Neil Harris	People Director
Ian Hughes	Finance Director
John Rose	Wales Director
Catherine Roberts	Head of Governance (Minutes)
Dominic Newlyn	Governance Officer (Minutes)

1. CEO OVERVIEW - P22

- 1.1. The Board noted Board(19)P22. It was confirmed that the Fund was actively engaging with key stakeholders across the political parties.

2. KPI PERFORMANCE REPORT - P23

- 2.1. The Board noted that the KPI report reflected a very early look at the current year, however the Fund was on track and expected to meet all targets for 2019-2020. The overspend reflected an underspend in the previous year, which was discussed later in the meeting.
- 2.2. The Board discussed the targets set and were reassured that the 45% result for awareness that the National Lottery funds good causes was as expected and driven

by a conflation of The National Lottery's and The National Lottery Community Fund's purposes.

- 2.3. Further work would be done to explore how much of our funding supports a collaborative approach between civil society and the private sector.

ACTION: Gemma Bull

3. FINANCIAL SUMMARY - P24

- 3.1. The Board noted the financial summary. Ian Hughes highlighted three key aspects;
- i. Income had been mixed over the first two months, however the Fund is confident that budget will be met for 2019/20.
 - ii. The level of grant budget spending was high due to the underspend in Scotland and UK portfolios last year. Once the Year 1 forecast was amended, it would no longer show an overspend.
 - iii. Operating costs had seen a reasonable saving so far. With the savings from the new Grant Management System (GMS) yet to be realised, this was expected to increase.
- 3.2. The Board were reassured that any impact from Brexit on the Building Better Opportunities Fund would not bear on the programme until September 2020.

4. NATIONAL LOTTERY INCOME - P25

- 4.1. The Board noted Board(19)P25. Ian contextualised the report, highlighting that the Fund's income prediction had historically been more accurate than the more conservative prediction from the Gambling Commission. Had the Fund operated on the Gambling Commission's forecast in recent years, budgets would have been cut to cover shortfalls that didn't materialise.
- 4.2. The Board confirmed the approach outlined in the paper.

5. GRANTS BUDGET AND REVIEW OF NLDF BALANCES - P26

- 5.1. The Board noted and approved Board(19)P26.

6. MINUTES OF ARC MEETING HELD 13 MARCH 2019 - P27

- 6.1. The Board noted and confirmed Board(19)P27, the minutes from the Audit and Risk Committee held on 11th June 2019.

7. ARC ANNUAL REPORT TO BOARD - P29

- 7.1. The Board noted Board(19)P29 and the following key points;
- i. New internal auditors, BDO LLP, had been appointed as of March 2019.
 - ii. A key focus for the Committee had been on GMS, and they welcomed the update from Gemma Bull at the recent meeting.

- iii. The Committee were conducting an internal review of their effectiveness, with the help of an external advisor who would report back at the Committee's September meeting.

8. ANNUAL REPORT AND ACCOUNTS - P30

- 8.1. The Board noted the Annual Report and Accounts, and congratulated Ian and his team on a clean audit. The Board noted that these accounts had been presented prior to the NAO adding comments, however NAO had since reviewed and made no substantive adjustments to the audit.

9. EXPENSES AND DECLARATIONS OF INTEREST - P31

- 9.1. The Board noted the Expenses and Declarations of Interest report which will be put on the website on the date of publication of the Annual Report and Accounts.

10. ENGAGEMENT SURVEY RESULTS - P32

- 10.1. The Board were presented with the key headlines of the Engagement Survey results. They agreed that they were a positive set of results.
- 10.2. The Board discussed the results relating to staff access to learning and development opportunities, and noted the Fund's plans to deliver more opportunities, for example through secondments. Further thought would be given to how the Fund's internal mechanisms can continue to support staff development.

ACTION: Neil Harris

- 10.3. The Board discussed the approval rating of SMT, noting it was above the benchmark for commercial organisations. There was engagement and communications activity proposed to continue to promote and enhance the profile of SMT.

11. FORWARD LOOK - P33

- 11.1. The Board requested that the Board and Committee Day venue for 2020 be at a location that receives National Lottery funding.

ACTION: Governance

- 11.2. The Board stated how valuable the visits the previous day had been and agreed that further opportunities for visits and local engagement could be identified where practical.

12. PORTFOLIO UPDATES - P34

- 12.1. The Board noted the Portfolio Updates.

13. AOB

- 13.1. There was no other business.

THE MEETING CLOSED AT 12:10

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MINUTES

ANNEX A

6. EMERGING PRIORITIES - P21

6.2 Outcomes of group discussions

GROUP 1

- Importance of not being distracted by current political environment.
- Stronger story on impact of People in the Lead
- Populist message versus evidence and impact
- Can the Fund do more to praise, support, reward innovation?
- Emphasis on the environment and other big challenges - mainstreaming in the future.
- Land and buildings are important - lack of confidence in capital investment. Catch up point.
- Capacity building - embedding People in the Lead
- Lottery family together
- More pro-active in working in partnerships

GROUP 2

- Focussed on Q3, measures and metrics
 - o Cycle of test, learn and stretch
- Data and knowledge and our learning - going further
- Stakeholder engagement
 - o What is purposeful engagement?

GROUP 3

- Delivering in line with our principles
 - o Are we “for everyone”, Open to all, not giving to all?
 - o Should we do more in the area of influence? A way of working as well as thematic.
- Thriving communities - simple act of Bringing People Together can lead to a lot of good sharing of ideas.
- Internally - looking again at our own diversity and inclusion and becoming more reflective of the communities we support

GROUP 4

- Some elements of the plan are tightly focussed on operational stability this year.
- Importance of the strength of the Fund’s narrative against the background of external environment, internal stability and diversity funding.

- Building connections across communities will become increasingly important. A discrete strategy needed for this. This could be in partnerships funding.
- Championing sector's contribution. Look at how we go beyond and develop comms on this.
- Natural development of the plan to move to three years.