

MINUTES OF PECT BOARD MEETING

Held on Wednesday 26th April 2006

At the Green House, 4-6 Cowgate, Peterborough



PRESENT: Ken McKay, Steve Magenis, Andrew Heeler, Ian Ripley, Michael Holland, John Tate,
In attendance: Graham Jones (Rawlinsons) Hugh Cripps, Rachel Huxley (minuting)

		<u>Action</u>
1	Apologies. Chris Gerrard, Trevor Gibson and Nick Sandford.	
2	Minutes of the Extra-ordinary General Meeting	
2.1	Action needs to be taken to increase board membership. HC to report on action plan to board at next meeting.	HC
2.2	Communications with the board. Agenda and associated papers need to be sent at least 1 week before meeting and minutes no later than 1 week after, without errors.	HC/RH
2.3	Pass word section on the website for downloading papers to be set up.	MR
3	Finances	
3.1	Meeting with Rawlinsons/Thomas May on 22 nd May to begin auditing accounts for 2005/06.	
3.2	Unaudited accounts 2005/06 PECT is expected to show a small surplus for the financial year 2005/06, this is contrary to the forecast deficit, this is mainly due to: <ul style="list-style-type: none">• East EX - delays in the project start have led to a £95,666 c/f• AES – has had a higher level of activity than originally forecast	
3.3	Forecast for 2006/07 ESTAC budget has only just been finalised and needs to be added into forecast. Revised forecast to be sent out without errors, apologies from RH for this. Core are forecast to show a surplus over the year. IR raised the issue of how this looks, suggesting we need an investment strategy. Commentary to be sent out with financial spread sheets.	HC RH RH
4	Performance Management Reports	
4.1	ESTAC Exceeding main targets, positive feedback from EST. One red light due to unrealistic targets being set, EST are aware of situation and happy with this. Other centres have had similar results.	
4.2	Greener Futures Red light for contacting LEAs, contacting defined as face-to-face contact, through meeting or presentation. Need new approach for getting into schools. KM raised issue of promoting KS3 website earlier enough to get uptake from schools in September. Need to look at plan for promotion.	RH

4.3	<p>BeMS</p> <p>Not performing to target. This is due to losing staff and the non-competitive management of the scheme over the last year.</p> <p>2 new members of staff have been recruited, selected for marketing and outward facing qualities/skills.</p> <p>AH raised issue of lack of follow-up to survey done in Oct, customer care needs to be improved.</p> <p>SM asked how BeMS supports the Environment Capitol vision, suggested this needed to be looked at.</p>	RH
4.4	Core – no red lights.	
4.5	AES - All green lights.	
4.6	<p>SSC</p> <p>Red lights although feedback from funders has been very positive.</p> <p>Agreed that although EAF do not seem to be target driven SSC should stick to original targets for 06/07.</p> <p>The main KPI is household visits of which 500 are planned for 06/07. Monthly and weekly targets needed to ensure targets are met.</p>	RH
4.7	<p>General points</p> <p>Remove decimal points and add comma separator to make figures clearer</p> <p>Action plans to be prepared for meetings to be approved.</p>	MR RH
4.8	IR suggested that the board should set themselves KPIs. These should be considered at the next Board meeting	HC
5	ESTAC	
5.1	Many thanks to Ian for all the hard work and resulting success.	
5.2	IR ran through targets for this year - there is no reason to believe they aren't achievable.	
5.3	<p>IR requested that everyone look for opportunities for ESTAC to work in partnership with businesses to reach targets.</p> <p>SM suggested a possible lunchtime meeting at Royal Haskoning</p> <p>SM fliers through his estate agents.</p> <p>AH raise fliers to new homes owners as part of conveyancing with local law society.</p>	ALL SM/IR AH/IR
5.4	<p>Penalty clauses – measured quarterly</p> <p>If 100% targets are met all the management fee is paid.</p> <p>If 85-100% of targets are met 80% of the management fee is paid, 20% is lost and cannot be recouped.</p> <p>If 85%> of targets are met then the management fee is held, can be recouped if targets are recovered in following quarters.</p>	
5.5	<p>The management fee is broken down into:</p> <ul style="list-style-type: none"> • Sick pay, calculated 10 days per staff member • Maternity leave - £10,000 • Overheads for HC, RH, SD time <p>Risk is associated with loosing overheads and if sick pay is above that calculated.</p>	

