

# Minutes from Board Meeting

## 18/10/17

For information and agreement

<b>Summary of Actions</b>	<ol style="list-style-type: none"> <li>1. MG to prepare Brexit risk assessment paper for the Board to review (o/s).</li> <li>2. GM to arrange a Trustee Board meeting at CWF sometime within the coming year.</li> <li>3. GM to brief JBW on finance discussion had during this meeting as soon as possible.</li> <li>4. GM to map out future funding scenarios, factoring in Trustees' recommendations.</li> <li>5. GM to circulate SG Strategic Partnership Board governance documentation to Trustees.</li> <li>6. GM to complete a Healthwatch funding proposal.</li> <li>7. KM to send GM an introduction regarding accessing possible finding sources outside the UK.</li> <li>8. Trustees to commence actively searching for/sourcing additional trustee candidates.</li> <li>9. MG to convene a Governance Sub Committee meeting prior to end of February, 2018.</li> </ol>
<b>Attendees</b>	<ul style="list-style-type: none"> <li>• Karin Woodley (KW)</li> <li>• Mark Parker (MP)</li> <li>• Matthew Guest (MG, Chair)</li> <li>• Michael Bukola (MB)</li> <li>• Khosi Mamaka (KM)</li> </ul>
<b>Staff in attendance</b>	<ul style="list-style-type: none"> <li>• Gordon McCullough (GM), Truly Johnston (TJ), Bron Thomas (BT),</li> </ul>
<b>Apologies</b>	<ul style="list-style-type: none"> <li>• Jacky Bourke-White (JBW, Chair)</li> </ul>

### 1. Welcome & Conflicts of Interest

In the absence of both JBW and KW (joined during Agenda Item 3), MG was nominated as acting chair for the meeting. MG then welcomed everyone to the meeting and noted the usual conflicts of interest (KW specific).

### 2. Minutes & Actions

It was noted that the action item to produce a Brexit risk paper was still attributed to MP, whereas this action item belonged to MG. The minutes were then approved.

### 3. CEO Report

GM briefed the meeting on the Community Action Networks' (CANs') continued impact throughout the borough, and noted the success in establishing the Provider Led Groups (PLGs), the purpose of which was to connect the Council and the sector. Six PLGs were now up and running, including: Children, Families & Young People,

Physical Disabilities, Older People, Mental Health, Learning Disabilities and Creative Network Southwark.

Eighteen new Southwark Voice representatives had now been appointed to speak for various thematic areas (e.g.: mental health, social regeneration strategy, safeguarding etc.).

It was looking like Lambeth would potentially be commissioning a VCS/CVS service for three years, starting in January 2018 and is valued at £100k per year.

Turning to Healthwatch, GM stated that Aarti Gandesha was leaving at the end of the year to join the NHS England Advisory Group. KW responded that AG was a very talented individual and had made a significant contribution during her time in leading a really good group. MP asked whether a temporary member of staff needed to be appointed to lead the team and GM replied that they had a one-year strategy and knew how to deliver this. He could step in to manage the team as needed.

MG then asked whether there were any further questions on the CEO's Report and there were none.

On behalf of the Board, MP then acknowledged Graham Collins' recent departure and extended the Board's thanks to him for his excellent contribution made to Community Southwark (CS) during his time as the Director of Development & Partnerships, and GM concurred.

KM then asked how oversight of certain aspects of CWF's operation was now being handled and GM replied that Deborah Hayman had been appointed as interim Director of Partnerships and was now overseeing Development Services across both offices.

More broadly, MG asked how CWF was coming along and GM responded that the organisation was approaching the end of its first year. As a start-up, it was now getting more traction but was still not quite operating as a single entity. Progress was being made in a number of areas across the WF Borough, e.g. a recent funders' meeting held at the William Morris Gallery had been successful. The CVS programme was also making inroads, but operationally, there was a need for continued focus.

