



**Business Plan
2009–2012**

Appendices

APPENDIX A

Board members

Chair

Jon Holmes is Managing Director of Jon Holmes Media Ltd, a non-executive director of Sportech plc and Chair of the Everyman Cancer Campaign. He was previously Chairman of SFX Europe and the former Chairman of Leicester City Football Club with over thirty years' experience as a client manager, FA Licensed Players' Agent, and with a wealth of television and media knowledge. Jon is an occasional contributor to newspapers, TV and Radio on Sports Management related topics. He is also an accomplished speaker on the topics of Sports/ Sponsorship/Marketing/ Branding.

Jon has overseen the development of a number of media productions including co-devising with Gary Lineker the screenplay for ITV's "All in the Game" drama series broadcast in 1993, and "Gary's Golden Boots" for BBC1 in 1998. He has worked as a Programme consultant to "They Think It's All Over" BBC TV/TalkBack (1995-2000) and "Trevor's World of Sport" BBC TV/Hat Trick (2003).

Jon's other interests include the theatre, reading, sport, politics, current affairs, general financial affairs and journalistic issues.

Members as at April 2009

Rebecca Blackwood has twenty years wide-ranging experience of corporate communications including brand development and corporate positioning. Her experience with cultural institutions includes Arts Council England, Museums Libraries and Archives Council, Regional Development Agencies across the country and the Contemporary Art Society as well as numerous high profile museums, galleries and performing arts

Clare Cooper is Co- Director, Mission, Models, Money a two year action research programme and campaign for change which seeks to develop new approaches to organisational and financial sustainability in the arts and cultural sector. She is currently a Trustee of LIFT and Trinity Laban.

Ray Dinsdale is currently Chair of East Northamptonshire Cultural Community Partnership. He has twenty years of experience as a plc board member, fifteen as a CEO. He is an experienced non-executive Director and Chairman with strong financial expertise.

Peter Helps is Chief Executive of sinfonia ViVA, the East Midlands only professional orchestra. He has been General Manager of the Theatre Royal in Glasgow for Scottish Opera and Theatre Manager of The London Coliseum for ENO. He is Chairman of Derby's Arts Forum as well as currently chairing the ABO Chamber Orchestras Specialist Managers meetings and was founding Chairman for Derby's Creative Industries Network.

Mick Gallagher (from June 2009) is currently Chief Executive at Boston Borough Council, appointed in February 2006. Mick is a Governor of Boston College and a former Board Member of Culture East Midlands (Regional Cultural Consortium) and of the Blackfriars Arts Centre in Boston.

Nazim Karimjee (from June 2009) was a managing partner of Grant Thornton Chartered Accountants. From 1999 to 2008 he served as a Member of Council of the University of Nottingham and Chairman of the Finance Committee as well as a member of the Strategy and Planning Committee, member of the Remuneration Committee and Treasurer of University of Nottingham. He is currently trustee and board member of the Papplewick Pumping Station Trust and trustee and board member of Karimjee companies in Tanzania and various Karimjee Charitable Trusts.

Shona Powell was appointed as the first Director of Lakeside - the University of Nottingham's public arts centre - in March 2002. She was founding Director of The Lemon Tree in Aberdeen from 1992 - 2002. She is Chair of Déda, the East Midlands dedicated dance house, and in addition to Cultivate is a board member of the Galleries of Justice and Ticketing Network East Midlands. She is a founding member of the East Midlands Children's Theatre Consortium; and is a panel member of: Greater Nottingham Partnership SAT for Tourism, Leisure, Culture; Tourism Panel, Experience Nottinghamshire; Planning Group, Nottingham Cultural Marketing Initiative; Highfield Park User Group; Notts 2012 Culture Group; CADEM (Chinese Arts Development East Midlands) Advisory Group and Chinese New Year Steering Group, Nottingham. She was a board member of Culture East Midlands between 2003 and 2009.

Philip Talbot began his career as an actor, including a five year stint as an acting member of the National Theatre Company. In 1985 he turned to producing shows in the theatre, initially on the fringe and then on tour and in the West End. In 1987 he also started to produce corporate events, specialising in awards ceremonies – eventually producing over 40 a year - with his company PTP. PTP was sold in 2005 and he now produces fewer awards ceremonies with his new company – Talbot Productions – and is returning to producing in the theatre.

