

Confidential Minutes

Meeting Title:	Business Development Sub Committee Finance & Investment Sub Committee		
Date:	16 th August 2017	Time:	1 p.m.
Attending:	Heather Brewster, Melanie Fordham, Andria Murphy, Carol Gaskarth (Carol), Bee Davidson, Carol Briggs (Carol B), Claire Todd		
Apologies:	Bee Davidson		

Agenda No.	Notes/Actions	Lead
Business Development Sub Committee		
Chair: Carol Gaskarth		
1	<p>Minutes of the meeting held 22nd March 2017</p> <p>The minutes of the previous meeting were reviewed for accuracy and matters arising. All actions complete except where noted:-</p> <p>a) CRM update – No update available as yet. Carol advised that capacity to undertake this work will be looked at as part of the structure re-organisation.</p> <p>b) Digital Strategy update – Claire confirmed that this is on the action plan for the IG & ICT Sub Committee.</p> <p>c) Information Governance – IG policy is to go to Board on 21st August. The action plan is being worked through. All on time and progressing well.</p> <p>d) Fundraising Strategy – The strategy has been approved and will be brought to the next meeting of the group. Regulations around lotteries, raffles etc. have been disseminated to appropriate staff.</p> <p>e) Income targets – Targets were not set for this year as we were aiming to sustain income levels rather than grow. This reflects that a number of projects are due to end in 2017-18.</p> <p>f) Workplace Health – The contract extension has now been received until 31st March 2017.</p> <p>g) Business Development Action Plan</p> <ul style="list-style-type: none"> • SMT consider the actions within the Business Plan and look at what we have capacity to work through during the year. A new 2017/18 plan has been agreed and will be brought to the next meeting of the sub-committee. • Claire advised that as part of the work of the Marketing working group, we are making sure that case studies are captured through the year, rather than at the end of the year when needed for the annual report. Case study targets are now included in impact plans so that staff are aware that this should be an ongoing process. This should alleviate the end of year rush to have case studies completed. • Melanie asked if there was an area where these could be stored so that they would be available for trustees and others to view 	<p>CG/CT</p> <p>CT</p> <p>CG</p>

	<p>them. Carol explained that Sandra Roberts has set up a drop box for trustees which could also be used for approved policies. She has also been asked to set up a policies section on the PCP website as some could be useful for contractors to view and there could also be an area for case studies. Sandra has also been asked to look at improving the website in general, however capacity issues mean that she does not have a great deal of time for this at the moment.</p> <p>Action: case studies into Drop Box</p> <p>h) Stockton – Healthwatch, ICA, SSNP – all now extended to 31 March 2018.</p> <p>i) Funding report 2016-17 – Claire reported that we were not successful with the Healthy Communities bid, probably due to the number of applications received to that particular fund. Carol advised that we had applied for this funding in case we did not sustain the Targeted Health Trainer work beyond October, however these have now been sustained.</p> <p>j) Marketing Update</p> <ul style="list-style-type: none"> • Claire advised that the marketing working group is focusing on an action plan and making sure we are taking forward key areas. We need to raise the organisation’s profile and should use case studies and vlogs to do this. Case studies should be used more in our press releases and vlogs are to be made available by the end of this month and will be on PCP’s YouTube channel. The vlogs are being utilised to promote particular projects and are being drip-fed through social media. As previously discussed, the case studies, and the vlogs should be an ongoing process and staff need to see marketing as part of projects and services, rather than an afterthought. They should be used to showcase to commissioners and service users the good work and impact of our projects and services on the community. • Melanie asked if the vlogs would be brought to Board meetings. Carol said that this was not planned for the meeting in August due to the full agenda, but it will happen for future meetings. Action: V-log at the beginning of each Board meeting. • Claire advised that the appreciative enquiry model has been used to enter into discussions with service users for the two existing Zumba classes. As a result of the discussions that took place, it was found that a third class was needed and this was arranged. • Heather asked if advertising of what was available was done with existing classes i.e. advertise Swing Fit to Zumba members? Carol said that this was done but not as well as it could be. It was acknowledged that we need to exploit these markets. We now have a monthly What’s On guide showing all activities and we need to make sure this is available to everyone. Anyone signing up for a class is also signed up to our supporter’s bulletin which has full information on what is available. We also promote to Age UK and Carers groups but do need to be better at capturing what people might want to do. How to maximise this and the relationship between projects and 	<p>CG</p> <p>KF✓</p>
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	<p>services is part of the discussions being held in the Marketing group.</p> <ul style="list-style-type: none"> • Carol B asked if it would be helpful to have a static display in the mall of what is available each day, as well as the display on the reception TV. Claire felt that we need to utilise the Pod to advertise and also to engage with people on what they might want to do within the Centre. The Marketing group is looking to make this space more visually appealing and informative. We also have a token voting system that can be used to gain feedback. • Heather suggested that it may be useful to use a static sign outside the GP surgery which advertised what was on each day and also showing some of the vlogs running within the Centre might also be helpful to show people what a particular activity or project looked like. • Carol also felt that it was important to move reception staff from being booking clerks to being signposts and information providers for the projects and services of PCP. <p>Action: Claire to feedback suggestions to the Marketing group to progress.</p> <p>k) Together 21 – A report is on the agenda for the Board meeting on 21st August.</p> <p>l) Sport England – This bid was unsuccessful. PCP was a very small part of the bid and did not lead.</p> <p>m) Masterplan – Started</p> <p>n) Hungry Holidays – Started</p> <p>o) Hydrotherapy Pool – A report is on the agenda for the Board meeting on 21st August.</p> <p>p) Jubilee Medical Group – We continue to work with the Practice Manager on the needs of the GP practice. They have taken over the tenancy of one of our therapy rooms but a longer term plan is needed as they do need more space.</p> <p>The minutes were approved as a true record of the meeting.</p>	CT✓
2	<p>2017 – 18 Funding Development Report</p> <p>Carol advised that the report provided with the meeting papers is slightly different to that issued to Board. Changes are:-</p> <ol style="list-style-type: none"> 3. Stanwick Group of Churches – amount is £200 4. Joseph Strong Frazer Trust – amount is £1000 5. Hadrian Trust – amount is £1000 <p>Carol went briefly through the report:-</p> <ol style="list-style-type: none"> 10. Not successful. Ineligible as we are not a manufacturing company. 11. We have gone through to stage 2 and should be advised of the outcome in 3 – 4 weeks. 12. Through stage 1 and 2 and had telephone assessment last Friday which seemed to go well. Will hear within the next 4 – 6 weeks. 13. Money has been received. 14.& 	

