

# The Oversight Trust

Meeting of the Directors  
19 November 2020 at 8.30 - 11.00am

## BOARD AGENDA

		<b>Presenter</b>	<b>Documents</b>	<b>Timing</b>
<b>1.</b>	<b>Introduction, Apologies for Absence, Approval of Minutes, Conflicts, Matters Arising</b>	<b>SE</b>	Draft 19 October Minutes	<b>5 mins</b>
<b>2.</b>	<b>Youth Futures Foundation – Deep Dive</b>	<b>JM/AS/HE</b>	Materials provided by YFF	<b>55 mins</b>
<b>3.</b>	<b>Quarterly Review of OpCos</b> <ul style="list-style-type: none"> <li>• Fair4All Finance</li> <li>• Access</li> <li>• Big Society Capital</li> </ul>	<b>AR/KD/KB</b>	OpCo Quarterly Reports	<b>30 mins</b>
<b>4.</b>	<b>Quadrennial Review Planning</b>	<b>NP</b>	Outline of Access Review Plan Quad Review ToR	<b>15 mins</b>
<b>5.</b>	<b>Governance</b> <ul style="list-style-type: none"> <li>• NED Role descriptions (incl Conduct)</li> <li>• Delegation of Powers</li> <li>• Complaints Process</li> <li>• Risk Register</li> <li>• Governance Review</li> </ul>	<b>SE/AB</b>	Documents: <ul style="list-style-type: none"> <li>- Directors' Appointment Letter</li> <li>- Scheme of Delegation</li> <li>- Complaints Process</li> <li>- Key Risks/ Risk Register</li> <li>- Board Effectiveness Review</li> </ul>	<b>20 mins</b>
<b>6.</b>	<b>Annual Budget</b>	<b>SE/IH/AB</b>	YTD cash flows Annual Budget for 2021 NLCF Funding Request	<b>10 mins</b>
<b>7.</b>	<b>Nominations Committee</b>	<b>SH/SE</b>	Committee Terms of Reference Senior Ind. Director Role	<b>10 mins</b>
<b>8.</b>	<b>AOB</b>	<b>AB</b>	Board Travel & Expense Policy	<b>5 mins</b>

Next BST Board meeting: 25 February 2021 at 8:30-11:30am (including F4AF Deep Dive)

**Minutes of the meeting of the Board of Oversight Trust  
8:30-11:00am 19 November 2020**

**In attendance, Board:**

Sir Stuart Etherington (SE) Chair  
 Stephen Howard (SH)  
 Ian Hughes (IH)  
 Jo Fox (JF)  
 Nicola Pollock (NP)  
 Kevin Davis (KD)  
 Helen England (HE)  
 Andrew Rose (AR)  
 Clara Barby (CB)

**Youth Futures Foundation**

Joe Montgomery, Chair (JM) (for Items 2)  
 Anna Smee, CEO (AS) (for Item 2)

**Other attendees**

Alastair Ballantyne, COO OT (AB)

		<b>ACTION</b>
1	<p><b>Introduction</b></p> <p>The Chair confirmed there were no Apologies that there were no additional conflicts to declare.</p> <p>The minutes of the OT Board meeting on 19 October were approved.</p> <p>AB updated the Board on outstanding matters arising from the Board meetings in September and October:</p> <ol style="list-style-type: none"> <li>1. The F4AF commissioned report on the Impact of Fair for You and F4AF Risk Registers will be circulated to the OT Board and the YFF paper on volunteering will be sent to HE and SE.</li> <li>2. Practice Groups – the constraint on Dormant Account monies received being for “England-only” has been discussed with DCMS. They indicated a pragmatic approach – with the “primary purpose of spending” and its “main effect” needing to be in England. AB will join OpCos’ CEOs’ discussion on Diversity in December with a view to developing collective learning on the topic.</li> <li>3. In November, SE, HE and AB interviewed candidates to perform the Comms Adviser role for OT. Arman Alan Ali has been selected and his CV circulated to the Board.</li> <li>4. The Link Directors met last week to share approaches to liaising with OpCos and how they could be most effective.</li> <li>5. The Finance Teams of the OpCos and OT will be meeting at the beginning of December to discuss information required for the 2020 OT consolidated accounts.</li> </ol>	<p>Oct 19 Board minutes to be published on the OT website – AB [DONE]</p> <p>Circulation of F4AF and YFF documents – AB [DONE]</p>

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## Youth Future Foundation Deep Dive

JM introduced the presentation. YFF had adopted a cautious approach to setting up the organisation, thinking hard about: risk; involving others in the sector; and open engagement with policy makers.