MP asked whether WF knew what CWF did and GM replied that the training and Children & Young People's Forum had gained positive traction so far. Strategic working across the two organisations still needed development, particularly how the two groups interacted and used the opportunities presented to them. A matrix management approach (across the functions) could be explored.

KW stated that Cambridge House (CH) ran teams in WF, Barking & Dagenham and Richmond under one manager, but that they were not fully integrated, as they had to change the culture of local delivery in each local authority. The model now included specialists who covered all geographies, rather than specialists in each location and this seemed to be the most galvanising approach.

**Action:** MG then noted that it had been agreed during the previous meeting to have a Trustee Board meeting at CWF and that it would be good to do this within the next year

#### **4. Finances**

KW asked if she should absent herself from the next agenda item, due to a potential conflict of interest. GM responded that he welcomed her inputs for this discussion.

To recap, GM stated that the 2016-17 position had been for the Board to agree an investment of £80k to build up the Social Action team. The March 2017 report had accordingly recorded a deficit of £35k to come. In addition, untaken leave during the year needed to be monetised and accrued for as a £10k liability (for SORP compliance).

KW noted that £10k of holiday was half a staff member and that management of employee leave entitlement was a performance management issue. TJ responded that the current HR policy on leave carry-over was a five-day maximum to be taken within three months of the financial year end. GM added that 25% of staff were carrying 5 days over, totalling £10k of liability.

Concerning recent funding bids, GM stated that the Esmé Fairbairn application had not been successful and, although TJ's bid for the Big Lottery's Reaching Communities funding (£122k per year over three years) had reached stage two, this had also been unsuccessful. TJ would be speaking to the grants officer to find out more about this and if there were another avenue to explore.

GM confirmed that the Council would cut £40k from core contract funding during the 2018/19 year. He also confirmed the situation regarding tapered funding for the Waltham Forest contract.

Concerning Healthwatch, GM stated that an 'in kind' subsidy had been applied (£160k p.a. vs £120k) and that he would be speaking with Stephen Douglass about this. Regardless of the Council designating a 'preferred provider' status, Healthwatch had statutory duties to perform.

GM then explained that there were three areas to review: staff, premises and rent, and indirect costs. He would be producing a business case for the Trustees to review, but this would not include a proposal on what to pull out of. The scale of reduction in cost across the three areas would depend on the Council's withdrawal, but GM noted that a reduction of 4-5 staff, 15% reduction in direct costs and a small reduction in ad hoc costs would balance the budget.

GM stated that timing was then the issue; if year-end, then reserves would reduce to £125k. If now, then minimal savings could be achieved, versus the New Year, when other things may come into play. He then asked for the Trustees' support, noting that JBW would need to abstain, in order to be available for any appeal process (Peninsula has been informed of the situation).

Responding to GM's update, MG asked the Trustees for their comments.

MB asked how imminent and urgent the situation was; what did GM want to do and, under the circumstances, could the Trustees have done anything to mitigate the current situation?

GM responded that the Board had been very supportive and it was good that Social Action had been funded. Regarding timing, the actions needed were urgent but not critical and a strategic decision would be wise, but this could potentially wait until the New Year, as there were still levers available to deploy.

KW then stated she had four observations to make. Firstly, in a meeting with the Council on CH, it was made clear by Stephen Douglas how important the Addington Square site was, as was Community Southwark's contribution to this part of the borough. It was therefore important to keep in mind the combination of organisations and borough coverage.

On the reserves policy, the status quo required maintaining three months' coverage (comp), but that a more contract specific approach could be adopted. Reserves included a small amount of redundancy and campaigning budget. GM responded that a 'risk based' reserve policy could be considered, e.g.: if lost core contract versus if lost Southwark Giving.

Regarding rent, KW asked GM to meet with her to discuss this.

In terms of timing, KW noted that there were currently many things in progress, including a senior level change and a very committed and skilled staff working on the opportunity to expand services. She felt it would potentially be appropriate to leave acting for as long as possible and that a scenario and probability based business plan was needed.