APPENDIX B

Governance Code of practice

This code of governance aims to outline Cultivate's principles of operation and set out the arrangements for ensuring they are met. It is structured as follows:

1. Principles of operation
2. The role of the board
3. Monitoring mechanisms
4. Effective performance
5. Integrity
6. Openness

Appendices

- a) Board member role description
- b) Chair role description
- c) Board member appointment and rotation procedure
- d) Letter from board member upon joining
- e) Remit – Finance Committee
- f) Finance Committee member role description
- g) Chief Executive recruitment process
- h) Cultivate's governance structure
- i) Schedule of actions to implement these guidelines

These guidelines are drawn up in reference to *Good Governance: A code for Voluntary and Community Sector*, published by Governance Hub, and Cultivate's Memorandum and Articles of Association. They have been drafted by the Chief Executive in consultation with the Governance sub-committee of the Board. These guidelines were first adopted by the Cultivate board on Monday 16 January 2007.

Where further detail is given in appendices, this is indicated in the main body of the text in brackets.

1. PRINCIPLES OF OPERATION

The Cultivate board operates with the following principles:

- Cultivate's board provides non-executive leadership for the organisation, ensuring delivery of its objects, setting strategy direction and values
- Cultivate's board aims to promote and safeguard the vision and development of Cultivate
- The board is responsible and accountable for ensuring and monitoring the performance of the organisation
- The board understands its responsibilities and functions and aims to discharge these effectively
- The board will regularly review its effectiveness
- It delegates areas of work to sub-committees and the executive team and these groups report back and are monitored effectively by the board
- The board and individual trustees act according to high ethical standards and avoid conflicts of interest
- The board aims to be open and accountable to all of Cultivate's stakeholders

2. THE ROLE OF THE BOARD

The board has ultimate responsibility for ensuring delivery of the organisation's mission, monitoring the affairs of the organisation, ensuring it is solvent, well-run and delivering outcomes it is committed to.

2.1 In order to achieve this it will:

- Ensure all work falls within Cultivate's mission and the objects of the charity as set out in the Memorandum and Articles, regularly reviewing the relevance of the mission to the communities it aims to serve
- Approve policies, plans and budgets to achieve these objectives and monitor performance against them
- Plan for and monitor the financial health of the organisation.
- Ensure Cultivate complies with charity law and meets its requirements with Companies House and the Charity Commission
- Appoint and appraise the Chief Executive
- Establish delegation and internal control
- Maintain effective working conditions for staff and sufficient lines of communication for them
- Risk assess the organisation's position, activity and finances (Appendix i)

2.2 The board oversees the strategic direction of the organisation and delegates the delivery of this direction through operational matters to Chief Executive.

2.3 The board will define roles and responsibilities for board members, the chair, members of the Operations & Finance committee and other working groups in writing (Appendix a, b & c).

2.4 The board will ensure that staff, volunteers and agents have sufficient delegated authority to discharge their duties.

2.5 The board will set clear terms of reference for the Operations & Finance committee. It will receive a quarterly report from the committee and receive minutes from all of its meetings (Appendix e & f).

3. MONITORING MECHANISMS

The board will collectively be responsible and accountable for ensuring and monitoring that the organisation is performing well, is solvent and complies with all of its obligations.

3.1 Compliance

The board will ensure compliance with:

- Its memorandum and articles of association
- Laws requiring submissions of annual returns, reports and audited accounts.
- Charity law and the Charity Commission
- Company law and Companies House
- Employment law
- Health and Safety legislation
- Data protection legislation
- Legislation against discrimination

The board will have in place policies to ensure compliance with the above and they will be reviewed annually or more regularly as required (Appendix i).

3.2 Internal control

The board will support the Executive team to create and maintain guides to:

- Financial procedures
- Staff behaviour
- Training and development
- These will be reviewed annually and more regularly as required (Appendix i).

The board will monitor the annual plan of work as part of Cultivate's strategic business plan. It will review this twice a year (Appendix i).

3.3 Managing risk

The board will act prudently to protect the assets and property of the organisation and ensure that they are used to deliver the organisation's objectives.

Risks to which the organisation is subject will be assessed annually or more regularly as required. (Appendix i)

Through this the board seeks to:

- Avoid undue risk to users, beneficiaries, staff, property, assets and reputation
- Understand all risks facing the organisation and take steps to manage exposure to these risks
- Get professional advice to help manage risk where required
- Deal directly and effectively with any internal conflicts
- Have in place a mechanism, which allows each confidential reporting of any misconduct, misuse of funds or mismanagement.

3.4 Equality and diversity

The board will uphold and apply the principles of equality and diversity and ensure that the organisation is fair and open to all sections of the community.