The Board has now matured with committees now established for Grants, Audit, Finance and Investment, and Organisational Development. A Youth Voice dimension to YFF's processes is also being fully developed.

Spending had been accelerated in the face of the Covid challenge with 133 grants (£13.2m) made to date - this is more than originally envisaged and will be reflected in the revised Business Plan.

AS presented the update slides that had been circulated the Board, including materials on strategy, governance and impact evaluation.

- Outline of vision and context
- Approach and levers used by YFF (Inform, Invest, Initiate)
- Investing in systems change and collaboration in the sector (particularly including employers)
- Reminder of YFF Theory of Change
- Development of grant programmes: Development and Impact Fund (£4.7m, 15 grants); Infrastructure Resilience Fund (£1.7m, 11 grants); Inspiring Futures Fund - partnered with Children in Need (£7m, 107 grants).
- Transparency and rigour of grant making process
- Grants Committee composition (80-90% proposals taken to the Committee are approved)
- Details of diversity metrics
- Approaches to evaluation and evidence: combining theory-based and experimentation & impact analysis approaches
- The interconnection between evaluation and influencing policy development with reference to specific Government programmes
- Working with employers, recognising the value of a diverse workforce
- Outline of Governance and Board Committees, advisory and evaluation groups
- Progress on recruitment of staff team (including interim support) and illustration of diverse backgrounds of recruits
- The Business Plan and budgeting process that is being reviewed by the YFF Board
- Risk – highlighting high appetite for risk for who YFF will fund, but low appetite for safeguarding and financial controls

HE thanked AS for the thoroughness of the presentation and commented on the strength of YFF's approach to co-production with stakeholders and the breadth of their activity. The complexity of stakeholder management was emphasised which will be a critical issue going forward. She welcomed the approach to risk management, the progress on developing the organisation's structure and transparency of the grants process.

There had been huge progress in YFF's first year that reflected the organisation's ambition.

There was a discussion about stakeholders' reaction to YFF. AS indicated that the sector had responded warmly to YFF's presence, helped by a lot of

