

**BIG LOTTERY FUND
BOARD**

**MEETING OF THE BIG LOTTERY FUND BOARD HELD ON
WEDNESDAY 5 DECEMBER 2018, 11:00 – 14:30
AT ST JAMES'S GATE, NEWCASTLE**

PRESENT:

Adrian Webb	Wales Chair
Elizabeth Passey	Board Member
Julie Harrison	Northern Ireland Chair
Maureen McGinn	Scotland Chair
Nat Sloane	England Chair
Natalie Campbell	Board Member
Perdita Fraser	Board Member
Peter Ainsworth	Board Chair
Rachael Robathan	Board Member
Tony Burton	Board Vice-Chair

IN ATTENDANCE:

Dawn Austwick	Chief Executive
Joanne McDowell	NI Director
Joe Ferns	UK Knowledge & Portfolio Director
James Harcourt	England Grant-making Director
Neil Harris	People Director
Gemma Bull	Funding Strategy Director
John Rose	Wales Director
Ian Hughes	Finance Director
Catherine Roberts	Head of Governance (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. The Chair opened the meeting and welcomed all. He noted that it was Joanne McDowell's and Tom Steinberg's last meeting and thanked them on behalf of the Board for their significant contribution to the Fund.
- 2.2. No apologies were received.
- 2.3. Natalie Campbell declared that the Royal Foundation is part of the group leading the youth response on Serious Violence. Although not on the project team, Natalie disclosed that she feeds into project plans and informs the team. Natalie also reported that she is involved in recruiting the CEO of the GPA and was involved in the recruitment of the Executive Team. No other interests were declared.
- 2.4. The minutes of the meeting held on 25 September 2018 (Board(18)M03) were approved as an accurate record.
- 2.5. The action updates at Board(18)P02 were noted by the Board. A short brief for Board on the new visual identity would be reinserted as an action from September and bullet points would be shared.

ACTION: Governance, Ben Harrison

- 2.6. The Chair informed the Board that the agenda item on Brexit would be covered by Joe Ferns in Ben Harrison's absence.

3. BREXIT UPDATE P51

- 3.1. The Board received Board(18)P51 and considered the broader implications of Brexit for the Fund. Joe Ferns emphasised the fluidity of the current situation and fast shifting potential impacts on people and communities. He highlighted a likely increase in disparities, at a social and geographical level, and impact on domestic policies and the role of government.
- 3.2. The Board felt that it was also an opportunity to be an excellent funder through our response at a time of uncertainty. They asked for more detailed information on the challenges ahead and the deficit in funding to ensure a more effective and balanced response. Beyond Brexit we should continue to build a better, more nuanced understanding of what matters to people on a range of other social issues based on intelligence gathered and analysis.
- 3.3. The Board discussed the future of Building Better Opportunities in the current context. It was agreed that we should write to the Secretary of State highlighting potential risks to jobs if the Fund cannot continue to deliver BBO, but also convey the Board's concerns to the Treasury and the Department of Work and Pensions.

ACTION: Dawn Austwick, James Harcourt

4. DELIVERING PEOPLE IN THE LEAD P52

- 4.1. The Board received Board(18)P52 and noted the progress in the Wales portfolio. They welcomed the report, noting the quality of the information and presentation. They discussed how we can boost our voice and influence with stakeholders and build a social media presence. Greater connectivity with the UK portfolio was also noted. As our funding has become more accessible and our grants smaller the success rates have dropped and it is important that we address the perception issue and support those organisations who have not been successful.
- 4.2. John Rose highlighted the change to a more collaborative approach in the way the committee works, with the addition of lived experience to enrich the quality of the decision-making. Wales had continued to run thematic programmes helping working families and rural communities tackling poverty and creating connections between the organisations and projects funded across different parts of the country.
- 4.3. The Board raised the question of using third party funding opportunities; this would be further discussed in June. Following extensive consultation with stakeholders and the general public to formulate priorities for the next year three years themes had emerged such as homelessness and resilience of young people.

ACTION: Gemma Bull

5. DIGITAL WRAP UP – P53

- 5.1 The Board received Board(18)P53. They welcomed the report and the impact made. They recognised the need to reflect further in the future on how the Fund can embrace digital in a different way through our funding. They raised the potential to use automation in the future and discussed opportunities which would become available for shared development within the funding community as well as creating examples of cross organisation funding.

ACTION: Gemma Bull

- 5.3 The Chair thanked Tom for his work and contribution to making the Fund a more digitally aware organisation.

6. CHIEF EXECUTIVE'S OVERVIEW – P54

- 6.1 The Board noted the content of the Chief Executive's overview. Further insight on how staff at the Fund have responded to People in the Lead would be provided at a future meeting informed by questions in the staff survey.

ACTION: Neil Harris

7. ANNUAL ENVIRONMENTAL FUNDING AND PERFORMANCE REPORT – P55

- 7.1 The Board noted the Environmental Report and the significant progress which had been achieved internally and externally. It was important to set ourselves high ambitions and accelerate the pace of development. More robust management was needed around business travel. They welcomed the shift from internal performance to our funding and the way we support grant holders.