It will do this in the following areas:

- Identification and assessment of needs
- Allocation of resources
- Membership of the board
- Staff recruitment, selection and retention
- Communication with stakeholders and the public
- Buying of goods and services

The board will regularly review the organisation's cultural diversity action plan and any action plans attached and ensure that the targets in these plans are adequately resourced (Appendix i).

4. EFFECTIVE PERFORMANCE

The board will have clear responsibilities and functions which complement the responsibilities and function of the executive and should compose and organise itself to discharge them effectively.

4.1 Operation

The board will review its own effectiveness every two years, responding to these reviews and making changes to principles and operation of the board as required (Appendix i).

Each Cultivate board member will have a role description upon joining the board (Appendix a).

Upon joining the board, Board members will be given a full induction on the Cultivate operation and will need to sign a letter acknowledging the role description and the defined duties and responsibilities (Appendix d).

Board members will on act on behalf of the organisation with proper authority from the board.

The full board will meet at least four times a year. Other meetings either of specialist subgroups or with individual board members will be arranged when necessary.

The agenda will focus on the strategic direction of the organisation.

The board will comprise between 3 and 15 members (as set out in its memorandum and articles of association). Meetings are quorate with three or more members (or their proxies) present. In practice Cultivate will aim to have 8 board members at any one time. The following skills and knowledge will be within the board:

Cultural Practitioners
Cultural management
Politics, local, regional, national
Regeneration
Business
Marketing
Finance
Legal
Income generation across a wide spectrum including Fundraising and trading

The board will aim to have a diverse group of trustees who are broadly representative of the communities it serves.

The Chair will make best efforts to ensure that all trustees can contribute to meetings.

Notice of Board meetings will be circulated at least 14 days in advance and Board papers will be circulated at least one week in advance of Board meetings, and at least 21 days in advance of AGMs.

Professional advice will be sought where required. Where doing so for important decisions, the board will not rely on a single source of advice.

All new trustees will receive an induction which will include:

Pack of information containing:

- History of the organisation
- Mission statement
- Memorandum and Articles of Association
- Current business/programme plans and budget
- Board Management guidelines and attendant roles and responsibilities documents
- Minutes of recent meetings – going back one year
- Latest annual report and audited accounts
- Personnel and admin organisation chart
- Board list: names, addresses, phone numbers
- Dates, times, locations of future meetings

Meeting with Chair and Chief Executive

Introductions to all staff and the organisation's activity

The board will ensure regular supervision, appraisal and personal development of the Chief Executive. This will be managed by the Chair.

The board will set the remuneration of the Chief Executive at a level to attract and retain the right candidates.

The board will each year set itself targets and review these at the end of the year (Appendix i).

Board renewal

Trustees will serve terms of three years, up to a maximum of two terms. The Trustees may determine by ordinary resolution that a Trustee who has served six years in office may stand for re-election for a further term or further terms in accordance with the provisions relating to retirement by rotation in this Article 9 if they determine that it is in the best interests of the Charity that that Trustee should do so.

When seeking new trustees the board will seek to fill any gaps in its list of skills and knowledge. (Appendix c)

4.2 Review

The board will undertake a strategic review of Cultivate at least once every two years, and more regularly as required.

5. INTEGRITY

The board and individual trustees should act according to high ethical standards and ensure that conflicts of interest are properly dealt with.

5.1 Basis of integrity

Trustees will not benefit from their work with the organisation except: where permitted by law and Cultivate's Memorandum and Articles of Association; where this is agreed by the board as demonstrably in the interest of the organisation.

No board member will benefit personally from the organisation's work.

Project managers, consultants or facilitators selected to lead Cultivate projects should not be members of the board.

Where a level of payment needs to be set for a trustee, the individual should not be involved in the discussion and where appropriate independent advice should be sought.

Full disclosure of any payments will be made in the organisation's annual report and accounts.

Trustees will be invited to claim travel and accommodation costs to attend meetings, by sending an invoice with receipts to the Chief Executive after each board meeting.

5.2 Conflict of interest

Cultivate keeps a register of interests.

It will seek declaration of interests at the first board meeting each year and from each new trustee upon joining the board (Appendix c).

Where a material conflict of interest occurs in a board meeting the trustee should not vote on the matter or participate in discussions. She or he should also offer to withdraw from the meeting and the other trustees should decide whether this is required.

When a trustee has a major or ongoing conflict of interest, she or he should offer to resign.

