

ARCHITECTS BENEVOLENT SOCIETY

ABS Board of Trustees

DRAFT Minutes of the ABS Board of Trustees meeting held at 6 Brewery Square, Copper Row, London SE1 2LF on Wednesday 25th September 2024 from 10.30am.

A trustees only meeting was held after the Board meeting.

Present: Mark Grzegorzczuk (MG), ABS Chair
Richard Brindley (RB), Trustee (*from 12.55*)
Mark Hodgkinson (MH), Trustee
Rick McCluggage (RM), Trustee
Andy McLeish (AM), Trustee
John Moakes (JM), Trustee
Sangeeta Shenoy (SSh), Trustee (*to 15.06*)
Sumita Singha (SS), Trustee (*to 15.01*)
Nigel Thorne, (NT), Trustee (*to 14.33*)
Alison Thornton-Sykes (ATS), Trustee

In Attendance: Tricia Johnstone (TJ), CFO
Sue Powell - minutes

Apologies: Aled Rees

1. Welcome and Apologies

- 1.1. The Chair welcomed attendees and noted apologies from Aled Rees.
- 1.2. The Chair noted that a trustee only meeting would be held after the Board meeting.

2. Declaration of Interest

- 2.1. No declarations of interest pertaining to this meeting's business were noted.

3. Minutes of Last Meeting and Actions Arising

- 3.1. Following clarification of queries raised in relation to minute 5.2 and minute 9.7, the minutes of the last meeting held on Wednesday 5th June 2024 (Annex A) were approved as an accurate record.
- 3.2. The Board was updated on matters arising and actions from the last meeting (not covered elsewhere on the agenda). The following was noted:
 - i. (Minute 5.1.5) FAR discussed and approved Investec benchmark recommendations. Confirmation email to be sent to Investec (now Rathbones).

- ii. (Minute 5.1.6) CFO (TJ) to receive the quarterly reports from fund managers. TJ will then share with FAR Committee members.
- iii. (Minute 12.4) All committees to regularly review the Risk Register for risks specific to their area. Include as standing item on agenda for each committee meeting, and report back to the Board at each board meeting.

4. Indirect Service User Number (Hoaresbank)

- 4.1. TJ contextualised the request to set up an Indirect Service User number on the Hoaresbank current account, informing the Board that this is to enable payroll to be processed by a third party.
- 4.2. The Board unanimously **approved** the request to set up an Indirect Service User number on ABS's Hoaresbank current account for processing of the payroll by a third party.

5. Bank Mandate

- 5.1. TJ outlined the proposed changes to ABS bank mandates (Annex B), noting that Mark Hodgkinson is to be added to each mandate and that Nigel Thorne is to be removed from each mandate.
- 5.2. The Board unanimously **approved** the proposed changes to the ABS bank mandates.

6. Management Accounts

- 6.1. The Board received the Management Accounts to 31 July 2024 (Annex C).
- 6.2. Overall: Income for the year to date is £810k v budget income of £1.1mk (negative variance of £310k).
- 6.3. Overall: Expenditure for the year to date is £2.1m v budget expenditure of £1.9m (negative variance of £206k).
- 6.4. Full Year Forecast is a deficit of £553k, taking into account gain on investments.
- 6.5. The frequency of management account reporting to the Board was considered. It was recommended that this should be quarterly unless a change in circumstances necessitates a need for more frequent reporting.

7. 2024-25 Budget and Alternative Budget

- 7.1. **2024-25 Budget:** the Board received a report on the 2024-25 draft budget (Annex D).
 - 7.1.1. It was clarified that the report would be based on Version 4 of the 2024-25 draft budget detailing the revised welfare beneficiary spend of £848,116 and an overall net deficit of £480,684.
 - 7.1.2. Version 4 will be recirculated to the Board once the target net surplus figure has been added.
 - 7.1.3. Welfare Beneficiary spend is based on calculation of long-term grantees (£455k with some tapering to 2027) and estimate of future need. The Executive had prepared the original budget draft including grant spend based on current policy, as requested. The FAR Committee reduced this amount by £350k, necessitating a change to the Grant Giving Policy to be agreed and implemented if the updated figure in the draft being considered today is to be achieved.
 - 7.1.4. Fundraising forecast may be subject to change based on the timing of recruitment to the vacant post in the Development team. Current figures assume that the position will be filled by January 2025.
 - 7.1.5. The Development Manager (Richard Beer) has been asked to prepare new figures based on postponing recruitment beyond January 2025 pending arrival of the new CEO.
 - 7.1.6. The approach to forecasting investment income has been changed for the 2024-25 budget. The numbers in the budget reflect this new approach and were calculated using UK CPI + 3%

risk profile on investments multiplied by £8.8 million of investments. The number is contingent on investment managers meeting targets and market performance and it was noted that performance for the current financial year will exceed this figure.

