

# MINUTES OF THE MEETING OF THE TRUSTEES OF WLHB HELD ON FRIDAY 11 JANUARY 2019 AT FRIENDS MEETING HOUSE, LONDON

## 1 WELCOME AND INTRODUCTIONS

Present: Jane Ross (JR)  
Kim Davies (KD)  
Sally Floyd (SF)  
Heather Jordan (HJ)  
Dan Robinson (DR)  
Christine Underhill (CU)  
Gill Whitelegg (GW)

In Attendance: Alison Howard (AH)  
Sarah Price (SP)  
Janet Tate (JT)  
Richard Guy (RG)

Introductions of Trustees and the Management team were made and a welcome was extended to the new Trustees and the new Clerk.

## 2 APOLOGIES FOR ABSENCE

2.1 Apologies were received from Janice Gronow, Christine Pointer and Margaret Peggie.

## 3 Appointments following the AGM

### 3.1 Appointment of the Chair going forward

3.1.1 The reappointment of the Chair, Jane Ross, was proposed by Kim Davies and seconded by Dan Robinson and the re-appointment of the Chair was agreed, with one objection.

### 3.2 Appointment of the Vice Chair

3.2.1 As a point of order it was noted that although it has been custom and practice that the Chair is not a Teacher Trustee, this has not been established for the post of Vice Chair.

3.2.2 The Board agreed to postpone the appointment of the Vice Chair until the April meeting and the Chair invited other Trustees to step forward, should they wish to do so.

**ACTION:** Any Trustees with an interest in taking on the role of Vice Chair should contact the Clerk at least one week in advance of the April Board meeting.

4 DECLARATIONS OF CONFLICT OF INTEREST IN GENERAL AND ON ANY AGENDA ITEMS

4.1 No conflicts of interest were declared..

5 MINUTES OF THE MEETING HELD ON 24 NOVEMBER 2018

5.1 The Minutes were accepted as a correct record.

6 MATTERS ARISING

6.1 Relating to item 7 of the Minutes:

6.1.1 The Chair has held discussions with the Chief Executive of the EMD, Ross Perriam, about the questions relating to the £40,000 apportionment charge and what this pays for (and thus how value for money is provided to WLHB through this arrangement) but no conclusions have yet been reached.

**ACTION:** The Chair to report on these discussions as and when more progress has been made.

6.1.2 The Chair asked that, if people have concerns about EMD staff or processes, they record and communicate these promptly and accurately, in the first instance with the relevant EMD staff member and to keep MP informed. The Chair will take up unresolved complaints with the EMD Chief Executive but without the provision of detailed examples, it is hard to follow up on complaints.

6.1.3 The Board noted that WLHB have in place a licence agreement with EMD but that this agreement does not at present include any key performance indicators.

6.1.4 The Management Team clarified that many of the concerns that they and others have about EMD relate to the systems and access to data. Though AH has access to WLHB Subject Level Data, she believes that data protection regulation limits WLHB's use of contact information etc, which undermines the organisation's ability to communicate with people whose details are processed on WLHB's behalf by EMD.

6.1.5 Cleaning up the data - for example by using mailchimp or another bulk mailing solution - would, the management team think, have to be undertaken through EMD and there may be costs associated with this.

6.1.6 The Chair responded that the above issues were exactly the kind for which she needs reports and evidence, so that she can raise them for discussion with EMD.

6.1.7 Noting the report that WLHB's data is likely to be somewhat incomplete and out of date the Board agreed that it is worth considering how accurate email addresses, for example, could be captured - perhaps at the point of annual renewal.

6.1.8 The point was made that KFA and Medau also seem to have issues with EMD and it feels perverse that all three organisations who have an agreement in place with EMD should share concerns about their performance. If these three organisations could work up an alternative arrangement, they would have more leverage with EMD in discussions about improving performance.