5.3 Probity

Trustees should declare all personal gifts received and hospitality accepted whilst on the organisation's business. These should be recorded in board minutes.

Trustees should accept nothing if there is a risk that this could be seen as being likely to influence the decisions of the board.

6. OPENNESS

The board should be open, responsive and accountable to its users, beneficiaries, members, partners and others with an interest in its work.

Cultivate will identify its stakeholders and ensure that there is regular and effective communication with them about the organisation's achievements and work.

The board's strategic review will identify stakeholders.

The board's names will be published in Cultivate's annual report and accounts and in the organisation's website and updates.

The annual report will be an accurate assessment of the organisation's successes and failures and comply with legal requirements.

The board will hold an AGM once a year.

Governance Code of Practice APPENDICES

- a) Board member role description
- b) Chair role description
- c) Board member appointment and rotation procedure
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- f) Finance Committee member role description
- g) Artistic Director recruitment process
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- i) Schedule of actions to implement these guidelines

Appendix a Board member role description

This role description references Cultivate's memorandum and articles of association and links to Cultivate's board guidelines.

The Board collectively and individually offers support to the strategic development principles of Cultivate and to its operating environment. It is therefore important that all Board members ensure that they understand the history of Cultivate and its current situation, and keep abreast of other issues that might affect the company.

Cultivate board members will aim to:

- know and support Cultivate's mission, goals, policies, programmes, services, strengths and needs
- offer a range of expertise to Cultivate
- assist Cultivate by attracting potential income streams through personal influence with others (individuals, organisations, companies etc.) or by other means (donations etc.)
- act as an advocate for Cultivate and Cultivate's vision and facilitate introductions to relevant contacts
- provide support and advice to Cultivate's team, either by telephone or in person
- attend meetings regularly and participate in committees and working groups
- prepare for and participate in meetings
- ask timely and substantive questions at Board meetings
- support the majority decision on issues decided by the Board
- ensure the organisation complies with the law and Charity Commission requirements
- avoid even the appearance of a conflict of interest, and disclose any possible conflicts to the Board in a timely fashion
- not make detailed project or activity decisions
- avoid pursuance of personal agenda through membership of the Board and relationships with management and staff

- avoid prejudiced judgements on the basis of information received from individuals and urge those with grievances to follow established policies and procedures
- suggest possible Board members who can make significant contributions to the work of the Board, and Cultivate as a whole
- maintain independence and objectivity, and act with a sense of fairness and personal integrity
- maintain confidentiality of the Board's meetings
- bring a sense of humour to the Board's meetings

Attendance and availability:

At quarterly Board meetings, any extraordinary general meetings, an Annual General Meeting and at agreed working groups or committees. Between the schedule of meetings Cultivate Board members should be available to the Cultivate Chief Executive as necessary for advice, guidance, introductions, support in meetings, advocacy and other activity as appropriate. Cultivate Board members are encouraged to attend Cultivate events.

Appendix b Chair role description

In addition to the role as a member of the Cultivate board the Chair will aim to:

- chair meetings efficiently and effectively
- agree and discuss agenda with Cultivate's Chief Executive before each meeting
- involve all Board members in active debate and prevent long-winded and irrelevant contributions from colleagues
- discuss and confirm decision making processes and structures with Cultivate's Chief Executive
- act as decision-maker on any matters that cannot be progressed without Board involvement and that cannot wait until the next meeting of the Board. Ideally this responsibility will be delegated at previous meetings
- bring decisions made between meetings to the Board for ratification
- receive reports from committees of which h/she is not a member
- act as principal spokesperson for the Board and nominate a deputy where necessary

Appendix c Appointment and rotation of board members and chair

As stated in 4.2 above, trustees will serve terms of three years, up to a maximum of two terms.

Six months before the retirement of the Chair the board will review whether it has candidates amongst it to take over as Chair.

The procedure for recruiting new board members will be:

- assessment of needs of the board in terms of skills and knowledge
- advertising/identifying candidates through the strategy formulated by board and carried out by Cultivate executive
- prospective candidates sent information about the organisation and asked to submit CVs
- prospective candidates met by Cultivate's Chief Executive and Chair or a member of the board
- review of candidates presented to the board and selected members invited to join
- selected candidates attend a meeting to observe.
- candidates are asked by Chair whether they would like to join the board
- if appointed to the board, a new board member will fill in a Register of Interests (Appendix i)
- if appointed to the board, a new board member shall hold office only until the following Annual General Meeting, when they shall be eligible for re-election (but shall not be taken into account in determining the Directors who are to retire by rotation at such a meeting)

According to the Memorandum and Articles, at every Annual General Meeting one-third of the board members shall retire from office. These shall be those who have been longest in office since their last election. If it is between board members appointed simultaneously this shall be decided upon by lot. A retiring board member is eligible for re-election for up to two terms of office.