	<p>15. The process to obtain funding from supermarkets is very slow and we are not expecting an outcome for some time.</p> <p>16. Expect to hear within the next 4 weeks.</p> <p>17. Not successful. We are able to re-submit but it is highly unlikely we would be successful unless the project has national significance.</p> <p>18. Successful at stage 1 but not through to stage 2. livin are also focusing now on West Ward and it's felt that the Naturally Cornforth project has now gone on the 'back burner' for them. We have pushed to see if this can be moved on but as they are the lead, the decision on whether to take anything forward is with them.</p> <p>The environment is significantly more competitive than last year with the number of applications far exceeding funding available. Feedback on this bid was not available and it's felt that this is due to the number of applications received.</p> <p>19.&</p> <p>20. GAMP have around £130k to spend this year. Normally they would struggle each year to spend the funding but this year is the first where they have had a competitive process and have received applications totalling £440k. PCP has submitted 2 bids and gone through to the next round on both after the initial sift but we feel it unlikely that we will be successful.</p> <p>Carol B thought that as lots of communities are having to take over the running of pools, libraries etc. from councils, this probably means that there are more people chasing the grant funding, making it more difficult to be successful.</p> <p>21. Awaiting outcome.</p> <p>22. Not yet submitted.</p> <p>It was acknowledged that smaller grants are much more difficult to obtain and both Carol and Claire felt that there were more organisations seeking funding and consequently it is very difficult at the moment.</p> <p>There was no further discussion on this item.</p>	
<p>3</p>	<p>Business Development Update</p> <p>7. West Ward Regeneration Project</p> <p>West Ward Regeneration is an ambitious project which seeks to develop a plan for the estate's regeneration over the next 10-15 years. PCP has been appointed for a 12 month period (1 June 2017 to 1 June 2018) to deliver the independent Community Engagement element of the project, working to engage tenants, residents and stakeholders to develop and agree a regeneration plan for West Ward as part of livin's bid to DCLG's Estate Regeneration Fund.</p> <p>Melanie asked about the politics around this project as there was originally concern that the people living in the ward would not</p>	

necessarily be keen on the process.

Carol said that though the Travellers Green project had a lot of bad press due to the way it had been handled by livin, we have been firm that the West Ward process will be independent and have made it very clear that there cannot be a pre-determined outcome and plan. We will focus on the community and use our engagement expertise to handle the peaks and troughs that will inevitably arise through the process. Councillors are on board and we will need to make sure that we link with the key champions in the communities as we will need these to promote the positive messages and what our remit is.