6.1.9 Gaining a place on their Board would also be useful but it was agreed that the barrier to this might be matching the WLHB nominee's skills to the requirements that EMD have at any one time for their Trustee vacancies, bearing in mind that Trustees' responsibilities are to the organisation on whose Board they serve, and not to their other constituencies.

6.1.10 Splitting out EMD's training role from the administrative services they provide to WLHB might also offer a useful way forward.

6.2 Reflecting on the need to improve communication between the Trustees and the WLHB/FLexercise teacher community, the question of whether names should be associated with the Board voting record was raised. The Board accepted that while naming in this way is typical of representational roles (such as Members of Parliament), this was not common practice for Trustee roles, which carry different responsibilities.

6.3 The Board noted that the Chair is likely to receive some proposals for amendments to the Articles, as there is a need for clarification to some areas.

## 7 CURRENT BUDGET POSITION 2018/2019

7.1.1 It was noted, for context, that budgets should represent a quantification of the organisation's strategy and the policies that make up the strategy, reflecting the current and anticipated operational priorities.

7.1.2 New members and attendees at the Board were advised, for clarity, that:

- the money paid out to the WLHB Consultants was paid out via EMD
- £18,375 of the income recorded in the budget is money paid back to WLHB by EMD at the rate of £2.50 per member and £25 per teacher.
- The £17k budget for the North West project had been allocated from reserves to trial new approaches to teacher and member recruitment.
- WLHB generates c.£120k of income, only a small proportion of which is required for the running of the Charity.

7.1.3 The Chair asked for future budget reports to include written commentary on variations against the agreed budgets, in a similar fashion to that which has been provided in the right-hand column of the proposed 2019/2020 budget and/or as a cover sheet.

7.1.4 The Board agreed that, normally, the budget detail and commentary would be considered in detail by the Finance Group and that they would provide a summary report for the Trustees. The Chair of the Finance Group would then present this report at the Board meeting.

**ACTION:** The MT to provide future budget reports in a similar fashion to that which has been provided in the right-hand column of the proposed 2019/2020 budget and/or as a cover sheet.

## 8 OBJECTIVES AND KPIs FOR 2019-2020

8.1 The Strategic Plan 2017-2019 document was received and noted

## 9 2019-2020 BUDGET PROPOSALS

9.1 The Budget proposals were considered in the light of considerable discussion about the current membership model for the organisation.

9.1.1 The view was noted that the membership model in place is actually a barrier to recruiting more members and teachers and is out of kilter with the business models adopted by other organisations in the fitness community, though despite a great deal of discussion in the past, no better solution has yet been agreed.

9.1.2 Reflecting on the perception that awareness of FLEXercise in general is quite low outside the existing community of members, concepts akin to a franchising model were proposed as ways of tapping into, for example, the wider community of self-employed fitness instructors.

9.1.3 However, the data suggests there is, at present, a relatively low rate of member attrition and that the management team were receiving a slowly increasing number of enquiries about training via social media.

9.2.1 Some Board members also believe that the Charity structure is a barrier to transformation and to their view that WLHB should evolve into a training organisation. As things stand, WLHB needs to generate approximately £100k per annum to cover the provision of products and services for teachers and members in the form of brand maintenance, support, admin, marketing and training. If this income was not generated at least in part from FLEXercise participants, the costs would need to be met by the teachers themselves, perhaps based on a “per class fee” model.

9.3.1 The Board accepted that there are other barriers to growth, including: the size of venues for holding classes that are available and affordable to teachers. While national marketing is useful for raising awareness, there are concerns that any increased demand generated cannot at present be met everywhere due to the patchy distribution of teachers (hence, in part, the agreement of the North West project).

9.3.2 The Chair concluded that though the ideas proposed all had merit in theory, the absence of evidence available meant that too many assumptions were being made and that some research needs to be undertaken to establish a better evidence base for developing new approaches to membership and training.

**ACTION:** The MT were invited to come forward with roughly costed proposals for an alternative to the current membership model that will meet the budgeted expenditure of £120k.