Appendix d Letter from board member upon joining the board

Date

Dear [Name of chair]

Cultivate board – declaration of intention

In joining the Cultivate board I am agreeing to uphold the values and objectives of Cultivate by undertaking the attached board member role description and by acting in line with the Cultivate board guidelines. I undertake to give adequate time and energy to the duties outlined in these guidelines, including attendance at Board and other meetings, preparation for any such meetings, attendance at functions and events, and individual support of the Cultivate executive as required. I will at all times act with integrity. I will declare any personal conflicts of interest to the chair and will complete the attached register of interests.

Yours sincerely

[Name of trustee]

Appendix e Remit of the Operations & Finance Committee

At each meeting (quarterly or as required):

- Review Cultivate's management accounts
- Consider Cultivate's next annual budget
- Review Cultivate's fundraising position
- Review Cultivate's Risk management strategy and mitigating actions
- Review Cultivate's reserves policy

At board meetings

Report on the Finance Committee's business.

Annually

- Risk assess Cultivate as an organisation.
- Review Cultivate's Financial Procedures
- Assess salary levels for staff.
- Meet with the auditor for a detailed review of the Cultivate accounts.

Appendix f Finance Committee Member role description

The overall principles of the committee are to:

- Support the effective financial management of Cultivate.
- Advise and shape Cultivate's approach to financial planning and monitoring.
- Ensure high standards are achieved in this area of Cultivate's work.
- Seek to maximise Cultivate's income and control expenditure and maximise the use of Cultivate's financial assets.
- Ensure a stable and realistic approach to managing Cultivate's finances to allow the organisation to undertake its charitable objects in the short, medium and long term.

In addition to duties as members of the Cultivate board, members of the finance committee will aim to:

- Monitor and advise Cultivate's executive on Cultivate's management accounts.
- Advise Cultivate's executive team on budget planning for future years.
- Monitor and advise the Cultivate executive team on fundraising to meet Cultivate's income requirements.
- Report on financial matters to the full board at each board meeting.
- Review the Cultivate Financial Procedures annually and report to the board.
- Review risk and performance.
- Monitor and participate in the audit process.
- Agree a reserves policy
- Present and draft audited accounts to the board.
- Approve and recommend staff salary levels to the board
- Act as a first point of consultation on any other financial matters, including VAT, NI, and Pensions.

Appendix g Cultivate Chief Executive recruitment process

In the event of the need to recruit Cultivate's Chief Executive, this appointment will be made by the board. A role description is recorded.

Appendix h Cultivate's Governance structure

Board of Trustees

Jon Holmes (Chair)
 Rebecca Blackwood
 Clare Cooper
 Ray Dinsdale
 Peter Helps
 Sukhy Johal
 Shona Powell
 Philip Talbot
 Mick Gallagher (from June 2009)
 Nazim Karimjee (from June 2009)

Operations & Finance Committee

Ray Dinsdale (Chair)
 Shona Powell
 Nazim Karimjee (from June 2009)

Appendix I Schedule of actions to implement these guidelines

Action	By	Responsibility	Reviewed	By
Review policies to ensure compliance with 3.1	AGM	Operations & Finance Committee	Annually or more frequently as required	Board
Review and assess Risk Register	Ongoing	Operations & Finance Committee	Quarterly	Board
Financial Procedures, Staff Behaviour , training & development	Ongoing	Executive	Annually or more frequently as required	Operations & Finance Committee
Business Plan KPIs	Board Meeting 25 March 2009	Executive	Quarterly at board meetings	Board
Cultural Diversity Plan	Oct 2009	Executive	Annually	Operations & Finance Committee
Equal Opportunity Policy		Executive	Annually	Operation & Finance Committee
Board Appraisals	June 2009	Board	Every two years	Chair
Chair Appraisal	July 2009	Chair	Every two years	Chair

APPENDIX C

Description of stakeholders and partners.

