

City Funds Minutes

Time and Place: 1400-1600, Friday 13th December 2019, Lord Mayor's Office, City Hall, BS1 5TR

Present: Andy Street (Chair), Ololade Adesanya, Ian Barrett, Sandra Meadows, Peter Morris, Ed Rowberry, Sue Turner

Attending: Jari Moate, Sacha Korsec, Noa Hagan

Apologies: Kevin Slocombe, Amy Rodwell, Ryan Munn, Anna Dent

1. Apologies [Andy]

- Andy welcomed everyone to the meeting and noted the apologies received
- Amy will be taking over from Taylor

2. New Declarations of interest [Andy]

- Nothing to report

3. Minutes of previous meeting and action log [Andy]

- The Board agreed they were happy with previous minutes with the caveat that Item 6 of the agenda (IAC update) will need to be clarified in light of the workshop event planned next week
- Previous actions discussed and Action Log updated accordingly [Updated Action Log attached]
- Ololade gave an update on the Risk Register action:
 - Ololade, Andy and Ed met last Monday to update relevant risks
 - Still more work and updates that need to be done in the longer term
 - Discussed investment risk being devolved and owned by the Investment Advisory Committee who should then report to this Board on how they are performing in respect to those risks
 - Ed recommended an annual update between the General Partner and this Board to update on risks. Ed in process of organising a first meeting expected in February/March
 - Peter commented on the lengthy definition of the Investment Advisory Committee, setting out the relationship
 - Ololade highlighted the proposed changes made to the Risk Register and asked the Board to go away and review the proposed changes and respond with comments before the next meeting

ACTION 1: Board members to review amendments to the Risk Register and provide responses to Ololade before next meeting

- Ololade noted the intention for the Risk Register to be updated quarterly
- Ololade highlighted some of the more notable changes being proposed:
 1. *R4 – proposing to redefine as a governance risk rather than investment risk.*
 - Ed noted the need for a clear link between this Board and the FPGs and this Board and the IAC
 2. *R8 – more appropriate as an investment risk and not a strategic risk as it is currently defined.*
 - Andy noted the difference between management and mitigation of risk but also wider reputational risk
 3. *R16 – Failure of the funds operational plan to be effective*
 - Ed confirmed the need to make sure this Board knows how to maintain funds and continue to resource the FPGs
 - Ololade suggested the need for a clearer definition of the FPGs
 - Board agreement on the need to include a review of the Risk Register and Operational Plans as a standing agenda item

ACTION 2: Amy to include risk register and operational plans as a standing agenda item.

- The Board discussed implementing KPIs and how they could/should be measured.

ACTION 3: Ololade, Sue and Ed to design KPIs in time for the next meeting (intention to report quarterly, on a traffic light basis)

4. Update and review of FPGs [FPG Chairs]

Ian - Environmental Transformation

- Ian noted there are 3 main areas of interest: Low carbon, zero waste, natural environment
- Ryan had planned to meet with FPGs but this has not yet been done. A workshop is planned following this meeting

Sandra – Community Initiatives

- Sandra noted that members of the CI FPG are looking forward to better understanding how they can get involved in decision making following the workshop planned for next week
- There is more optimism around connections being made to City Funds from the grass roots

Sue – No Child Goes Hungry

- Sue updated the Board on the fact that an invitation has been issued for expressions of interest in the £50K fund that is now in place

- There had been positive feedback from at least one party on the use of an expression of interest process rather than going direct to the detailed application
- NCGH FPG meeting organised for 7th January 2020 when expressions of interest will be reviewed
- Sue provided a broader update on the advert for new a marketing communication lead; there are currently 2 candidates being interviewed.

**ACTION 4: Andy to write to FPG Chairs regarding an annual review update.
Andy to develop a template for the review**

5.

IAC Update [Andy]

- Andy (with support from Jari) provided a brief overview of the last IAC meeting noting that good progress was being made
- Investment for Avonmouth wind energy project had been approved
- Further 3 investment opportunities had been brought forward by Jari (details provided verbally, but not noted here to maintain confidentiality)
- The Board discussed how updates from the IAC and specific investments should appear on the minutes of future Governing Board meetings so as to avoid breach of any confidentiality
- The Board confirmed that in future minutes it will read 'Jari provided a verbal update / referred to upcoming investments'
- Jari confirmed that approved investments become public knowledge when the loan documentation had been signed; at that stage there will be a press release
- The Board noted the need for clarification on communication between the FPGs and IAC. A number of points were raised in this regard, which were to be addressed at the workshops planned for next week
- Andy concluded that there are 2 key issues that need consideration; 1) how investment opportunities are shortlisted and selected; and 2) what information is shared with FPGs so they can defend how and why the specific opportunities that are shortlisted were selected
- Jari confirmed that this process is not set in stone, and he is very open to sensible suggestions about more FPG involvement/clarification.