(9) Hungry Holidays

The Big Lottery Fund has awarded grant funding to Children North East to help tackle hunger and the summer learning lag during school holidays across County Durham.

The 'Day Out, Not just a Handout' project is being coordinated by homes and communities business livin across Ferryhill, Spennymoor, Newton Aycliffe and Shildon this summer. PCP are delivering the projects in the West Ward of Newton Aycliffe and Tudhoe, providing local children with free activities and nutritious meals over a 4 week period in a bid to ensure no child goes hungry. The project also aims to support educational attainment during the school break.

Research carried out by Northumbria University showed that attainment amongst six to eight year olds in three areas of Scotland and England dropped to about four and a half weeks behind where it was before the summer break. Feedback from the project will contribute towards the continuing national research into what makes a good holiday scheme.

The group discussed the need for the project and the problems that currently exist within the project areas.

GAMP (19) Buddies Befriending Service & (20) ICT Suite

The GAMP Team have sifted applications for eligibility and both will now progress to the next stage in the process, which is review and discussion by the relevant Task & Finish Group (the meetings are taking place w/c 5 September). These meetings are slightly later than originally planned due to the huge response to the callout, with a total of 42 applications received, however, this won't have any impact on proposed project start dates.

All relevant information will then be collated and presented at the Board Subgroup Ranking meetings.

(22) West Cornforth Laburnum Road

livin are due to organise a further planning meeting and have asked

PCP to look at the Tarmac Landfill Community Fund.

Together 21

The fund raising campaign is ongoing and involves a number of funding bids. T21 provides:

- weekly term-time intervention groups for children and young people with Down Syndrome (across all ages and key stages)
- support, advice, training and guidance for parents
- awareness and promotion of positive perceptions about Down Syndrome within mainstream schools, local communities and workplaces

Community Parenting Programme

Claire Todd attended a Service Improvement Event on 26 June 2017, facilitated by Durham County Council, Public Health. The event brought together 'key' services including the Community Parenting Team, One Point Service and the Health Visiting Service to assess the current position, explore ideas for improvement and development of a remedial action plan. A follow up session was held on 4 August 2017 to review progress towards achievement of the 30 day actions.

North Yorkshire Weight Management (Deadline 31.08.17)

Public Health grant money has been allocated to the seven district councils across North Yorkshire to pilot a tier 2 lifestyle weight management programme for individuals aged 18 and over with a BMI of >25. PCP attended a briefing session but have decided not to apply. We could potentially work in partnership with others who are tendering but this would be in a small area only as we do not have the capacity to focus on a new area at scale at this stage.

Wellbeing for Life & Targets Health Trainer

Wellbeing for Life, Targeted and Social Prescribing contracts have been extended to 31.3.18. Contracts in Durham will be due to go out to tender in late September/October, therefore this will take a significant amount of capacity, not only bid writing but also developing partnership arrangements.

We need to wait to see the new Director of Public Health thoughts around Social Prescribing but are expecting that our model would need considerable change and will prepare for this.

0-19 Wellbeing Model

PCP have tendered for Stockton Borough Council Contract for 0-19 Wellbeing Model; Lot 3 - Family Outreach and Volunteers Service. Deadline in partnership with Stockton and District Advice and Information Service. The contract is £500k for 4 years with a possibility of 2 years extension, and would be split almost 50:50 with Stockton, however they would be the lead.

	<p>Sunderland 0-19 Service This tender is coming out but we will not be considering.</p> <p>October/November will be a very busy period for tendering and we need to form partnerships to move forward.</p> <p>There were no further matters to discuss and the Business Development section of the meeting was closed.</p>	
<p>Finance & Investment Sub Committee Chair: Heather Brewster</p>		
<p>4</p>	<p>Check meeting attendance in terms of quorate (2 Trustees and 2 members of PCP staff) It was noted that the meeting was quorate.</p>	
<p>5</p>	<p>Minutes of the meeting held 19th July 2017 The minutes were reviewed for accuracy and matters arising. All actions complete except where noted.</p> <p>a) Indicator of restricted and unrestricted to be shown on budget – Andria asked for clarification of what was needed for this action. Carol explained that a colour coded system needs to be in place to allow easy identification. Action: Andria to progress.</p> <p>b) HB query on difference in expenditure and income figures for Core & Centre – Andria apologised and explained that this was an issue with excel formatting only where some areas of the spreadsheet had been hidden. This has been corrected.</p> <p>c) Meeting papers – Heather reiterated that papers not sent out in advance of meetings could not be considered in this meeting. Finance is a very complex subject and it was unfair to expect members of the group to read and understand these within the meeting when tabled rather than issued in advance. Action: Andria to ensure financial information is ready and circulated a week in advance.</p> <p>d) Rathbones fees – Action c/fwd: Andria to check at what point Rathbones would take their fee.</p> <p>Melanie asked that it be minuted that the group will wait until completion of the review in November to replace Michael Dalton as a member of both Business Development and Finance & Investment sub committees.</p> <p>The minutes were approved as a true record of the meeting.</p>	<p>Andria</p> <p>Andria</p> <p>Andria✓</p>
<p>6</p>	<p>Terms of Reference – draft Heather advised that she had e mailed further suggestions for the terms of reference following the discussion at the last meeting of the group and Carol confirmed that these amendments had been made. Heather and Carol talked through the suggestions.</p>	

