

Meeting Minutes

Meeting Title: Finance Committee Meeting

Date: 17th February 2017

Members Present:	Trustees: Nigel Fairhead (NF) Shona Munro (SM) Mike Connor (MC)
In Attendance:	Staff: Maddy Halliday (MH), CEO; Business Manager – Mark Dobson (MD); Protector: Douglas Graham (DG) Investment Manager, Investec: John Hildebrand (JH) – part of item 5
Apologies:	None
Chair:	Nigel Fairhead
Minutes:	MD, MH

	Minutes	Action
1. Welcome and Introductions	NF welcomed everyone to the meeting.	
2. Declaration of Any Conflict of Interest	None declared	

3. Minutes of Previous Meeting (November 2016)	<p>3.1 Accuracy Minutes approved as correct record of the November 2016 meeting.</p> <p>3.2 Action Update and Matters Arising</p> <ul style="list-style-type: none"> • Update noted. • No matters arising not covered by agenda. 	MD/DMR
4. Finance Committee Terms of Reference – for review	<p>4.1 NF tabled a revised terms of reference which was discussed and agreed by the Committee with addition of a section on risk.</p> <p>4.2 The Committee agreed that the revised version would be re-circulated to committee members and then to March 2017 Board for approval.</p>	MH
5. Investment Fund Management Report (1 appendix)	<p>5.1 The Investment Manager and Committee discussed Investec’s latest report.</p> <p>5.2 MH to write to JH to request following:</p> <ul style="list-style-type: none"> • report to include quarter updated position, performance on a rolling 12 month basis and performance since inception • top and bottom performing stocks within the Trust portfolio to be included • 6 hard copies and an electronic copy of their report to be provided in future at least 10 days before a scheduled meeting. 	MH

<p>6. 3rd Quarter 2016-17 Financial report and Mgt Accounts (paper 17-16 plus appendix)</p>	<p>6.1 The 3rd quarter reports was noted. There was some discussion about expenditure for our Care Experienced Young People Programme.</p> <p>6.2 The Committee agreed that MD should ask Trust Accountants, Johnston Carmichael to make the following changes to presentation of future quarterly reports:</p> <ul style="list-style-type: none"> • gain/loss on investment to be removed as not relevant to I&E report. • approved budget column to be added for I&E. • gross loss line to be removed on I&E • member to be circulated updated report once complete. 	<p>MD</p>
<p>7. Cashflow</p>	<p>7.1 It was agreed that the next draw down on investments of £0.5-1M would be deferred until April or May 2017.</p>	<p>MD</p>
<p>8. Pay Grades, Market Rates and Cost of Living</p>	<p>8.1 Committee members considered the paper and commented on the high quality of the supporting market research undertaken by the Trust's external HR advisor.</p> <p>8.2 It was agreed that a cost of living increase of 1.5% should be recommended to the March 2017 Board and that the draft 2017-18 budget amended to reflect this.</p> <p>8.3 It was noted that although the pay range for one job role was lower than market average, the remit and JD for this role was currently under review, with recommendations to be made to Remuneration and Reward Committee.</p>	<p>MH/MD</p> <p>MH</p>

9. 2017-18 Draft Budget	<p>9.1 The Committee considered the draft budget for 2017-18 and agreed recommendation to March 2017 Board, with the following changes:</p> <ul style="list-style-type: none"> • revision of salary costs to show cost of living at 1.5% • total proposed expenditure to be changed to Total maximum expenditure. 	<p>MH MD</p>
10. Procurement Policy Update	<p>10.1 Revisions to the Trust's approved Procurement Policy as pre-circulated to the Committee, were agreed with the following further changes:</p> <ul style="list-style-type: none"> • Point 2.1 to change to "in line with" European procurement regulations • Point 2.6 third bullet point relating to cost threshold to be removed. <p>10.2 It was agreed the updated Policy would be shared with March 2017 Board for information.</p>	<p>MH MH</p>
11. Corporate Risk Management (appendix only)	<p>11.1 The updated schedule was noted.</p> <p>11.2 It was proposed that sections B1 and B2 (Trust reputation) be revised to low risk</p> <p>11.3 It was noted that the low risk schedule would be circulated too for all future meetings.</p>	<p>MH/SMT/Board MD</p>
12. Charity Tax Reporting (report from Trust accountants – Johnstone Carmichael)	<p>12.1 The Committee considered the pre-circulated report from the Trust's accountant</p> <p>12.2 The Committee agreed:</p> <ul style="list-style-type: none"> • the report should be shared with the March 2017 Board for information • the Trust's new auditors, Martin Aiken, should be made aware of the report and note that the Trust is not considered a financial institution for 2016. 	<p>MD</p>

<p>13. Deaf Connections – Update and Learning</p>	<p>13.1 The Committee noted the pre-circulated paper and were content.</p> <p>13.2 Committee agreed:</p> <ul style="list-style-type: none"> • the paper would be shared with the March 2017 Board for information • high staff, trustee or CEO turnover should be included in our due diligence assessments and are issues that may trigger further investigation if identified through funding management of a current awardee. 	<p>MH</p> <p>Programme Directors/Funding Managers</p>
<p>14. AOCB</p>	<p>None.</p>	
<p>15. Dates of Future Meetings</p>	<ul style="list-style-type: none"> • 19th May 2017 1.30-3.30pm • 18th August 2017 1.30-3.30pm • 17th November 2017 1.30-3.30pm 	

Ends