6.

Local Access Programme update [Ed]

- Ed provided an update on the recent visit by the Local Access team
- The visit seemed to be successful and all their questions addressed
- Ed noted that Bristol's main weakness versus other places is that we are asking only for the grant and no investment (as BSC has already provided investment)
- Sandra noted that some questions towards the end of the day had been more challenging
- Ed confirmed that we will know the outcome at end of January 2020 (50% chance of success noted)

7. Workshop discussion [Sacha]

- Andy confirmed that the workshops next week will take the form of 2 half-day sessions – Wednesday morning and Thursday afternoon
- Andy praised the hard work of Sacha and others who have organised the event
- Sacha took the Board through a paper outlining the sessions:
 - FPG members had confirmed which days they will be attending
 - Sacha noted that the majority from each FPG will be attending.

ACTION 5: Sacha to resend workshop invite today in a condensed form

ACTION 6: Sacha and Andy to send a longer email on Monday to workshop attendees with a more detailed schedule

- The Board confirmed the need for feedback after the workshop but without any scoring/values
- The Board agreed that Andy should provide a quick opening introduction on the day
- The Board agreed that the terms of reference for FPGs will be updated following the workshop, if required.

ACTION 7: Sacha, Andy and Sue to get schedule/paper finalised

- The Board looked at Schedule 2 of the Collaboration Agreement (p.16)
- Ed confirmed Ryan will be the primary contact between IAC and FPG but there is still some uncertainty on what Ryan can share
- Sandra suggested that one option would be for information on possible investments to be shared with FPG Chairs, but until an investment became public this would not be shared with FPG members
- Peter noted there would be a need for a confidentiality agreement
- Ian noted not all FPGs have or want the same amount of involvement in the investment selection process, so a ‘one size fits all’ approach wouldn’t necessarily work
- Ololade disagreed and stated she believed it is important to standardise procedures; Ed agreed that it would be easier for there to be a standardised procedure
- The Group agreed that governance and compliance should be standardised but what we do within that framework would allow some flexibility

ACTION 8: Peter to work with Ed in updating the FPG chair role definition in the Collaboration Agreement (as appropriate)

8. Collaboration Agreement [Peter]

- Due to time restrictions further detailed discussion of the Collaboration Agreement to be delayed until a future meeting
- The need to update the Governing Board terms of reference was noted

- There is a need to edit the terms of reference for the FPGs – will wait until after workshops on 18th and 19th
- Sue noted in Schedule 3, para 15, remove ‘designated bank account’ and replace with ‘in the name of City Funds’.

9. New Board member update [Andy]

- Andy informed the Board there are currently applications from 6 excellent candidates
- Andy suggested that there could be several ways we choose a new member such as:
 1. Shortlist and select 1 without interviews
 2. Shortlist and select 1 with interviews
 3. Option to consider selecting 3 new members, or select 1 and find the others wider roles on other Boards
- The Board confirmed the need to interview all 6 candidates for fairness and transparency

ACTION 9: Board to agree in the New Year who will be involved in interviewing new board member candidates

- The Board discussed the possibility of increasing the number of Governing Board numbers
- Andy noted his preference for smaller Boards but recognised the possible need in this case for a larger number to address diversity
- Peter noted some concern over introducing more Board members now as we are still trying to finalise procedures. Peter suggested taking one new member on at the moment and potentially to then bring one or two others on at a later stage once the overall structure of City Funds has settled into place

ACTION 10: Board to confirm if they are happy to expand Board membership

10. AOB [Andy]

- Ed briefly introduced the City Funds Measurement Project Paper

ACTION 11: Board to read ‘City Funds Measurement Project Paper’ and come back with comments first week in January to get consensus

11. Future meeting date [Andy]

- Date of next meeting since confirmed for 2pm on Thursday 16th January