Organisation	Role
Arts Council England – East Midlands	The national development agency for the arts in England, distributing public money from Government and the National Lottery.
emda	East Midlands Development Agency is one of nine regional development agencies in England, set up in 1999 to bring a regional focus to economic development.
MLA – EM	The Museums, Libraries and Archives Council is the lead strategic agency for museums, libraries and archives. The Partnership acts collectively for the benefit of the sector and the public, leading the transformation of museums, libraries and archives for the future
East Midlands Regional Assembly	One of eight established in England (outside London). It is responsible for scrutinising the development and delivery, by the region's economic development agency (emda) of a successful strategy for the East Midlands.
East Midlands Tourism	emda's dedicated tourism body is responsible for developing key tourism targets for the region.
EM Media	The regional screen agency for the East Midlands, one of nine agencies across the UK.
English Heritage	Exists to protect and promote England's historic environment and ensure its past is researched and understood.
GO-EM	With ten government departments under one roof, GO-EM is the hub of central government in the East Midlands.
Heritage Lottery Fund	Set up by Parliament in 1994 to give grants to a wide range of projects involving the local, regional and national heritage of the UK. It distributes a share of the money raised by the National Lottery for good causes.
Regeneration EM	Exists to promote the delivery and effectiveness

	of regeneration in the East Midlands. Bringing together the activities of the East Midlands Funders Forum, Intelligence EM, and Opun (the Centre for Architecture and the Built Environment). REM provides a range of services to support those working in any aspect of regeneration, in any sector and in any location across the region.
Business Link	Primarily funded by the DTI, Business Link also receives funding and support from a range of other government departments, agencies and local authorities. Business Link provides information, advice and support for those wishing to start up a new business and provides a fast track service to expert help locally as well as providing advice and support itself.
Sub-regional Strategic Partnerships (as at 31 March 2009)	Bringing together businesses, public sector, voluntary and community groups – SSPs make sure the Regional Economic Strategy is delivered in local communities throughout the region. The region's SSPs are: <ul style="list-style-type: none"> • Lincolnshire Enterprise • Alliance SSP • Derby & Derbyshire Economic Partnership • The Welland SSP • Greater Nottingham Partnership • Leicestershire Economic Partnership • Northamptonshire Partnership •
Destination Management Partnerships	The primary tourism marketing delivery bodies in the region, with core funding from emda. The region's 5 agencies are: <ul style="list-style-type: none"> • Derbyshire & the Peak District • Experience Nottinghamshire • Explore Northamptonshire • Leicestershire Promotions • Lincolnshire Tourism
A&B	Arts & Business enables businesses and arts organisations to come together to create partnerships to benefit each other and the community at large.
Mainstream Partnerships	Exists to promote the opening up or professional development opportunities to culturally diverse artists, arts organisations and audiences in the East Midlands, by building up active links between sector and non-sector support agencies and BME groups and individuals.

Creative Leicestershire	Creative Leicester Shire is a programme that supports creative industries and arts businesses in Leicestershire, Leicester and Rutland. The programme has been set up by the Leicestershire, Leicester and Rutland Arts Partnership, which consists of all 10 local authorities in the area, including Leicester City Council, and Arts Council England, East Midlands.
SEEM	Social Enterprise East Midlands supports the creation and development of social enterprises in the East Midlands. A social enterprise is an organisation run along business lines with the profits generated being used for community benefit.
CIPEM	Cultural Improvement Partnership East Midlands is delivering a programme in 2007-2010 to strengthen local authority cultural services in the East Midlands. The partnership aims to increase the impact and value of cultural services to the communities of the East Midlands by facilitating continuous improvement, effective delivery and shared service provision.
NCVO	National Council for Voluntary Organisations is the umbrella body for the voluntary and community in England. NCVO works to support the voluntary and community sector and has a growing membership, which currently stands at over 6,000 voluntary organisations ranging from large national bodies to community groups, volunteer centres, and development agencies working at a local level.