ACTION: John Rose

- 7.2 The report constituted a good toolkit for funding officers to share our position. A similar mechanism to that of the D&I process was needed and examples of other organisations could be helpful. It was also suggested that the SDG framework could be helpful.
- 7.3 There were questions on the possibility to apply for a kitemark and how to leverage a number of major environmental initiatives in 2019.

8. ANNUAL DIVERSITY AND INCLUSION REPORT - P56

- 8.1 The Board discussed the overview at Board(18)P56. They welcomed the direction of travel and sharper focus on this issue. They asked for progress to be reported regularly in a similar way to the environment report and be more externally focussed. They noted the success of the Change 100 programme and suggested to look wider at other characteristics and benefit for staff.
- 8.2 One concern was around diversity and inclusion at senior level. More reflection was needed and RemCo would look at better defining diversity on Board and Committees.

ACTION: Remuneration and Appointments Committee, Governance

9. DORMANT ACCOUNTS – P57

- 9.1 The Board received Board(18)P57 and considered the latest position on the Fund's engagement with Dormant Accounts.
- 9.2 The Board approved the recommendation at para 4.2 regarding a preference to establish new charitable organisations. They expressed concerns over control and the governance of the top body (TopCo) and whether the proposed arrangements would give the Fund's Accounting Officer sufficiently robust assurance in the future. They

asked for further clarity and reassurance that it would meet the obligations placed on the Fund.

- 9.3 It was agreed that these concerns would be conveyed to DCMS and that there would be further discussions between DCMS and the executive. It was also agreed that the approval of the Chair and the Chief Executive should be sought on any related proposals coming forward.

ACTION: Gemma Bull

10. SAFEGUARDING TRAINING FUND – THIRD PARTY FUNDING OPPORTUNITY – P68

- 10.1 The Board received Board(18)P68. The Board were asked to consider a new a £1.2 million Safeguarding Training Fund in partnership with DCMS. The Board agreed that the Fund would administer the funding. Martin Cawley would follow up with other portfolio directors.

Nat Sloane left the meeting.

11. STRATEGIC PLAN 2019/20 – P58

- 11.1 Joe Ferns provided an overview of the latest draft strategic plan setting out the objectives for the next two years and measures of success. He reminded the Board of the consultative approach taken in developing the plan. The Executive would refine the planning over the next few weeks and present a final plan in March. Joe and Tony would look at ambitions around objectives but the nine objectives were broadly in the right territories.
- 11.2 The Board approved the direction of travel.

12. CURRENT PERFORMANCE AND FINANCE – P59, 60, 61, 62, 63

KPI Report – P59

- 12.1 The Board noted the content of the Fund's Performance report at Board(18)P59 and welcomed the level of detail.

Financial summary – P60

- 12.2 The Board also noted the Fund's financial summary to date and thanked Ian for a robust and informative report.

Grant Awards Budget and Payment Forecasts – P61

- 12.3 The Board noted the updates to 2018/19 and future indicative budget at Annex A and forecast payments and NLDF balances at Annexes B, C, E and F. The Chair highlighted the cash outflows and whether we would spend as projected, which depended on the future of BBO.

- 12.4 The Board approved the recommendations at 1.26 to adjust grant award budgets to meet minimum cash balance.

Income Update and Risk – P62

- 12.5 The Board were presented with income and cash projections in a series of slides. Although October income had been reassuring, November was lower than budget year on year. The Board also noted that coupled with income uncertainty, the overall grant size and duration had decreased with awards paying out more quickly. Because of the risk to income further grant phasing modelling was needed. The Board recognised that it is a rapidly moving situation, which they would need to spend some more time on in March. We would continue to monitor income closely and take action if needed.
- 12.6 They confirmed the current approach with review in March.

ACTION: Ian Hughes

Budget Early View P63

- 12.7 The Board received P63 outlining an indicative budget position for 2019/20 and next three years. Some variations were anticipated in the final budget on both income and grant budgets. These areas would be highlighted in March when the budget would be brought back to be reviewed in further detail.
- 12.8 They approved the outline budget ahead of planning activity between January and March.

13. AUDIT AND RISK COMMITTEE REPORT

- 13.1 The minutes of the Audit and Risk Committee meeting (AR(18)M03) held in November were noted by the Board. The Chair of the Audit and Risk Committee updated the Board on key discussions. He stressed the concerns of the Committee around the procurement process and timeline for the development of the next Grant Making System. The Board would continue to observe developments closely.

14. BOARD FORWARD LOOK – P66

- 14.1 The Board noted the forward agenda.

15. PORTFOLIO UPDATES – P67

- 15.1 Portfolio updates at Board(18)P47 were noted.

16. ANY OTHER BUSINESS

- 16.1 On behalf of the Board the Chair conveyed warmest thanks to Joanne McDowell for her outstanding contribution on the Senior Management Team and leading the Northern Ireland portfolio.

The meeting closed at 14.30

Minutes agreed



Date 25th March 2019

Peter Ainsworth, Chair