- 5.6 **Staffing**
Tactical manager has been appointed but not yet in post.
Director, 2nd round of recruitment as the candidate who was offered the post declined it. About 10 applications have been received, interviews are on 8th May
The lack of a director is a big potential risk.
Risk is being reduced by build up of money every month Ian works without a salary going out.
- 5.7 Potential
There is a lot of potential for ESTAC and PECT, the possibility to expand the scheme out over the whole EEDA region, £1 million operation and the kudos that goes with this.
- 5.8 Contract
Issues with management fee and reserving the right to continue negotiations. AH pointed out this may not fit with the 'entire agreement' clause in most contracts. It was proposed that the contract with ESTAC should be signed. **Passed unanimously.**
- 6 PECT Consulting Ltd**
- 6.1 Name changed from trading to consulting to avoid issues with inland revenue and charity commission. AH
AH proposed he sign a resolution to change the name from PECT Trading Ltd to PECT Consulting Ltd. **Passed unanimously.**
- 6.2 GJ raised issues of a charity operating a trading company: the Company can't be seen to be trading at a loss as the charity is then subsidising trading and charity commissions would shut it down.
The main activity of PECT Consulting would be AES activities. This has a history of running at a profit and MR sees no reason why it shouldn't continue to do so.
PECT will hold one £1 share to minimise risk.
- 6.3 VAT & PAYE
GJ advised on VAT issue, AES is already running close to VAT limit, we should look into registering voluntarily for VAT.
Also need to consider PAYE scheme if we are going to employ staff.
The board agreed that staff associated with PECT Consulting should be employed by them so that PECT Consulting carries the risk.
MR will continue to be employed by PECT for the present.
- 6.4 There is no issue with PECT the charity and PECT Consulting being housed under the same roof. Separate accounts need to be kept and PECT Consulting will be charged management fee/overheads by PECT.
- 6.5 Corporation tax
PECT Consulting will be subject to 19% corporation tax on all profits.
There is a 9 month period after year end during which profits can be gift aided to avoid this. However sufficient funds must be left to cover running costs so some corporation tax will be unavoidable.

6.6	<p>Board of Directors for PECT Consulting Ltd PECT charity board should have a majority on the PECT Consulting board. There should be business/commercial representation on the board. HC to be Company Director. MR to be Company Secretary. AH will carry out much of role and will advise but always within the independent role of Company Secretary for PECT charity. SM, MH and IR volunteered to help prepare a paper to present at the next board meeting.</p>	SM, MH, IR, HC, MR
7	<p>Pensions</p>	
7.1	<p>IR proposed that we have a contributory pension scheme. Contributions to vary according to financial situation of PECT, has to be written in as an employee entitlement but maintaining flexibility.</p>	
7.2	<p>Aim of pension scheme:</p> <ol style="list-style-type: none"> 1. To attract good staff 2. Retain staff / staff loyalty 3. Government future legislation 4. Demonstrating value to employees, competitive in what PECT offers staff <p>It was also mentioned that it is the "right thing to do".</p>	
7.3	<p>Few employees are eligible; CEO is a PCC employee, many PECT staff are on temporary contracts. Scheme is aimed at permanent staff and those on 2-3 year contracts. MH suggested that contributions are paid at end of year to ensure staff stay, JT noted payments should be staggered to avoid high pay outs if several staff leave at same time.</p>	
7.4	<p>The board agreed in principal to the scheme. How it will work, wording for contracts to be presented at next board meeting.</p>	IR
8.0	<p>A.O.B. MH raised two points from the previous minutes (shown above).</p>	
9.0	<p>Date and Time of next Meetings Tuesday 30th May 2006 Board meeting 6pm Tuesday 20th June 2006 Members meeting 6pm Tuesday 27th June 2006 Board meeting 6pm Tuesday 25th July 2006 Board meeting 6pm</p>	