KM asked how long the organisation was funded for and GM confirmed funding through to March 2019. KM then commented that a central tenet of the voluntary sector strategy was that smaller organisations were funded for two years (cycles) and larger ones for four years. GM noted that, during his time in post, there had been a 25% reduction in the contract and that a further £40k was now proposed. KM emphasised the quality of Community Southwark's offerings now versus previously, concluding that she also felt timing should be later, not now.

MP stated he was concerned that there were just six weeks until year end and therefore not long to make a good fist of a business plan, consultation etc. so supported execution in the New Year. He was also aware that JBW was not attending the meeting, so there was a gap in the conversation this evening.

**Action;** GM requested fast minutes and that he would brief JBW as soon as possible

MP stated that he agreed with KW in that there were many things in progress, but that staff consultation would need to begin. GM replied that notice would be given in mid-February, followed by one month's notice to be worked.

KW asked how aware of the options the staff were and GM replied that the £40k reduction was known about, and the Social Action team knew about the Big Lottery

outcome. KW then offered a suggestion based on her prior experience of approaching teams to find the reductions, e.g.: for people to step forward with requests to go part time, job share etc. Also, a two-week consultation, followed by one month's notice seemed short and that there should be help given to find other roles. The reserve fund was there to help with such things.

MP stated that three months' reserves was a guideline, but was not cast in stone, and that he was comfortable to dip into reserves. The pre-Christmas timing was not good.

GM stated that this had not been a nice time, particularly for TJ. Knowing that they could now pause and reflect was very reassuring. KW then stated that that, if Reaching Communities had said to come and talk to them, this was important. KW asked what they were looking at (saving £120k?) and noted that lump sums filling gaps was a 'yesterday thing'. Now, smaller funding sums were filling gaps. GM agreed, noting that they had been on an incredible trajectory over the past five years. KW added that they needed to be cognisant that they were not above their members, who had also been going through this.

MP stated that it seemed the past four years had seen scrimping and saving at local authority level, but that there was possibly more stability ahead for the next financial year.

MG then asked if there were any other comments at this stage and specifically whether GM felt he had everything he needed from the Trustees. GM responded that he did have everything and thanked the Trustees again for their guidance and support.

## **5. Southwark Giving (SG)**

GM stated that Helen Atwood and TJ had done a great job in setting SG up thus far. It was currently an 'idea' that now needed to move to fixing funding sources and starting. Governance was an issue; SG was in incubation mode and with an advisory board, but did this need to sit under the Trustee Board or have separate governance?

KW asked whether the Trustees needed to meet with SG and GM clarified that a separate chair was to be recruited. TJ added that there would be separation of roles between the Community Southwark Trustee Board and the SG Strategic Partnership Board and that there was documentation in place that set this out.

**Action:** GM stated that he would circulate TOR and specification for SG Strategic Partnership

MB asked for a definition of incubation in this regard and GM responded that it was a 'midwife' role. KW added that CS had stepped in where the Council should have delivered, so CS must not lose ownership of SG. MP stated it was about creating an appropriate framework into which SG could be put. MP then gave congratulations to the team and stated that it was great to have come this far.

## **6. Healthwatch Southwark (HWS)**

GM stated that the current contract came to an end in March 2018 and that the team had taken it and really made it their own. No additional funding would be made available and this was unfair, particularly given that the remit covered two world class hospitals in the borough. KM asked whether GM had spoken with Kings and the Wellcome Trust about this and GM replied that he wanted to get them all together and to ask them for a small amount, but the council had said no.

GM reiterated that CS currently subsidised Healthwatch and asked, given the current situation, why they would continue with this. Unless something changed, it would be necessary to stop funding Healthwatch. KM asked whether GM had suitable data/research to use and GM responded that he had. GM then added that an option was to merge with Lambeth where, unlike Southwark, the CCG and council invested (whereas Southwark thought they had a conflict of interest).