- 7.1.7. Commercial property expenditure does not yet include the estimated £90k cost for the Portland Place lift refurbishment (awaiting quotes). Some of this will be recovered by service charges passed on to lessees but ABS will be required to cover approximately £50k of this cost due to service charge caps in place and new lease arrangements precluding this cost being passed on.
- 7.1.8. A concern was raised that allocating 100% of return on investments to income risks eroding asset base value. It was clarified that the strategic approach to the allocation of surplus would be considered once there is a balanced budget but that the correct accounting treatment is to include returns on investment in income for the year, so the budget should match that.
- 7.1.9. Version 4 of the 2024-25 draft budget, detailing the revised welfare beneficiary spend of £848,116 and an overall net deficit of £480,684, was unanimously **approved** by the Board, noting that the lift cost is not included. This is subject to further review once the new CEO is in post.
- 7.2. **Alternative Budget:** the Board noted the report on the alternative budget scenario (Annex E) which assumes investment properties are both sold for their holding value and funds invested in managed funds.
 - 7.2.1. In preparing the alternative budget scenario, property related costs had been removed and income increased based on the UK CPI + 3% figure agreed by FAR.
 - 7.2.2. It was concluded that there is some impact on the budget under the alternative budget scenario. However, the impact is not significant enough to meet ABS's broader financial objectives or to ease some of the measures that must be put in place to bring about a balanced budget.
 - 7.2.3. The risks and benefits of selling the properties (financial and non-financial) was considered. The FAR Committee will continue to investigate the possibility and continue to report back to the Board. It was noted that sale of ABS properties would be a Board decision.

8. Beneficiary Fraud

- 8.1. The Board was notified of a potential beneficiary fraudulent claim identified by the Welfare Lead. A total of £14,000 was paid out over a one-year period.
- 8.2. The notification was verbal. As such, Annex F (referenced in the agenda) was not required.
- 8.3. The Board was informed that an extraordinary meeting of the FAR Committee had been held on 19th September to discuss the incident. The follow actions were agreed subject to notification to the Board:
 - a. Report as a serious incident to the Charity Commission at the earliest opportunity
 - b. Report to Action Fraud for investigation (they will also inform the police)
- 8.4. This does not preclude further action, including potential recovery of the money.
- 8.5. The Board noted the actions proposed by the FAR Committee and agreed this should be taken forward.
- 8.6. It was noted that no formal due diligence procedures for grant giving had previously been in place, but interim procedures have now been drafted and implemented pending full review by the Welfare Committee.
- 8.7. The risk that there are ongoing frauds is considered by the Welfare Lead to be minimal.
- 8.8. The risk of fraudulent grant applications is to be added to the risk register.

- 8.9. It was noted that the Welfare Lead's email of 25th September (11.36am) concerning the potential fraud and due diligence paper had not been sent to all trustees.
- 8.10. The Chair requested that the Welfare Lead's email be sent on to all trustees.

9. Capitalisation Policy

- 9.1. To streamline processes, the FAR Committee proposed to the Board that the level at which fixed assets are capitalised is increased from £500 to £2500.
- 9.2. The Board unanimously **approved** the proposal.

10. Property Lease Status and Lift Refurbishment Update

- 10.1. The Board received a report on the property lease status.
- 10.2. Leases have been agreed for Portland Place Floors two and three.
- a. Second Floor: Broadcast Revolution (existing tenant)
 - b. Third Floor: Best Act Travel (new tenant)
- 10.3. Terms for both floors is five years, with a three-year break clause and four-month rent free period.
- 10.4. The Board was notified that the Portland Place ground-floor tenants (Poppins) are withholding their September 2024 rent payment. Poppins have stated that this is because they want ABS to cover the £5,500 legal costs incurred during the third-floor lease negotiations that collapsed.
- 10.5. Poppins have been informed that rent and service charge cannot be withheld against the disputed legal fee. An email has been sent to Poppins informing them that interest will be applied to the outstanding rent payment from 1st September 2024.
- 10.6. The Chair asked that Edisons be contacted to establish when Heads of Terms were issued and report back to Board to assess potential liability.
- 10.7. Two quotes for the lift upgrade have been received.
- a. Kone: £106,000 + VAT
 - b. Elevators Ltd: just over £85,000 + VAT
- 10.8. The Chair requested that a third quote be obtained before a contractor is recommended to the Board for approval. **Post Meeting Note:** *SSh has provided details of a potential third contractor.*
- 10.9. Technical appraisals are ongoing and further reports will be made to the Board when available.
- 10.10. The Board considered whether or not the cost of the lift works should be included in the service charge estimate upon which billing for the financial year October 2024 to September 2025 is based.
- 10.11. It was noted that lift refurbishment work is expected to begin within the next 12 months. As such, concern was raised that tenants would not be able to budget for the cost over the full year if notification is delayed until the lift refurbishment costs have been confirmed.
- 10.12. The Board was notified that a large proportion of the refurbishment costs will not be recoverable. This is due to service charge caps and the agreement that the new tenants on floor three will not be liable for the lift upgrade element according to their lease.
- 10.13. It was confirmed that a rebate will be issued if the work is not completed or costs less than expected.
- 10.14. After consideration, it was proposed that the estimated service charge for the year be set based on inclusion of an estimated cost of £90,000 + VAT and that charging should begin immediately.