<p>outreach prior to the organisation’s launch – but this may change now given that processing applications for grants (over 2,000 Development &amp; Impact Grants received) involves making rejections and causing disappointment for many. Government sees YFF as an important collaborator and YFF is regularly used as a sounding board. (Appointing a Head of Policy should help deepen the relationship.) She agreed that while employers like to establish their own programmes, signs are encouraging that they are willing to work in partnership and build on existing programmes.</p> <p>Youth engagement in YFF operations was explored. AS agreed that hearing the “voice of youth” was critical and referred to YFF’s team working on youth engagement who are driving this agenda, including Future Voices (working with British Youth Council) as well as engagement with the Board and Committees (including two youth members of the Board and observers at Committee meetings).</p> <p>AS was asked about the impact of Covid on BAME youth employment and data on this. There is a problem with data. YFF is pushing DWP to look at providing data at a more granular level. YFF has commissioned research (from Versity) on this issue. She outlined observations that had been made around the level of BAME employment amongst front-line workers and a particular issue of the challenge of finding new employment Vs maintaining existing employment.</p> <p>The relationship with Government programmes was further explored. AS gave the example of working on Youth Hubs with DWP and providing evidence of what worked well to help with programme evaluation. YFF will work closely with Government data labs to provide data and insight for future policy.</p> <p>CB and NP commended the approach to evidence building and using evidence generated from trials requiring a full understanding of context to enable effective replication.</p> <p>It was suggested that stakeholder relationships should be reflected as a critical risk for positioning YFF for the next phase of dormant account funding.</p> <p>As grant making will in part be on a social investment basis, JM agreed that it would make sense to deliver this in partnership with others. YFF would consider this in the context of the broader OT Group of companies.</p> <p>IH suggested talking off-line about technical details on accounts: including timing of the recognition of when grants are made. [ACTION: IH to follow-up with AS.] With the number of new hires, he asked about the level of administrative costs in relation grant income which could raise questions within DCMS.</p> <p>JM emphasised that YFF had a keen eye on costs. As the organisation grows, some of the development roles will drop off. He agreed that it was critical to maintain strong stakeholder relationships with central Government officials and the sector as a whole.</p> <p>NP asked about the capacity of the youth charity sector and plans for youth involvement in external work. YFF had joined a call to DCMS to release more core funding for the sector including for training. AS outlined a number of</p>	<p>Follow-up by email with AS on accounts issues - IH [DONE]</p>
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	<p>initiatives with interviews of the Youth Board Members and she saw this as an important role for the Future Voices Group.</p> <p>SE summarised the discussion and thanked JM and AS for their thorough and thoughtful presentation.</p> <p>AS confirmed that the Business Plan would be circulated once approved by the YFF Board. [ACTION: AB]</p>	<p>Circulate YFF Business Plan AB [DONE]</p>
<p>3</p>	<p><b>OpCos Quarterly Report</b></p> <p><b>F4AF</b></p> <p>AR had calls with F4AF Chair, SID and Co Sec. It was agreed that he would have quarterly calls with Richard Collier-Keywood (Chair) prior to OT meetings.</p> <p>The report demonstrates good progress.</p> <p>F4AF have been building capacity and have built governance structures that have addressed the governance issues raised in OT's letter after the 2020 Governance Review meetings.</p> <p>Referring to the slides, AR commented on the strategy refresh and reflected on the need for investment at this time of crisis with an emphasis on engaging with mainstream credit providers, given the scale of the issue. The key issues in the presentation were referenced including: additional dormant account funding; building the executive team; and their strong focus on impact (including the report on Fair for You (to be circulated to the OT Board – see 1. above)).</p> <p><b>Access</b></p> <p>KD outlined his engagement with Access that is primarily through Seb Elsworth (CEO). KD will shadow the Access Board meeting next week and update them on the Quadrennial Review and separately with the SID (Martin Rich).</p> <p>Access is half-way through its 10-year mandate and has set up a Legacy Group looking at this in terms of both winding-up and legacy or whether Access should continue. He outlined changes to the executive team and referred to new Directors and the establishment of new Board sub-Committees.</p> <p><b>Big Society Capital</b></p> <p>SE informed the Board that the CEO search is on pause and that Stephen Muers (SM) is doing a very good job as Interim CEO.</p> <p>CB highlighted that the conclusion of the Quad Review was that a major issue for BSC was both internal and external-facing culture. She had met the Head of Engagement (James Westhead) who had organised for Pioneers</p>	

	<p>Post to publish an article by SM in October addressing this issue in an open and honest way. [ACTION: AB to circulate].</p> <p>It was encouraging that write-downs were less than expected as a result of Covid – primarily because of government subsidy.</p> <p>CB highlighted BSC’s mission and how resilient BSC’s investments are given that they are solving problems that rely on government funding that does not fall away in times of crisis. This is an important narrative for potential co-investors looking for investments that are not correlated to mainstream investments.</p> <p>The stated mission of promoting the development of social investment with a “sustainable return” – reflects the challenge highlighted in the Quad Review and OT needs to understand with more clarity what BSC means by this term.</p>	<p>Circulate Pioneers Post Article – AB [DONE]</p>
<p>4</p>	<p><b>Quadrennial Review of Access</b></p> <p>NP presented the Board paper on this topic and reflected input from the post-Review publication debriefs with BSC and DCMS.</p> <p>The timetable has been structured around DCMS’s requirements to feed into ministerial briefing for decision-making around further Dormant Account allocations. The report will be due by April/May which creates issues for how the Review Team can best report to the OT Board.</p> <p>She explained the thinking behind re-appointing the same team as last year: reflecting the quality of the last review; the fact that the material to be covered was similar to last year; and also that the Panel had worked well together as a team. However, there were issues of diversity on the Panel that should clearly be taken into account in the future.</p> <p>The Review Team for OT will be NP, SH, KD with support from AB.</p> <p>SH reminded the Board of its discussion of the Review in September and that it was agreed with DCMS that the Quad Report will produce Observations rather than Recommendations.</p> <p>SE explained the background to OT needing to have Comms support, as last year the process of publicising the Report had been managed by BSC and much of the media coverage had reflected their perspective.</p> <p>Next year, the Board will be involved before the Review is published but there will be less on-going involvement in the process than in 2020. A critical difference for this and future reviews is the involvement of the Link Director and NP will keep SE informed of progress so that there can be Board engagement when required.</p> <p>The secretariat will be embedded in the Review Panel – with extra capacity needed next year for copy writing and editing.</p>	