#### 9.4 Training Budget Proposals

9.4.1 Another matter for consideration by Board members is the fees and payment structure for teacher training and CPD. At present, only CPD is self-funded. New teacher courses run at a loss. The budget required for the training of new teachers could be reduced if new teachers covered the cost of their training, though this could also be a barrier to recruiting new teachers and improving coverage.

9.4.2 The Board agreed that a “cost per new teacher” figure should be arrived at by the end of the current financial year, in order to set and benchmark to inform future plans.

**ACTION:** Cost per new teacher figure to be calculated by 31 March 2019

#### 9.5 Marketing Budget Proposal

9.5.1 The rationale for the £48k marketing budget proposal is to promote FLEXercise and the organisation through brand awareness. However, there are no plans in place for measuring brand awareness, though the results of the North West project may help inform these metrics. This returned the discussion to the question of a different membership model, such as franchising, and whether this would enable more effective measurement of marketing activities that are not teacher-led.

9.5.2 The Trustees agreed that the lack of return on investment measures are a major concern and that there are no results from recent marketing activities that justify

increasing the budget. They suggested that the proportionate increase in the marketing budget should be reflected in increased targets for member and teacher recruitment.

- 9.5.3 The Chair proposed a review session involving marketing expertise of Board members to address concerns about some of marketing proposals, though this should not a barrier to the management team making progress with the development of the standard items, such as the development of marketing collateral. The review would provide more structure and detail to the proposals.

**ACTION:** Working group composed of GW, KD, SP to discuss the identification and measurement of objectives and KPIs by 31 March 2019

- 9.6 The TMC budget proposals 2019/20

- 9.6.1 The proposals were accepted.

- 9.7 It was noted that the budgets discussed did not include the Consultants' fees, which are shown separately and their remuneration will require separate consideration.

**ACTION:** Because of the 18 January deadline from EMD UK to receive the budgets it was agreed that AH would forward the budgets with a note that the details may be revised.

## 10 MANAGEMENT TEAM REPORT

- 10a Report on the communication strategy proposals

- 10a.1 The following amendments were agreed:

- P1 bullet-point 4 to read "All ideas and thoughts should be treated equally..."
- P1 bullet-point 6 to read "... a potential need for compromise or agreement to disagree to achieve..."
- P2 revise point 5 to reflect the idea that not everyone needs to receive or be involved in everything. The Board noted that there may be value in complementing the communication strategy with a RACI (Responsible, Accountable, Consulted, Informed) matrix, to support this objective.
- P4 revise to "...agreed by Trustees" removing "all".

- 10a.2 Commenting on the matrix of communications proposed in the strategy:

- Between Trustees and Participants / Between Management and Participants - either or both of these sections - the Board agreed that improving communication between these audiences was very important and ideas such as increasing the frequency of the magazine, including more information about Board discussions in it and the possible reinstatement of the e-newsletter were

all worth considering, bearing in mind that, at present, any or all of these ideas could imply cost increases as the work would have to be done via EMD.

- Between Management and Trustees - more detail is needed here.
- Between Teachers and Trustees - amend to include "Issues should be addressed via the LTA and/or the Management Team and Trustees".
- Between Teachers and Management - remove TMC and BDC and replace with MT.

**ACTION:** SP to revise the document and return it to the Trustees via the Clerk

10b Assessment of the member numbers to be put in to the 3+ year financial forecast

10b.1 There has been a small net increase in participant numbers, with 661 lapsed members offset by more than 700 new members being admitted. However it was noted that the MT only suggested an annual number of 7000 members and this will not enable WLHB to recruit to the current strategic aim of achieving 10,000 member participants by 2021, as agreed in 2015.

10c Matters arising from management team meetings

10c.1 The Board noted that fees agreed for 2019/2020 will be applicable from June 2019. The new fees must be communicated to teachers by May at the latest. Given the agreement for a review by the Board of the membership model, the fees were not approved and the intention to confirm them at the April meeting was agreed.