- 10.15. The Board unanimously **approved** the proposal to notify the tenants immediately of the lift refurbishment costs based on an estimated cost of £90,000 + VAT.

11. Grant Giving Policy

- 11.1. The Board was invited to consider and approve the proposed adjustments to the criteria of the current ABS Grant Giving Policy (GGP) (Annex G).
- 11.2. RB contextualised the need for the changes to the GGP, noting that the proposals are the culmination of on-going discussions in relation to the welfare overspend.
- 11.3. The adjustments are restricted to the criteria section 'Section 1' of the GGP with implementation to be in the 2024-25 financial year, commencing on 1st October 2024.
- 11.4. The adjustments are a short-term solution until the ABS welfare spend can be maintained within the approved budget limits and an updated sustainable GGP is developed as part of ABS longer-term business planning policies.
- 11.5. It was clarified that the Welfare Team is operating on Version 13 of the GGP, based on minor adjustments made to the GGP by the Welfare Committee in December 2023. As this version has not yet been ratified by the Board, the adjustments proposed to the GGP for consideration at the 25th September Board meeting will be with reference to Version 12.
- 11.6. The Board held an in-depth discussion, with a range of views expressed including concerns about financial and stakeholder impact, legalities and potential discriminatory or prejudicial nature of the proposals.
- 11.7. The following revisions were recommended:

a. Proposal 6 Authorisation

- i. Concern was raised that lowering monetary authorisation levels for new and existing grants would be onerous for the Welfare Committee and Welfare team given their limited resources.
- ii. It was recommended that the authorisation limit should not be lowered. As such, the middle sentence '*and any new or extended grants above £500pm (or £500 for one-off grants) to be approved*' is to be removed from proposal 6.

b. Proposal 7 Childcare Grants

- i. Concern was raised about the impact of removing this support from the GGP. After discussion, it was agreed that the Welfare Team should complete further analysis before revisiting this proposal for full agreement.
- ii. It was recommended that proposal 7 be omitted in its entirety on the proviso that this may need future revision.

c. Proposal 8 Support for Refugees and Asylum Seekers

- i. Concern was raised about the impact of removing this group from the eligibility criteria. After discussion, it was agreed that further analysis should be conducted by the Welfare team before revisiting for full agreement.
- ii. It was recommended that proposal 8 be omitted in its entirety on the proviso that this may need future revision.

d. Proposal 10 Student Support

- i. A query was raised as to whether students would continue to receive non-financial support when all the Middle Orchard Trust Funding has been spent. It was clarified that only financial support would be suspended.
- ii. It was recommended that the word '*financial*' should be inserted into proposal 10 for clarity.

e. Proposal 11 Welfare Spending Cap

i. It was noted that applying the quarterly welfare spending cap is to be a right rather than an obligation and its application may have significant impact.

ii. It was recommended that the decision to apply the cap should be reserved for the Board. As such, 'Welfare Committee' is to be deleted from proposal 11 and replaced with 'Board' in sentence one.

- 11.8. As an interim measure, and on the basis of the detailed discussion held, the Board unanimously **approved** the proposed adjustments to Version 12 of the GGP, subject to legal advice and the recommended revisions to Proposals 6, 10 and 11 and omission of Proposals 7 and 8 (as outlined above). *Approved, amended document appended.*
- 11.9. The Welfare Committee will seek advice from the Welfare Team on operational implementation as a matter of urgency and will come back to the Board with an implementation proposal.

12. Membership of Committees

- 12.1. The Board was asked to consider a proposal to update the ABS Terms of Reference (ToR) for Committees to clarify that committee membership does not include ABS staff. The proposed amendment is for the avoidance of doubt.
- 12.2. It was recommended that the ToR document be updated, and the proposal returned to the Board (with the revised draft document) for approval.

13. Draft Minutes and Reports from the Committees

13.1. Development and Engagement Committee

- 13.1.1. In AR's absence, RM reported for the Development and Engagement Committee (Annex H).
- 13.1.2. Key points were summarised in a presentation. *Document appended.*
- 13.1.3. A query was raised concerning the prioritisation of legacy development. RM advised that the Development and Engagement Committee is expected to discuss this in more detail alongside the prioritisation of corporate sponsorship. An update will be provided once this is available.
- 13.1.4. The Committee had discussed whether a trustee should cease to be an ambassador after appointment as a trustee. The Chair recommended this should be considered further by the Committee and a recommendation made to the Board for approval.