KW asked what Healthwatch England's approach was. Should HW club together with other HW teams operating in high problem areas (e.g. HIV incidence, homelessness, high mental health incidence etc.)? MP added it felt like they were being backed into a tight corner and the Trustees should give GM support to carry out his negotiating strategy. Also, AG's departure was significant.

KM asked whether there were any socio-political groups that could potentially help and MG added that MPs may be able to help (Neil Coyle, Harriet Harman and Helen Hayes being Southwark's three sitting MPs).

**Action:** GM responded that he would put a full proposal on future resourcing of HWS

## **7. Development Team**

GM stated that the old model for consultancy was 'open door', whereas the new model about to be implemented involved triage at the beginning. Much of the work with clients involved things like writing constitutions and charging for this. CWF was also working on this basis. GM added that the presentation included in the document pack was an 'FYI' for the Trustees.

KW stated that the three strands of activity should be branded well and that she liked the approach, noting it could be strengthened by specifying outcomes, so that the success of the model could be measured and the character of the 'alumni' of each of the three strands be known (eg: 75% of the participants in Support Level (A) to succeed).

MP asked whether there would be a guideline on how many organisations should be on each of the three pathways, given that the third looked more expensive. MG added that there looked to be good funnelling opportunities between Pathway 1 and Pathway 3.

GM then asked if the Trustees were happy with this proposal and they responded that they were.

MG asked about the day rate and GM responded that the price point worked, emphasising that, whilst it possibly looked a little low, price should not be a barrier. KW asked about price sensitivity and turnover and KM asked whether Community Southwark was confined to solely servicing Southwark. GM confirmed that CS was free to work in other boroughs; a change to the memorandum and articles of association now provided for this (Elephant Consultancy).

KW asked whether CS had marketed itself to Power to Change and GM responded that it had not yet done so. KM then asked whether there was potential to tap into European Development funds, where a lot of money would be going into social mobility (MG: the ESF) and said that she had a contact and would send GM some information – **Action Item**.

## **8. Governance**

Concerning the results of the recent trustee skills audit and next steps for trustee recruitment, GM proposed that he put out a request for trustee applicants from the CS membership at the up-coming AGM. A full governance review should then be held in February 2018, once more was known about CS' future. Additionally, GM stated that CWF and Lambeth, and also the corporate side, needed to be considered in future. MP responded that the Board had been discussing this topic for the past eighteen months and urged that they move forward on this.

KM stated that she had been questioning her participation as a trustee and GM responded that her contribution at these meetings was most important. KW then apologised that she would be unable to attend the AGM, as she was having one at the same time.

GM concluded by stating that this was the Trustees' Board, not his board and that they should please approach suitable candidates. Up to 12 trustees could sit on the Board and, of this number, a maximum of nine could be CS Members and three from anywhere else – **Action Item**.

KW suggested that, for the trustees sourced from Members, a balance of experience and non-management types from local businesses, and younger participants could be useful. Also, KW wondered where the Board sat in diversity terms.

MP asked about swapping trustees with other boards (eg: co-opting for one year) and also whether a letter could be written to large organisations, asking them for trustee candidates. MG agreed, suggesting Involve may be helpful in this regard. TJ added that the Volunteers Manager' Network could be tapped into. KW also suggested leveraging social networks (especially Twitter).

To conclude, MG suggested convening a Governance Sub Committee before the end of February 2018 and MG, KW and MP were proposed as members – **Action Item**.

MB then left the meeting.

## **9. Any Other Business**

MG asked about GDPR preparedness and GM responded that this was work in progress. As CS wasn't fundraising, the impact was not potentially as large, although TJ noted that SG would need to factor this in. CS was advising groups and a lot of information had been put on the web site.

MP then left the meeting.

MG closed the meeting by giving a big thank you to GM and TJ for getting the bid into the Big Lottery, noting the massive amount of work that was put into this and from which good things would emerge.

The meeting closed at 7.15pm.