

## MINUTES OF A MEETING OF THE BOARD OF TRUSTEES 10<sup>th</sup> May 2024

Minutes of the Trustee meeting held 9.30am on 10 May 2024 online via Teams and in person at the Victory Services Club, London

Name	Initials	Category of Trustee/Staff/Observer	Attendance
<b>Trustees</b>			
Hans Pung (Chair)	HP	Independent Trustee	Y
Wendy Cartwright	WC	Independent Trustee	online
Victoria Wilson	VW	Independent Trustee	Y
Sue Davies	SD	Independent Trustee	Y
Frances Nash		Independent Trustee	Apologies
Lieutenant General Sir Nick Pope	NP	Cobseo Trustee	Y
Major General James Senior		MoD Trustee	Apologies
Helen Helliwell	HH	MoD Trustee	Left end of item 4
Captain Caroline Dix RN	CD	HMT Trustee	online
Peter Kellam	PK	DA Trustee (Wales)	online
John Mooney	JM	DA Trustee (Scotland)	online
Steven Squire Law		DA Trustee (Northern Ireland)	
Collette Musgrave	CM	Family Federation Trustee	online
Anisha Worbs	AW	OVA Trustee	Y
Rear Admiral Rex Cox (RC)	RC	Independent Trustee	online
<b>Others</b>			
Zoe Bishop	ZB	Observer – potential Trustee	Y
James Greenrod	JG	Observer	Y
Dr Mark Mitchell	MM	Observer	Y
Andrew Eaton	AE	Hogan Lovells	Left end of item 2
Charles Brasted	CB	Hogan Lovells	Left end of item 2
Anna Wright	AWr	Staff - CEO	Y
Carol Stone	CS	Staff – Director of Grants	Y
Sonia Howe	SH	Staff – Director of Policy & Communication	Y
Liz Rankin	LR	Staff – Director of Finance & Operations	online
Porsha Nunes-Brown	PNB	Staff – Head of Policy	Y
Sebastian Hare	Sha	Staff – Head of Finance	online

Item no.	Item	Action
1	<b>Meeting Opening</b>	
1.1	The Chair opened the meeting and extended a welcome to ZB, who was attending as an observer at this meeting but will be replacing HH as the ex-officio representative from the Ministry of Defence. This will be HH's last Board, and her letter of resignation has been received. HP and Trustees thanked HH for her considerable work as Chair of the Trust.	
1.2	The minutes of the last meeting of the Armed Forces Covenant Fund Trust on 15 <sup>th</sup> March 2024 were <b>approved</b> .	
1.3	<b>Actions arising</b> The Board reviewed the current outstanding actions and updated the actions log. All other actions had been completed or were on the meeting agenda.	
1.4	<b>Declarations of Interest</b> It was confirmed that all Declaration of Interests were received.	
2	<b>Hogan Lovells Briefing</b>	

2.1	The law firm Hogan Lovells delivered a presentation on NDPB status. In their briefing they discussed requirements on Arm's Length Bodies; the relationship between the Trust; MOD (as the sponsor department) and wider government, and with Parliament. They discussed the role of the Trust Deed, Articles of Association, Framework document, Charity Commission regulations, Managing Public Money and the relationship with the Trust's wider strategies and plans.	
2.2	Trustees asked questions noting the role of Memorandum of Understanding governing distribution of non-Covenant Funds; and how these Funds are closely aligned with the distribution of funding that supports the implementation of wider government strategy.	
2.3	Trustees discussed the role of ex-officio appointees to the Board, and that their role is to make decisions in the best interest of the Trust, but that they are informed by their wider specialist knowledge. This was summarised as not representing their office but bringing their skills and experience to make decisions in the best interests of the Trust.	
2.4	Trustees discussed the Covenant £10M Fund, and its relationship with wider Covenant Legislation.	
2.5	Trustees discussed topics relating to challenge and judicial review. They also discussed the role of consultation. While there is no general obligation, if the Trust states it will consult, it must follow through on this. Consultations can be helpful.	
2.6	Trustees discussed liability insurance. LR gave an update on the current position following the legal advice from Wrigleys received at the request of the Board.	
2.7	Trustees noted that the Framework contains a reference to the Covenant Reference Group, which has been disbanded. They requested that an update be made to reflect this.	
2.8	Trustees noted that they found the session to be both interesting and relevant. The Chair thanked Hogan Lovells for their briefing and for answering questions.  [AE and CB left.]  <b>Action: Update framework to remove reference to the CRG.</b>	AWr
<b>3.</b>	<b>CEO report</b>	
3.1	AWr gave the CEO report providing an update on wider stakeholder engagement and discussed the Cobseo Children and Young People cluster meeting, and a visit to Faslane with RNRMC and Greenwich Hospital to explore complex issues relating to separation and wellbeing among serving personnel and Naval families living in Scotland.	
3.2	She highlighted that there will be a webinar in May 2024 to provide information to potential applicants to the Early Years Programme and in June 2024 there will be a webinar to launch the evaluation findings from the Supporting Armed Forces in Acute Hospitals programme. The evaluation was delivered by the University of Chester. And our conference, which will build on this, is to be held on 9 October 2024.	
3.3	AWr provided an update on the successful team away day which was recently held in Birmingham.	
<b>4</b>	<b>Armed Forces Covenant Fund Trustee Company</b>	
	<b>Invictus Games</b>	
4.1	HH provided an update regarding the Invictus Games Bid.  [.....] [Information has been withheld here in line with the requirements of section 43(2) of the Freedom of Information Act 2000 – prejudice to commercial interests. A public authority is entitled to withhold information under this provision where disclosure of that information would be likely to prejudice the commercial interests of any persons or organisations, including the AFCFT itself.]	
4.2	Trustees requested sight of the submission when further developed and ahead of any final decisions.	