13.2. Finance Audit and Risk (FAR) Committee

- 13.2.1. MH informed the Board that all key points were covered under the agenda (Annex I).

13.3. Nominations and Remuneration (NR) Committee

- 13.3.1. ATS reported for the Nominations and Remuneration Committee (Annex J).
- 13.3.2. A query was raised about the budgetary impact of the recommendation to extend the temporary staff structure for a further 3 months from the 1st December 2024. It was noted that the staff costs figure is an estimate based on what was known at the time of the budget drafting and will not be amended at this point.
- 13.3.3. Concern was raised about the decision to defer the Staff Salary review.
- 13.3.4. It was noted that the budget contains an allowance of 5% for salary increases.
- 13.3.5. The Board recommended that the NR Committee review the decision on salary increases and report back to Board. Acting CEO to provide salary information to NR Committee.

- 13.3.6. A query was raised concerning notifying the Wellbeing Programme Lead that their contract has been brought forward from March 2025 to October 2024. It was confirmed that the Acting CEO has already informed the Wellbeing Programme Lead of this decision.
- 13.3.7. MG notified the Board that the annual contract for ABS's HR Advisor, Karen Liddington (KL), ends in week commencing 30 September 2024. KL has been informed the contract will be renewed for a further year.

13.4. **Welfare Committee**

- 13.4.1. Minutes of the meeting held on 29th August are not yet drafted but will be circulated once available.
- 13.4.2. RB advised the Board that the key points were covered under the agenda.

14. **Meeting Dates**

- 14.1. Draft 2024-25 Board and Committee meeting dates were not available for the Board to review.
- 14.2. The Chair recommended that individual committees review their 2023-24 dates (to be circulated by MG) and submit draft 2024-25 dates, via email, for electronic Board approval.

15. **AOB**

15.1. **2024 Audit**

- 15.1.1. The Board was notified that the Audit will take place earlier this year.
- 15.1.2. To avoid delays with the audit, the Trustee Annual Report must be ready by week commencing 25th November 2024 when the audit is due to begin.
- 15.1.3. TJ estimated that a draft of the accounts should be ready for the Board to review by mid to late October 2024 with final accounts to be with the auditors by 14th November 2024.

15.2. **Declaration of Interest Forms**

- 15.2.1. Trustees were asked to submit a new Declaration of Interest form in advance of the upcoming 2024 audit. The necessary form will be circulated to all trustees for completion. **Post Meeting Note:** Declaration of Interest form emailed to trustees on Thursday 26th September 2024 with a request to return the completed form to TJ by Friday 11th October 2024.

15.3. **Statutory Accounts**

- 15.3.1. The Board was asked to clarify which ABS roles should be included as key management personnel when completing the Statutory Return.
- 15.3.2. It was recommended that this should include the CEO, CFO, Operations Manager and Welfare Lead.

15.4. **Delegation of Authority**

- 15.4.1. TJ informed the Board that a request to outsource the ABS payroll had been approved based on a business case presented to the Acting CEO. This had not been presented to the Board for approval as it had been considered an operational matter.
- 15.4.2. It was noted that there had been uncertainty around whether the decision to outsource ABS payroll operations should have been presented to the Board for approval. Further to this, a wider concern about a general lack of clarity in relation to Board and Executive decision-making was raised.
- 15.4.3. It was acknowledged that a lack of clarity in relation to the delegation of responsibility increases organisational risk. A Delegation of Authority document would mitigate this risk and provide clarity for both the Executive team and trustees.

15.4.4. It was recommended that a Delegation of Authority document be drafted and circulated to Board members for feedback before the next Board meeting.

15.5. **Acting CEO**

15.5.1. MG and ATS are scheduled to meet with the Acting CEO on Friday 27th September 2024 (via Zoom) to discuss a possible return to work.

15.5.2. An update on return date, and return conditions, will be provided once agreed.

15.6. **CEO Recruitment**

15.6.1. Four candidates have been shortlisted to interview for the CEO vacancy.

15.6.2. Interviews are scheduled for Friday 4th October 2024. An update on the outcome will be provided once available.

15.7. **Financial Consultant**

15.7.1. Under the current contract, Simon Still (SSt), ABS Financial Consultant, has acted as a paid financial advisor who also sits as a member of the FAR Committee. This contract is in the process of being renewed.

15.7.2. Under the new contract, a consultancy fee will be paid, but the Financial Consultant will no longer be a member of the FAR Committee. However, they will continue to be invited to meetings, as needed, to provide expert advice.

15.8. **HR Advisor**

15.8.1. A query was raised about whether trustees are permitted to contact Karen Liddington, ABS HR Advisor, for general HR advice.

15.8.2. The consensus was that all trustees should be able to contact Karen Liddington on HR issues relating to ABS. **Post Meeting Note:** *following discussions with Karen Liddington, all requests from trustees to contact her should be directed to the Chair in the first instance.*

15.9. **ABS Working Environment (Senior Management Team)**

15.9.1. The Board was notified that the ABS Welfare Lead had raised a concern about the safety of the working environment for ABS's Senior Management Team.