	<p>After discussion it was agreed that the Finance & Investment sections under Accountability and Reporting Arrangements, would be moved to Scope. Item 5 would have the standard accountability statement only. Action: Carol to move the Finance & Investment sections from Accountability and merge with Scope.</p> <p>In terms of finance, Heather explained that the terms of reference attempt to cover everything that happens within the organisation. This is only possible now because of the different way Andria is producing the budget.</p> <p>Melanie queried the term financial strategy under Accountability: Finance: (a) and asked if the organisation had this. Carol confirmed that we did not but this covers looking at where we are going in terms of what we provide and how we budget for this. We recognise that we need to develop this and suggested (a) should read Develop and scrutinise overall financial strategy and performance. Heather and Melanie queried whether it was the group's responsibility to develop but Carol advised that a draft would be prepared by management and come to the group for discussion and debate. She felt it important that the group has ownership of this area and checks that the strategy management are working to is fit for purpose. All agreed this change. Action: Draft PCP Financial Strategy and included on next agenda</p> <p>Heather noted that there is a difference between Accountability: Finance: (d) and (e). (d) is financial management, (e) is more about audit.</p> <p>Heather queried whether reserves should be included within the terms of reference. Carol asked whether these would be included in the financial strategy but Heather felt reserves are a large element and justify having a separate section. It was agreed this would be added to Finance: (b).</p> <p>The following actions were agreed:</p> <ol style="list-style-type: none"> a. List of changes suggested by Heather to be made available to members of the group b. Terms of Reference to be amended and brought to 25 October meeting. 	<p>Carol ✓</p> <p>Andria ✓</p> <p>Andria ✓</p> <p>Carol ✓</p> <p>Andria ✓</p>
7	<p>Final Approved 2017-18 Budget Original Budget year ending 31.3.18</p> <p>Andria went briefly through the figures of the original budget which showed estimated funds brought forward at 1st April 2017 as £1,639,178 and estimated funds carried forward at year end 31st March 2018 as £1,447,583.</p> <p>Heather asked if there was a definition for management costs in the voluntary sector. Carol explained that there was not, nor was there a sector average. The bid writing procedure will be brought to this sub-</p>	

	<p>committee and this will outline the parameters Carol and Claire operate to in the main. In the past 12.5% management fee and 5% core admin fee has been used but this was changed to 10.5 – 12.5% management fee and 3 – 5% admin fee, to be applied using Carol and Claire’s discretion. Up to 20% is the tolerance local authorities will accept, but this figure is self-determined.</p> <p>Forecast quarter ending 30.6.17 The forecast will be reviewed each quarter. An increase in forecast income is due to fees received for the West Ward project. £150k has been included under Lifestyle & Health for the Hydropool renewal. It was agreed that this would be moved to Centre for the next forecast issue. Action: Andria to arrange</p> <p>There were no further queries on the original budget or forecast but it was agreed that these should be issued in advance for future meetings. Action: Andria</p>	<p>Andria ✓</p> <p>Andria ✓</p>
<p>8</p>	<p>Reserves Policy – draft to consider and agree prior to Board Following discussions at the last meeting, Carol has made some changes to the Reserves Policy. A Reserves Procedure is also now drafted.</p> <p>Aim – Second sentence to be amended to read ‘and ensures that PCP is financially accountable’.</p> <p>Scope Melanie asked whether the policy Scope should specify a particular period which reserves would cover. Carol felt that this should be specified within the procedure, not the policy. After discussion it was initially agreed that the policy would be amended to stipulate the period the organisation would be sustained for and that this should be at least 6 months, however on further discussion it was agreed that the policy would not state a minimum but would say that PCP holds to Charity Commission best practice.</p> <p>Reserves Procedure After extensive debate, it was agreed that a minimum 6 months and maximum 14 months sustainability would be included within the procedure. Carol queried whether the reserves figure should cover organisational operational costs, or Core and Centre operational costs. Core and Centre does not cover projects where we may need to cover costs i.e. expenditure costs if funding is suddenly withdrawn. It was agreed that the Board’s attention should be drawn to the fact that this could happen.</p> <p>Actions:</p> <ul style="list-style-type: none"> • Raise awareness at next Board meeting and look to do risk profiling for next year’s calculation • Add risk profiling to risk register 	<p>Carol ✓</p> <p>Carol ✓</p> <p>Carol ✓</p>