APPENDIX D

Cultivate Risk Register 2009

Stage 1 - IDENTIFICATION			Stage 2 - ASSESSING IMPACT/LIKELIHOOD				Stage 3 - ACTION TO BE TAKEN	Stage 4 - MONITOR AND REVIEW		
RISK CATEGORY	SPECIFIC TOPIC	RISK	INHERENT ASSESSMENT		CONTROLS IN PLACE	RESIDUAL ASSESSMENT		ACTION	TARGET DATE FOR ACTION/ REVIEW	SCORE
			Impact	Likelihood		Impact	Likelihood			
Project Delivery	Management	Reputation damage: projects overrunning in time or budget, or failing to deliver on project objectives. (Worst case scenario: claim made against Cultivate)	4	2	Project progress regularly reviewed by Prog Director and Chief Exec at weekly team meetings. Timesheets completed by Project Managers to monitor time spent. (Professional indemnity insurance in place as a safety measure)	3	2	Monitor use of timesheets and set clear milestones/timelines for project delivery	Project by project basis	5
	Relationship management	Breakdown of relationships with external partners. (This is particularly relevant to larger projects such as Progress which rely on external support).	4	3	As above, regular updates and contact with external partners to ensure good working relationship. Steering groups with partners/stakeholders set up.	3	2	Keep under regular review	Project by project basis	5
	Capacity	Project team overstretched due to workload. Project delivery is affected - potential failure to meet project objectives within timeframe.	4	3	External support - consultants used if sufficient funds in project budget. F/T Project Manager and P/T Prog Director now in position.	3	2	Has been a significant concern. But team capacity has been increased with appointment of F/T Project Manager and P/T Prog Director.	Quarterly	5

Project Delivery	Procurement	Issues with contractors: Contractors fail to finish work or perform to an unacceptable standard or no longer wish to do business with the organisation.	4	2	Contracts of engagement in place before work starts with clear schedule of work. Regular contact with Chief Exec and with relevant Project Manager.	2	1	None	Annually	3
			4	1	Regular meetings between Chief Exec and Lead Officer at ACEM to ensure we are meeting expectations and maintain good working relationship. RFO funding secured for 3 years.	2	1	None	Annually	
Core Activity Delivery	Relationship management	Breakdown of relationship with core funder ACEM.	4	2	Seminar programme for Spring 09 already in place and agreed with ACEM - early planning.	3	2	Continue to plan early. Make use of temp staff for assistance with admin. Also JL to work extra days if required.	Quarterly	5
		Failure to deliver agreed events - seminars/talks and conference.	4	2		4	2	Still significant risk. Cultivate is dependent on the additional income it earns through projects. However, new work has already been lined up for 09/10 and new Devel Director post will ensure all opportunities for new projects/partner working are explored.	Quarterly	
Finance and Operations	Financial Targets	Failure to bring in new project contracts/secure bids. Project income levels not achieved.	4	2	Project income reviewed at each O&F meeting - with particular focus on end Q2 point to ensure Cultivate is on track to meet targets. New senior development post - with focus on securing new work - has been introduced.	4	2		Quarterly	6

Finance and Operations	Budgeting and Accounting	Overspend due to poor budgeting or lack of financial management.	4	2	Budget prepared by Chief Exec and GM and approved by Board before year commences. Management accounts then regularly updated by General Manager. Reviewed by O&F Committee on a Quarterly basis.	2	1	None	Spend reviewed quarterly	
Finance and Operations	Budgeting and Accounting	Payroll errors - incorrect salary payments made. Incorrect expenses claims made.	3	3	Yearly salary increases approved by Board. Chief Exec then to check payroll figures each month. Salary would be reclaimed from staff if paid by mistake in next pay run. Travel expense levels in line with guidance set by HMRC, other via receipt - credit card and signed off by Chief Exec. Chief Exec's expenses signed off by Board member.	3	2	Agreed at June Board meeting that no change should be made to staff's pay until formal letter is signed off by Chief Exec or Board member. Chief Exec also to review spending on credit cards each month with General Manager	Quarterly	
Finance and Operations	Assets	Damage to assets such as essential IT equipment. Any breakdown would interrupt work.	2	2	Contract with Pyranet for IT support who have proved very dependable. Yearly maintenance checks.	1	1	None	Annually	
Finance and Operations	Fraud	Invalid payments made out of bank account; bogus suppliers/employees etc Cheques are inappropriately used: Blank cheques are stolen and signatures forged, pre-signed cheques used, redirected for invalid	4	2	All supplier invoices are authorised by Chief Exec. Cheques require 2 signatures. Amounts over 10k must be signed by 2 Directors. Director also to sign off expenses cheques for Chief Exec. Monthly bank rec carried out by GM and seen by Chief Exec. Annual audit also	1	1	None	Annually	