15.9.2. The ABS Chair has asked two trustees (JM and SSh) to meet with the Welfare Lead as a matter of urgency to gain a better understanding of the issue. Next steps will then be considered.

15.10. **Office Move**

15.10.1. The lease on 6 Brewery Square is due to expire in early December 2024. On expiry of the lease the ABS office is to relocate to the 4th floor office space in Portland Place.

15.10.2. Planning for the move has been delayed pending return of the Acting CEO from an extended period of absence. It was noted that the Acting CEO's return date has not yet been agreed.

15.10.3. Given the limited time remaining to prepare for the move, concern was raised about the risk of waiting for the return of the Acting CEO. It was proposed that Richard Beer (RBe), ABS Development Manager, be asked to take this forward, with the necessary decision-making authority.

15.10.4. The Board agreed that JM would contact RBe to ask if he would be willing to prioritise planning and co-ordinating the move, with acknowledgement of the potential impact on income generation.

15.11. **Trustee Training**

15.11.1.A query was raised about attending trustee training sessions organised by Rathbones (formerly Investec). Training offered by Rathbones, and costs, will be investigated and reported back to the Board.

The meeting closed at 4.02pm.

Date of next meeting: tbc

Actions Agreed

Minute	Action	Owner
3.2i	Email to Investec to confirm that the FAR Committee has approved the Benchmark recommendations	MH/TJ
7.1.2	Add target net surplus figure to the 2024-25 (Version 4) Budget. Recirculate to Board.	TJ
8.8	Update Risk Register to include risk of fraudulent grant applications.	Welfare Committee
8.10	Forward Welfare Lead's 25.09.24 email concerning potential beneficiary fraud and due diligence paper to all trustees.	TJ/SJP
10.6	Ask Edisons to confirm the date that the Portland Place, 3 rd floor lease Heads of Terms were issued to Poppins.	Property Officer / Acting CEO
11.9	Draft proposal outlining recommendation for implementation of revised GGP. Present to Board.	Welfare Committee/Welfare Team/Exec
12.2	Update ABS ToR for Committees to clarify that committee membership does not include ABS staff. Submit proposal and revised ToR to Board for approval.	Acting CEO/NR Committee
13.3.5	Review decision on 2024 ABS staff salary increases & report back to the Board. Acting CEO to provide salary information.	NR Committee / Acting CEO
14.2	Share 2023-24 Board/Committee meeting dates with all Committees. Individual committees to review & submit draft 2024-2025 dates for approval (via email).	ABS Chair / All Committees
15.2.1	Send Declaration of Interest form to all trustees for completion & return to TJ.	TJ/Trustees
15.4.4	Draft Delegation of Authority document & send to Board for feedback.	MH/TJ/Board
15.10.4	Ask Richard Beer to consider undertaking the task of planning & co-ordinating ABS office move from Brewery Square to Portland Place.	JM
15.11.1	Ask Rathbones for information about their trustee training sessions and costs. Report back to Board.	CFO/Acting CEO

ABS Board 25/9/24 – Paper as approved by the Board

Proposed Adjustments to the criteria of the ABS Grant Giving Policy

(with amendments in red as agreed by the Board)

Purpose:

Proposals to adjust the current ABS Grant Giving Policy criteria to achieve reductions in the annual Welfare Spend, for approval by the ABS Board.

Background:

In order to achieve a realistic budget for the next 2024-25 financial year with a reduced net deficit from previous years, the annual ABS Welfare Spend will need to be reduced significantly from previous years. This is exacerbated by a reduction in anticipated income streams next year, with a prudent reduction in anticipated legacy income and with little scope for cost reductions. At the recent meeting of the Finance Risk and Audit Committee (FAR) held on 4/9/24, It was recommended that the ABS Welfare Spend for the 2024-25 financial year should be about £850k.

The ongoing welfare spend already committed in existing grants awarded to existing beneficiaries is estimated to be about £450k in the next financial year. It would be morally difficult to reduce these already committed funds to the needy beneficiaries. Therefore, this leaves about £400k to spend on new and extended grants to be awarded by ABS in 2024-25. This is a significant reduction to our recent welfare giving over the past few years and will require adjustments to be made now to the criteria of our current Grant Giving Policy (GGP V12 - Appendix A).

These adjustments should be equitable, workable and transparent for our beneficiaries, supporters and executive. The proposals are designed to secure the ongoing sustainability of the ABS with minimal impact on the reputation and profile of the ABS. They also need to be applied quickly and achieve a reduction of our welfare spend within our 2024-25 financial year. The aim is not to change the underpinning principles or procedures of our GGP, or the current Vision, Values or Mission of the ABS. Therefore, the proposed adjustments are restricted to the criteria 'Section1' of the GGP.