	<ul style="list-style-type: none"> • Include narrative within policy re sustaining the business and that PCP holds to Charity Commission best practice • Procedure to include minimum 6 months, maximum 14 months • Reserves policy changes to be made and tabled at the Board meeting of 21 August • Procedure to be amended and circulated to the group. <p>There were no further questions on the Reserves Policy.</p>	
9	<p>Reserves Policy calculation – draft to consider and agree prior to Board</p> <p>The amount of reserves freely available to spend at any one time reduces when Restricted and Designated Funds are removed from the total reserves figure. The funds available figure is then divided by the Core and Centre Operating Costs figure. Using current figures, the reserves position has now reduced to 11 months.</p> <p>The group were happy with this approach to the calculation of reserves position.</p> <p>Action: Carol to ensure that calculation figures are correct before sending out to the group with the Reserves Policy.</p> <p>There were no further questions on the Reserves Policy Calculation.</p>	Carol ✓
10	<p>Management Accounts</p> <p>Andria went briefly through the report and asked for any comments/questions.</p> <p>Centre Income</p> <ul style="list-style-type: none"> • Room Hire – Reduction in income from the same period last year. This may be due to over-ambitious budget which did not take into account ECCDS use of room hire which has now stopped. However, if Together 21 funding comes through it does include funding to cover room hire. Melanie noted that there was a reduction in income from last year and this may indicate a potential decline. • Coffee Shop – Income budget also felt to be over-ambitious • Hydropool – reduction due to periods of closure which are very costly. • Therapy Suite – Requires investigation as not aware of why there should be an almost 50% reduction. <p>Action: Andria to review anomalies in Q1 Management Accounts per area highlighted.</p> <p>Centre Expenditure</p> <p>Salary savings in Finance due to gap in post. Melanie and Carol noted that this was a saving but was causing problems in efficiency. Carol explained that she and Andria were looking at short term solutions.</p>	Andria ✓ Carol/ Andria ✓

	<p>Project Income Down on budget due to timing of payments.</p> <p>The group agreed that it was the responsibility of senior managers to highlight issues and risks in advance, and suggest any remedial action that can be put into place. Background to the issues and suggested remedial action should then come to Finance & Investment to agree actions to be taken. Results of these actions would then need to come back to the group however this was not possible on this occasion due to lateness of management accounts. Senior Managers had not had the opportunity to look at them yet. A meeting has been arranged for Carol, Andria and Paul to review Centre budgets and Paul will undertake any actions as a result.</p> <p>Melanie asked how Paul would be aware of the discussions held today. Carol explained that all budgets are reviewed by individual managers so they are aware of any issues and ordinarily have the chance to consider any action they need to take. Carol also advised that the next Senior Management Team meeting will look at communication and structure. This should close loops and give an understanding of the routes of communication. There will be an opportunity to discuss how the process can be streamlined. We need to ensure that we have consistency and senior managers take responsibility.</p> <p>In terms of finance, information needs to reach managers in a timely manner to allow time to interrogate and come up with solutions. Action: Andria</p> <p>There were no further questions on Management Accounts.</p>	<p>Andria ✓</p>
<p>11</p>	<p>Any Other Business</p> <p>a. Finance & Investment Sub Committee Meetings – It had been agreed that a fourth trustee member would be recruited to the group. Heather asked if this would go to Board as part of the review to be held in November. Carol confirmed this was the case.</p> <p>b. Future agenda item (October meeting) – Review liquidity calculation Action: Kath to agenda, Andria to prepare details of current calculation and suggested changes.</p>	<p>Carol ✓</p> <p>Kath Andria</p>
<p>12</p>	<p>Date and time of next meeting</p> <p>Business Development Wednesday 25th October 2017 11 a.m. – 1 p.m. followed by</p> <p>Finance & Investment Wednesday 25th October 2017 1.30 p.m. – 3.30 p.m.</p>	