4.3	<p><b>Action: HH/AW to share a draft of the submission</b>  <b>Action: Trustees who would like a deeper level of involvement were invited to register their interest with AWR</b></p> <p>It being HH's last meeting, the Chair thanked her for her dedicated work since the beginning of the Armed Forces Covenant Fund Trust. HH noted how much she had enjoyed chairing the organisation and thanked Trustees and the staff team.</p> <p>[HH left the meeting.]</p>	HH/AW Trustees
<p><b>5</b></p> <p>5.1</p> <p>5.2</p> <p>5.3</p> <p>5.4</p> <p>5.5</p> <p>5.6</p> <p>5.7</p> <p>5.8</p>	<p><b>Armed Forces Covenant Fund Trust</b>  <b>Annual report</b>  SH presented a short paper; updating Trustees that a draft of the Annual report has been made available for their comment. A complete draft has to be submitted to the Auditors as part of the Audit process, and so Trustees are asked to contact SH with any comments by 19<sup>th</sup> May. The Audit and Risk Committee will review the Annual Report and Accounts in full at their July meeting. If they are satisfied, they will then recommend the Annual Report and Accounts for approval at September Board.</p> <p><b>Action: Trustees to submit comments to SH by 19<sup>th</sup> May</b></p> <p><b>Risk Register</b>  LR presented a paper containing the Trust's risk register and a summary of new or emerging risks and controls; and changes that had been made following audit recommendations.</p> <p>[.....]  [Information has been withheld here in line with the requirements of section 43(2) of the Freedom of Information Act 2000 – prejudice to commercial interests. A public authority is entitled to withhold information under this provision where disclosure of that information would be likely to prejudice the commercial interests of any persons or organisations, including the AFCFT itself.]</p> <p>Trustees reviewed and <b>approved</b> the risk register and were content with the risks and mitigations identified. They noted that if the Invictus-UK organisation is created then this will be added to the risk register.</p> <p><b>Policy review and approvals</b>  LR presented a paper regarding the annual review of policies and Terms of Reference for Sub Committees. As the Trust is currently without a governance manager the Executive proposed to bring the policies and ToRs to Board by September, once review has taken place in each of the relevant sub-committees. Trustees were content with this approach.</p> <p>Trustees discussed the Conflict-of-Interest policy at Annex 7a of the Board pack. They discussed the inclusion of an additional line to provide further clarity to ex-officio Trustees of the need to act in the best interests of the Trust; and <b>approved</b> the policy subject to the inclusion of this line.</p> <p><b>Action: LR to update the policy</b></p> <p><b>Self-Assessment Outcome Discussion</b>  A tabled paper was circulated highlighting the outcomes of the self-assessment questionnaire completed by Trustees. Areas discussed included ensuring that all Trustees had an understanding of mechanics of reporting back to MoD and the responsible Minister. Sub Committees were also discussed. AWR offered to include a short session at the next Board Meeting to address areas that had been highlighted by Trustees.</p> <p>Trustees noted the length of the Board Pack. AWR stated that this has been discussed by the Executive and proposed that the lowest scoring applications should instead be included as a link within the Board pack for Trustees to review electronically at their discretion. AWR and CS had engaged with SD on this issue to seek her views as chair of the Grants Committee, and she was broadly supportive. Trustees discussed this proposal and felt that it had merit. They</p>	<p>Trustees</p> <p>LR</p>