It is difficult to accurately assess the financial effect of each of these adjustments, as this financial information is not yet available. But, based on our knowledge of our current welfare spending, it is possible to make an informed decision on the collective effect of these adjustments in reducing our welfare spend in line with the budgeted levels. Also, to introduce

mechanisms that make it easier to monitor, predict and manage our welfare spending levels within the financial year.

These adjustments are a short-term solution to achieve our budget for the next financial year which begins soon on 1 October 2024. A comprehensive review of our current GGP is required to be done as part of the longer-term business planning, income and investment reviews that are currently underway. This should be progressed as soon as the new CEO is in post, with the aim to be completed to inform our 2025-26 budgeting process in Summer 2025.

This proposals in this paper have been developed in consultation with members of the Business Planning Working Group, Finance Risk and Audit Committee, Welfare Committee and the ABS executive.

Proposals:

The following adjustments to the current ABS Grant Giving Policy criteria are proposed for consideration and approval by the ABS Board, at their meeting on 25 September 2025. To be developed and implemented as soon as possible, for all new and extended grants, by the ABS Executive with the oversight and approval of the Welfare Committee:

1. **Eligibility- UK Resident:** Add the requirement for any beneficiary or their dependant receiving any direct or indirect support from the ABS to be permanently resident in the UK.
2. **Eligibility – Non-Professionals:** Suspend the eligibility of non-professional employees working in UK architectural practices (2nd bullet under Direct Financial support GGP V12).
3. **Eligibility -Assets:** Reduce the level of assets from maximum £150,000 to max. £100,000. (Note: Savings limit was reduced from £16k to £6k in Oct'23, no further reduction required). The GGP does not specify whether “Assets” or Savings” are “net” (i.e. after deducting the amount of any mortgage or loan balance or credit card debts), or “gross” (i.e. the balance before offsetting any loans or debts). The wording in the GGP needs to be refined to make it clear what is to be included (and what is excluded) when calculating these balances.
4. **Grant Giving Framework:** Reduce the maximum level of grant available from the ABS from 80% to 65% of MIS. Retaining the additional 10% (i.e. max. 75% of MIS) that can be awarded for beneficiaries with specific disabilities and debilitating health conditions.
5. **Housing Costs (1.1.1):** Not to support any housing grants above the MIS amount.
6. **Authorisation:** All new and extended grants to continue to be authorised, for no more than 6 months, ~~and any new or extended grants above £500pm (or £500 for one-off grants) to be approved~~ by the Welfare Committee
7. ~~**Childcare Grants (1.1.2): To be awarded for up to 6 months (reduction from 12 months) and maximum monthly grants by ABS reduced by 50% (i.e. max £575pm towards childcare for under 2yr olds)**~~
8. ~~**Support for Refugees and Asylum Seekers (1.1.2): Cease awarding any further grants to this category, until further notice**~~
9. **One-Off Grants:** Reduce the current maximum amounts of most one-off grants by 50% (i.e. maximum dental grant to be £1,125). Maximum one-off grant levels for mental health support to remain as existing.
10. **Student Support:** Suspend student ~~financial~~ support when the Middle Orchard Trust funding has all be spent.

11. **Welfare Spending Cap:** Introduce a quarterly welfare spending cap, to be applied by the ~~Board Welfare Committee~~, if required, due to welfare spending exceeding the annual budget. The Trustee Board, as advised by the Executive, to approve a quarterly maximum amount within the annual welfare spend budget, to be monitored regularly against updated monthly management accounts and forecasts. See Appendix B for details, to be added to the GGP.

These proposals are drastic, but hopefully temporary until the ABS Welfare Spend can be maintained within the approved budget limits and an updated sustainable Grant Giving Policy is developed as part of our longer-term business planning policies. At this stage no reductions are proposed to ABS' Indirect Financial Support provisions (Section 2 of the GGP).

The existing and new potential beneficiaries will need to be sensitively informed of the approved adjustments and the overall information made publicly available on the website and in correspondence.

Conclusion:

The ABS Board of Trustees, ~~at its meeting on 25 September 2024, is invited to consider and approved~~ the above adjustments to the current GGP, for implementation in the 2024-25 financial year, commencing ~~on 1 October 2024 as soon as possible (Welfare Committee and Team to advise the Board on the implementation plan and dates)~~.