		use (on site or in post). Petty cash stolen.		flags up any areas for improvement. Maximum of £50 kept in Petty Cash. Petty cash is locked. No other cash handling.					
Finance and Operations	Health and Safety	Staff's health and safety at risk in the workplace	4	H&S policy in staff handbook. MLS Business Centre maintain communal areas and have their own policy.	3	1	Whilst likelihood is not high, to ensure best practice, Cultivate still needs to improve health and safety procedures and ensure all necessary documentation is in place. GM to review procedures as part of work programme for O&F.	Annually	4
Finance and Operations	Budgeting and Accounting	Cash flow problems due to slow payment by funders/clients. (Or potential for earnings through bank interest not achieved due to late payment)	4	Grant paperwork completed and returned as soon as possible as a priority. No activity/expenditure to be incurred until 1st instalment of project funding received. Any cheques received paid into bank on the same day. GM to regular check debtors list and follow up where necessary.	2	2	None	Quarterly	4
Finance and Operations	Budgeting and Accounting	Costs of a project/activity not completely covered leaving Cultivate with a loss at the end of project due to poor budgeting.	4	Chief Exec, or relevant PM, puts together detailed budget which is agreed with funder/client before project activity begins. Cultivate now charge for their time - carefully allocating the number of days - rather than just charging a percentage	3	2	This is a risk which will need to be assessed on a project by project basis and reviewed at the end of each project to check Cultivate is not losing out. Adopting principles of Full Cost Recovery.	Project by project basis	5

Finance and Operations	Record keeping	Loss of financial data through break down of IT systems.	4	2	management fee and allows an additional sum to cover direct expenses.	2	1	Setting a payment for services schedule.	Annually	3
			4	4	Regular back ups of SAGE data on to server. Server is backed up by Pyranet on a regular basis.	3	2	None		
Finance and Operations	Staff/ Capacity	There is over reliance on the knowledge of one individual leading to process or controls breakdown if that person is absent	4	4	Prog/Devel Director role introduced to deputise for CEO as required. Two people now on Operations team - General Manager and p/t Operations and Finance Co-ordinator to keep essential procedures running. Staffing up on Project team will also ensure continuity of project work if one manager is absent.	3	2	CEO now receives valuable support from new Prog/Devel Director role. GM to write a Continuity plan for Cultivate ensuring that there are written guidelines for all essential procedures. Use of ACT for record keeping and new Project Management software should help on the Project delivery side.	Quarterly	5
								None		
Governance	Management	Board members failing to fulfil role - lack of commitment, involvement etc leading to lack of support/direction for Executive	4	2	Clear terms of reference, clear understanding of responsibilities.	2	1	None	Annually	3
								None		
Governance	Management	Lack of communication between Executive and Board. Decisions taken by Board as a result not well informed.	4	2	Regular Executive reports written and distributed to Board prior to meetings to inform discussion and decision making process. Separate reports also written on more important issues such as staffing and meetings held.	2	1	None	Annually	3
								None		

Governance	Management	Valid decisions are made at Board meetings but then not passed on due to poor reporting	4	2	Minutes taken by GM with clear action points. Minutes are reviewed by Chair of Board or O&F Committee to ensure they are a fair representation of the meeting.	2	1	None	Annually	3
Governance	Business Planning	Lack of direction - objectives and priorities are not clearly agreed on/stated by the board	4	1	Away day already held to agree on common aims for the new Business Plan. Draft business plan to be presented to Board in Jan 09 to allow time for any comments/amendments.	2	1	None	Annually	3
Governance	Business Planning	Poor financial planning or poor financial decisions made due to incorrect/out of date information being given to the Board.	4	2	Reporting procedures in place, management accounts closely reviewed by O&F Committee on a quarterly basis. Annual budget prepared well in advance and signed off by Board. Final accounts reviewed by O&F in preparation stages and then signed off once completed.	2	1	None	Annually	3
Governance	Business Planning	Board members are not consulted/involved in major personnel decisions eg major establishment changes	2	1	CEO consults O&F on all key personnel decisions. For senior positions, at least 2 members of Board sit on interview panel.	1	1	None	Annually	3
Governance	Capacity/Capability	Failure to replace Board member when term is up or following a resignation - possible gap in skills	4	3	Cultivate would advertise for additional Board member if required.	3	2	Board to regularly review membership and suggest possible recruits.	Quarterly	2
										5

Governance	Assets	Investment strategy is not approved by the board	3	1	Opening of deposit account approved by O&F. (All major financial decisions go via the O&F)	1	1	None	Annually	2
Governance	Risk	Board members are not involved in constructing a risk register nor involved in regularly checking necessary checks are in place.	3	2	Risk Register developed by GM with CEO. Register to be reviewed regularly by O&F and approved by Board.	2	1	None	Annually	3
Governance	Record keeping	Breach of data protection laws	3	1	Cultivate registered with ICO (Information Commissioner's Office) and receives updated information from them re. regulations.	2	1	None	Annually	3