	were particularly keen for greater use of visual information such as Heatmaps; and discussed the balance between the Board and the Grants committee.	
5.9	HP noted that he had found this process helpful as a new Chair.  <b>Action: AWr to arrange a short session at the next Board meeting to address areas highlighted in the Board Self-assessment.</b>	AWr
5.10	<b>Audit and Risk Committee Update</b> VW gave an update. The Trust has achieved a Level 1 assurance from the Internal Auditors on its controls within the Annual Audit Opinion, which has increased from a Level 3 assurance two years ago. She highlighted the considerable achievement and noted the work of the staff team. VW gave an update from the most recent committee meeting in which the proposed 3-year internal audit strategy and 2023-24 financial audit planning report were discussed, alongside results of the recent business continuity exercise and the risk register.	
5.11	<b>Grants Committee Update</b> SD gave an update. At the additional grants meeting on 25 <sup>th</sup> March 2024, they awarded £794,816 through 13 grants under the Supporting Partners programme within the Armed Forces Families Fund; targeting funding towards those projects that would reach the most beneficiaries. The final budget for distribution for the AF3 programmes was able to be increased due to additional funds being made available by the MOD. SD discussed an update given by the Head of the Armed Forces Families team regarding priorities for the AF3 within the 24/5 FY. The budget within this year will be less than in previous years.	
5.12	SD noted the challenges with quality of some of the bids that had been reviewed by the Grants committee and was supportive of approaches to deliver more support to applicants, particularly through resources such as videos. Grants committee members find the use of heatmaps helpful in understanding geographic or thematic distributions among grants. SD offered her support to the Grants Team to give further consideration on how bids are presented to Board.  <b>Action: SD to liaise with the Grants Team to give further consideration on how bids are presented to Board.</b>	SD
5.13	<b>Ethics Advisory Panel update</b> PK gave an update in FN's absence. At their most recent meeting, EAP reviewed the Ethics Activity Table and considered how it could be developed further. They considered an outstanding action regarding how a beneficiary might raise a concern regarding experiences within a funded project; and considered the Complaints and Raising a Concern policies as mechanisms to address any concerns. They agreed to review these policies on an annual basis.	
5.14	EAP members took stock of achievements within the implementation of the Code of Conduct. They received a presentation on the Trust's impact work; and considered whether they might expand their remit beyond Ethics into wider complimentary areas.	
5.15	The Chair noted that he had discussed separately with FN and would be supportive of EAP having a wider remit.	
5.16	<b>Remuneration and Nominations Committee Update</b> WC gave an update. RemCom have discussed committee membership and have found the involvement of the Chair helpful in discussions relating to remuneration and nominations, and HP has joined RemCom. ZB accepted an invitation to join. It is helpful to RemCom to have a link across to good practice within the Civil Service. WC updated on wider membership.	
5.17	Their next meeting will be on 3 <sup>rd</sup> July; where they will discuss salary reviews, Board succession and any emerging areas regarding Invictus-UK.	
<b>6</b>	<b>Covenant Fund 2024-25 Programme development</b>	
6.1	SH presented the paper. Considerable work had been undertaken since February 2024 to develop funding programmes from the agreed themes for focus in 2024/25. The complex	

	paper addressed issues relating to programme design; timings of programme launch and decision making, and whether decisions for each programme should be taken at the Board, or at the grants committee. Trustees were asked to review and approve the high-level programme designs with the paper.	
6.2	An additional tabled paper was presented set out a high-level programme design under Theme C – Understanding Complex Problems and Identifying Solutions.	
6.3	Trustees discussed the paper; noting the work involved in developing and launching the programmes. The Executive noted that it would be challenging at the beginning of this new approach; but that the programme cycles in year 2 and 3 of the Framework should be able to flow at a slower pace; and would be able to give applicants longer windows in which to apply. In years 2 and 3, it may also be possible to award grants earlier within the financial year.	
6.4	Trustees discussed the planned decision points, and the split of work between Board and the grants Committee. They noted that some programmes had more than one round. They noted that the grant decisions which would be made in the 24/25FY would be likely to impact on programme design in later years; and noted that strategic oversight of a range of grant programmes at the Board within year one is beneficial, though noted that they may wish to review in subsequent years.	
6.5	Trustees <b>agreed</b> to delegate decision making for the serving women programme to the Grants Committee; though they wish to be able to receive an overview of this programme at Board to inform wider learning and strategic oversight. Trustees agreed high level programme designs, and all other proposed delegations to the Grants Committee. The Executive will liaise with wider Cobseo clusters in the development of programmes under theme C1.	
	<b>Action: High level programme designs to be developed into funding programmes and launched</b> <b>Action: Executive to engage with Cobseo clusters in development of programmes under the Understanding Complex Problems and Identifying Solutions theme</b>	CS/SH AWr
7	<b>Transformational Grants Update</b> PNB presented a paper giving an update on the first year of the Transformational grant programme; and highlighting key activities that had taken place. Trustees discussed the longer-term outcomes of this programme and how the wider learning could ultimately be disseminated through the wider sector.	
8	<b>Overseas Funding</b>	
8.1	AWr introduced a paper giving an update on issues regarding overseas funding. [.....] [Information has been withheld here in line with the requirements of section 43(2) of the Freedom of Information Act 2000 – prejudice to commercial interests. A public authority is entitled to withhold information under this provision where disclosure of that information would be likely to prejudice the commercial interests of any persons or organisations, including the AFCFT itself.]	
8.2	Trustees agreed to support continued engagement within this policy area. JG will seek some further advice regarding overseas funding and the Trust's Framework agreement.	
	<b>Action: JG to seek further advice</b>	JG
9	<b>AOB</b>	
9.1	LR advised that HP; VW and AW had been added to the banking mandate.	
9.2	There being no further business, the Chair thanked the Trustees and the Executive for their time and for the comprehensive board pack and closed the meeting. Trustees thanked VW for chairing.	
9.3	The dates of the next meetings were confirmed.	
	The meeting closed.	