11 EVENTS TEAM REPORT

11.1 The report was received.

11.2 A clash with the proposal for the 2020 event and with the Torquay week in April was noted as an issue.

**ACTION:** HJ to discuss with Margaret Peggie.

12 RISK REGISTER

12.1 This register was reviewed by the Management Team in December 2018.

**ACTION:** The MT to revise item 14 and remove "Board decisions not aligning with plans" and add the Communications Charter as a mitigating action.

13 REPORTS FROM THE MANAGEMENT TEAM AND LEAGUE TEACHERS' ASSOCIATION

- 13a Report from the Training Manager
- 13b Report from the Marketing & Development Coordinator
- 13c Report from the Teachers' and Members' Coordinator
- 13d League Teachers' Association Report

The Reports were taken as read and accepted.

#### 14 CORRESPONDENCE TO CHAIR

- 14.1 None received.

#### 15 ANY OTHER BUSINESS

- 15a Membership of committees.

- 15a.1 The Terms of Reference need to be reviewed by a Governance Committee before the appointment of Board members to Groups and Committees can be agreed. The Board noted that the Articles of Association currently stipulate that a Trustee must sit on Committees. Following the agreement of the Terms of Reference, Trustees will be invited and are encouraged to volunteer to take on these roles.

**ACTION:** A meeting of the Chair, AH, the Clerk, Christine Underhill and CP should take place to review these terms of reference before 1 March 2019.

- 15b AGM minutes.

**ACTION:** Board members should send any comments on the Minutes of the AGM to the Chair and Clerk by 19 January.

- 15b.1.1 The Board discussed and noted the perception that the tone of the AGM reflected the level of ill feeling between the FLexercise teacher community and the Trustees, although it was also noted that it was a small minority of those attending who spoke out. The background to this and the related proposals for a change to the legal status of WLHB from a charity to a Community Interest Company was discussed in some detail.
- 15b.1.2 The Management Team reported their feeling that their loyalties have been somewhat divided between their teaching peers and their responsibilities to the Trustees and that initiatives like the Communications Charter will not alone help to close the relationship gap.

15b.1.3 It was observed that there is strong loyalty between the teachers and camaraderie between participant Members, but this closeness of relationship is not enjoyed to the same extent between the teachers and the Organisation, and this needed to be addressed by the Management Team and the Trustees.

15b.1.4 It was stated that teachers want:

- Direct input into the management of the organisation
- A change to the membership model
- More collaboration

15b.1.5 Some of the Trustees felt that these objectives would not necessarily be met by a change in the structure and legal status of WLHB and noted that there is no robust evidence to suggest that teachers either understand or actually support the proposed change of status. While it is known that some teachers do not support the current Governance arrangements and believe that they could do without it, to what extent they accept and appreciate that any structure or status would necessitate some form of oversight - which will impose its own challenges and burdens - is not established.

15b.1.6 It is generally accepted, given the perception of the remoteness of the Trustees, that communication needs to be improved and that there are and have been unresolved issues that have fuelled this perception. This had led to an atmosphere of heightened emotion, which have made decisions about structure and legal status fraught with difficulty.

15b.1.7 The way forward agreed by the Trustees is to focus on communication and developing an appropriate operating and membership model and that when agreement on that has been achieved, questions about models of Governance can be addressed.

**ACTION:** DR agreed to participate in the working party that will look at appropriate operating and membership models.

## 16 DATES FOR THE NEXT MEETINGS

16.1 The Clerk has distributed a doodle poll and received responses from most Board members. The dates for the next meetings will be circulated shortly, noting that the likely best date for the AGM day will be the first weekend in November, bearing in mind clashes with other events on the 10th and 17th and the desire recorded at the AGM for the meeting to be held early in the month,

16.2 The next meeting will take place on Friday 5 April 2019.

**ACTION:** the Clerk to book the venue for the next meeting asap and confirm to the Board.