	The Board agreed the approach.	
5	<p><b>Governance</b></p> <p>SE outlined the process for reviewing OT’s own governance, including reviewing documentation against the NCVO’s Guide to Good Governance for the Voluntary Sector.</p> <ol style="list-style-type: none"> <li>1. A Board Appointment Letter will be resent to each member of the Board on Oversight Trust Letterheaded paper. It outlines the roles and responsibilities of Board members (including a light-touch code of conduct) and details Directors’ fees.</li> <li>2. The Schedule of Board Delegated Authorities was agreed.</li> <li>3. The Complaints Policy was adopted (noting that Whistleblowing for staff currently only applies to AB – but is useful to have in place for the future).</li> <li>4. The Risk Register was reviewed as a work in progress. SE suggested that people can email AB with any suggestions. [ACTION] The intention is for this to be a living document. The Register should be brought to each Board meeting.</li> <li>5. An external Board effectiveness review is planned to be launched in 4Q21. SE pointed out that the last review was done in 2016/17 and a great deal had changed in terms of OT governance since then with significant progress made in addressing the issues raised at that time. In the near-term, SE will have one-on-one conversations about Board performance with individual Board members in the Spring 2021. [ACTION: SE]</li> </ol>	<p>Organise Appointment letters to be sent to the Board – AB [DONE]</p> <p>Board to send any comments on Risk Register to AB - Board</p> <p>Follow-up in 1Q21 on calls to individual Board members – SE [DONE]</p> <p>Add Governance Review to Noms and Rems Agenda for further consideration – AB [DONE]</p>
6	<p><b>Budget</b></p> <p>AB highlighted areas of change since the previous year.</p> <p>IH confirmed that he had reviewed the Budget and was happy with it.</p> <p>Overhead costs had been considerably reduced. AB had checked with BSC that the Boardroom will be available to the OT Board (at no cost) when the BSC office re-opens. It is assumed that F4AF and YFF could also offer Board meeting facilities, if needed.</p> <p>AR suggested including an amount in the Budget for Board Development and Training. A figure of £15,000 was considered appropriate. [ACTION: AB to add]</p> <p>IH explained the background to the funding request to NLCF. The principle is that money is drawn down as needed and spent in the year requested, without provision for OT having any reserves. However, reserves in OT have been created because OT has been operating considerably under budget. He felt that OT could justify having a cash balance of up to 6 months’ turnover in order to manage its cashflow. There is an issue (as outlined in the Risk Register) of the Secretary of State making a change to the funding</p>	<p>Amend Budget as indicated – AB [DONE]</p>

	<p>direction for OT – although, if that happened, DCMS would have to give thought to the structure and governance of the OT Group as a whole.</p> <p>The Board approved the Budget and the approach to the drawdown request.</p>	
7	<p><b>Nominations and Remuneration Committee</b></p> <p>The draft Terms of Reference for the Nominations and Remuneration Committee had been circulated to the Board and were approved.</p> <p>The Committee recommended to the Board that NP takes on the role of Senior Independent Director. The Board approved her appointment.</p> <p>NP and SE had discussed making the Quadrennial Review team into a Committee but had decided not to do so, as the Review Process is developing and the membership of the team changes from year to year. However, the Review Process will be fully documented. [ACTION: AB]</p>	<p>Review Process to be documented - AB</p>
8	<p><b>AOB</b></p> <p><b><i>Travel and Expenses Policy</i></b></p> <p>IH suggested revisions to the Directors’ Travel and Expenses Policy to make it more in line with the public sector. Mileage will be included (referring to HMRC limits), rail and underground tickets will not be reimbursed if covered by season tickets, and the process for approval of exceptions to policy will be specified. Subject to these changes being made, the policy was approved and will be recirculated to the Board. [ACTION: AB to recirculate revised policy]</p> <p><b><i>Register of Interests</i></b></p> <p>The Register of Interests had been circulated. It was agreed that it should not be required to include professional body memberships on the Register. [ACTION: AB]</p>	<p>Circulate Travel and Expense Policy to Board – AB [DONE]</p> <p>Amend Register of Interests document to remove reference to memberships – AB [DONE]</p>

Next meeting: 25 February 2021 at 8:30-11:30am (F4AF Deep Dive).