Appendix A: ABS Grant Giving Policy (Revision 12 Oct'23)

Appendix B: Welfare Spending Cap (text below, to be added as new Section 3 of the GGP)

3. Welfare Spending Cap: Restrictions to the ABS provision of Financial Support

The Grant Giving Policy is subject to the welfare spend budget set each year by the Board. To ensure welfare expenditure remains within this budget, financial limits are set for each financial quarter. Once these limits are reached, new expenditure may be temporarily suspended. The process for achieving this is:

- *The Society will regularly monitor its commitments to provide financial support under Section 1 of the GGP against a quarterly budget approved by the Trustees.*
- *The Trustees will approve a quarterly welfare spend budget once a year.*
- *On a quarterly basis, the Welfare Committee will review the Section 1 of the GGP forecast welfare spending commitments for the following four (4) quarters, measured against the agreed last quarterly budget and current management accounts and assess whether the levels of future welfare spending commitments exceed the approved quarterly budget.*
- *Where the sum of Section 1 spending commitments, in any one forecast quarter, are expected to exceed the approved quarterly budget, **the Board (as advised by***

the Welfare Committee) will have the option, but not the obligation, to cease accepting further welfare spending commitments until such time as a revised forecast indicates that the level of Section 1 commitments in each forecast quarter do not exceed the approved budget in any forecast quarter.

- *For the avoidance of doubt, the Indirect financial support provisions in Section 2 above will not be subject to this spending cap restriction.*



Development & Engagement Committee September 2024



Overview

- Quarter 3 was the Development team's biggest quarter yet, with the highest income shown for the year in individual giving and events.
- Income for the year to end July is £155,145 against a budget of £155,747 (£603 deficit).
- Although behind on individual giving (YTD deficit of £16,098), corporate giving is strong with year-to-date income of £56,738 against a budget of £37,920 (YTD over target by £18,818).
- Event income has also been strong: £32,186 against a budget of £31,284 (+ £902).
- Development income is forecast to end the year around the budgeted target of £196,600 (this is approximately 25% up on last year's target and 35% up on last year's income). Members thanked RB for this positive news.
- RB noted that work on the CRM has improved data quality and enabled the team to better distinguish between individual and corporate giving.
- RB reported that the majority of commitments are collecting within 30 days sending out invoices thanks to a more efficient and timely administration of the process.
- **Overall, a positive note for year 2023-2024.**



Fund Raising Events

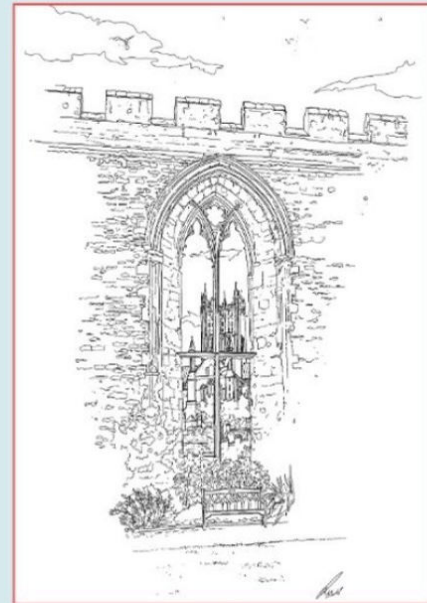
Chicken Run

Chicken Run was excellent this year with tickets selling out within three weeks. Due to demand, the 200 maximum entries allocated was increased by 10% which was the maximum capacity of the after-party venue. New record in fund raising. Further expanding the event is being explored.

Time 2 Sketch



#Time2Sketch 2024 Looking Outside



1st
Paul Bowman
Bishops View



2nd
John Warburton
A Window for Everyone



3rd
Ashleigh Davis
A Birders Paradise

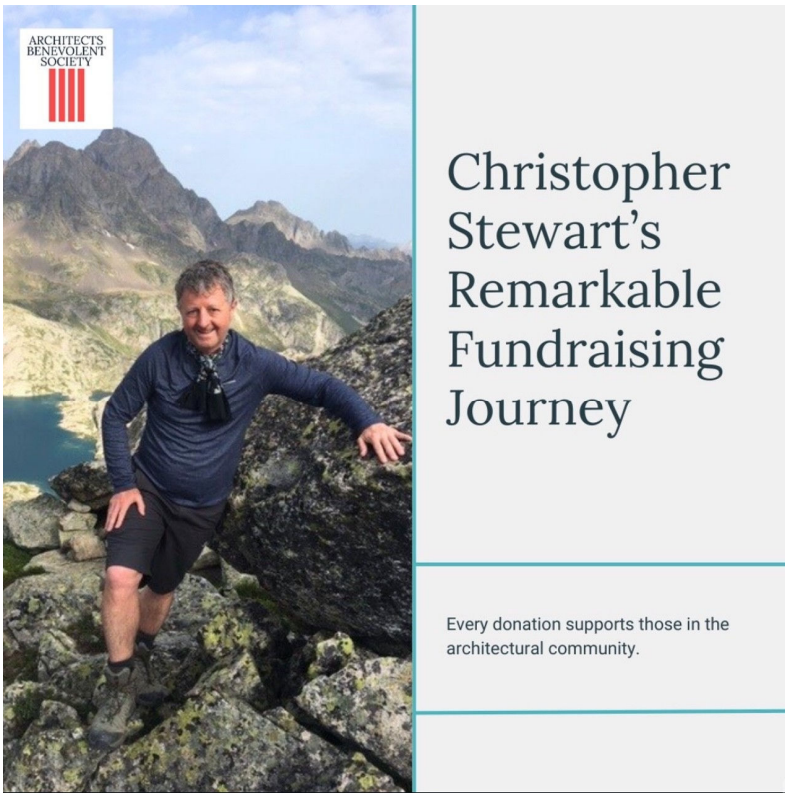
In collaboration with:

**ALLFORD
HALL
MONAGHAN
&
MORRIS**

Assael



Fund Raising Events



Fundraising

Overall: Income for the year to end July is £155,145 vs budget of £155,747 - (£603)

Individual giving - £50,262 vs budget of £66,360 - (£16,098)

Corporate Giving - £56,738 vs budget of £37,920 + (£18,818)

Events - £32,186 vs budget of £31,284 + (£902)

Trusts - £6,050 vs budget of £8,333 - (£2,283)

Awareness

Nearly £3000 raised following the Movement: Moving more for our Mental Health awareness week.



Mental Health
Awareness Week
Wrap-Up



our website for
support
information



New Events

Successful new events for ABS include the Vitality 10K (September 2024), and London Big Half (September 2024). In addition, tickets for the London Landmarks Half Marathon event (April 2024) sold out within two days.



Development Team 3 Year income forecast

Year	24/25	25/26	26/27
Individual Giving	£ 66,000	£ 79,200	£ 95,040
Corporate Giving	£ 72,000	£ 86,400	£ 103,680
Events	£ 69,300	£ 83,160	£ 99,792
Gift Aid	£ 20,000	£ 24,000	£ 28,800
Trusts	£ 10,000	£ 10,000	£ 10,000
Total income	£ 237,300	£ 282,760	£ 337,312
Growth	21%	20%	20%

Summary of changes for 24/25 Budget

	Previous target	Growth	Target
Individual Giving	£ 84,000.00	-£ 18,000.00	£ 66,000.00
Existing income			£ 60,000.00
Additional income			
2 x mail appeal			£ 4,000.00
Tele marketing			£ 2,000.00
			£ 6,000.00
Corporate Giving	£ 48,000.00	£ 24,000.00	£ 72,000.00
Existing income			£ 50,000.00
Additional income			
Upgrade 6 x existing			£ 7,000.00
Onboard 4 new			£ 6,000.00
Corporate appeal			£ 5,000.00
2 x Corporate challenges			£ 4,000.00
			£ 22,000.00
Events	£ 39,600.00	£ 29,700.00	£ 69,300.00
Existing income			£ 35,000.00
Additional income			
New challenge events x 8			£ 16,000.00
Expand chicken run			£ 11,000.00
Bake the world			£ 1,300.00
T2S			£ 1,000.00
Merchandise sponsorship			£ 5,000.00
			£ 34,300.00

Additional Activities

- Launch new Legacy web page and will writing
- Canvas new apparel sponsorship
- Market ArchiActive for individual challenges
- Explore gaming for good & crypto philanthropy
- Build online store

3 Year Income Forecast & 24/25 Budget Changes

It has been suggested that a 21% growth for 24/25 is achievable however the team have been suggested to reduce this to 10%.

regular givers donor base

xmas appeal - summer appeal
Canvas existing small donors

Annual corp partnerships, regular corporate giving, membership bodies annual contributions and awards event collections

Implement corp membership
Use new agreements with CIAT, RIBA & GIA to promote through news letters
Topical corp drive - one off donations via membership news letters
Tough Mudder events & Corporate relay

3 x ABS events 5 x Ambassador events event sponsorships

Ride London - Great north Marathon - Brighton Marathon - Edinburgh run festival - Big Half - vitality 10k - London 2 Brighton - Hackney Half - London Landmarks
Merchandise sales - colab with Foothold - Launch Birmingham - North&South park run launch
Partner sponsor - increase in corp pledges
Partner sponsor
Marketing opportunities

Challenges:

The Effectiveness of the Ambassador Programme:

In progress, but action delayed due to the Partnership Executive moving on to a new role.

A hold on recruitment has been put in place while the programme is assessed.

The following actions were agreed as urgent :

- i. Prior to 25th September Board meeting, email Ambassadors requesting an update on their intention to commit to the programme for 2024-25.

- ii. Analyse responses/feedback by end of September 2024 and consider next steps.

- iii. Report to Development & Engagement Committee (at next Committee meeting) on outcome of review and outline plan to have improved efficiency of the programme by the January 2025 Board meeting.

Fundraising Against Grant Giving:

It has been a pleasure to report that the actions put into place by the staff are now coming to fruition and the team being on target on reaching their 23-24 target for fund raising.

The challenge we have is that it could take 5 years to match the grant funding spend, not considering the overspend each year.

The overspend each year is now overshadowing the hard work that is being done by the fund-raising team.