

Active Norfolk Year End Directors Report

Year ending March 31st 2024

Contents:

Introduction from the Chair	Page 1
Organisational information	Page 2
Governance statement	Page 3
Financial statements	Page 4
Income & Expenditure accounts	Page 5

Introduction – statement from the Chair:

The year covered by this report has presented a mixture of challenges but also successes from Active Norfolk.

We have continued to refine our business processes, especially relating to business planning and reporting, with a clearer focus on key results to help drive performance. We recognise the financial challenges ahead, especially if the Holiday Activity and Food (HAF) programme ends as planned in March 2025. We are lobbying locally and with national partners for an extension to this valuable programme, which has reached some 13,000 children since its inception, but are planning on the basis that it will close as planned.

Additionally, the organisation has made great strides and impact across a range of key programmes, such as Active NoW (exercise referral), All to Play For (men’s mental health), Locality working with local authority partners, Family hubs, School Games, and a range of disability engagement programmes. The organisation has also overseen the distribution of in excess of £2m worth of grants to community organisations delivering physical activity initiatives in their communities. Detailed reports on all our programmes and impact can be found in our impact report on our website. www.activenorfolk.org

This is an opportunity to recognise the contributions of the Board in the last 12 months as well as the team of committed staff, ably lead by Eve Dewsnap, our Director, all of whom have made great strides in developing physical activity opportunities across the county of Norfolk.

Kevin Revell
Chair, Active Norfolk
July 2024

1. Organisational Information

Principal activities:

Active Norfolk is part of a network of 43 Active Partnerships across England. The organisation is the key conduit for Sport England investment to implement the aims of their strategy 'Uniting the Movement' at a local level in Norfolk. Additionally Active Norfolk have their own strategy aiming to 'Get Norfolk Moving' which seeks to influence and support a range of system partners to improve physical activity outcomes, especially for those affected the most by a range of inequalities.

Director's listing:

The following Directors held office during the year represented by these statements

Kevin Revell	Chair
Bob Rose	
Hayley Mace	
Ian Roberts	
James Heale	
Phil McSweeney	
Margaret Dewsbury	
Sadie Parker	
Hannah Wooller	Resigned 13 th March 2024
Natasha Hayes	
James Hale	
Annie Hawkes	

Structure, governance & management

Active Norfolk is hosted by Norfolk County Council under an agency agreement, but with its own independent Board of Directors and Governing Framework document. The Board and organisation are also required to be compliant with DCMS Tier 3 requirements relating to organisations in receipt of public money through Sport England and / or UK Sport.

The aims and objectives of the organisation are set out in the Governing Framework, and in more detail in the organisation's strategy 'Getting Norfolk Moving 2021-2026'.

Management of the organisation is the responsibility of the Board of Non-Executive Directors who are appointed under the terms of the governance framework and meet four times per year as a minimum to conduct the business of the board and organisation. The board delegate day to day operational control of the organisation to the Director, Senior Management Team and staff of Active Norfolk.

Active Norfolk also operates four sub-committees of the board covering essential business of as well as having board representation on staff led Continuous Improvement Groups.

2. Governance statement

Governance framework

Active Norfolk continues to operate its own Governance Framework to shape, direct and control the operation of the Board and organisational governance. This framework is regularly updated and reviewed by the Operations Manager, Nominations Committee (that has taken on oversight of governance) and the Board. Ongoing changes are designed to ensure compliance with the DCMS Tier 3 Code for Sports Governance. It is also designed to be in line with essential governance of the organisation and the relationship with Norfolk County Council as host agency.

Governance code compliance

As a body in receipt of funds from Sport England, Active Norfolk is required to comply with the DCMS Tier 3 code for sports governance, covering five key areas: Structure; People; Communication; Standards & Conduct; Policy & Process.

Active Norfolk have been assessed by Sport England in line with this code and their governance assurance process. The findings received in 2023 were that only five actions were outstanding. Three of these remain to be completed as of August 2024, and are expected to be finished by October 2024.

Audit

All remaining actions from the BDO audit of 2022-23 were completed within the year of this report.

Board performance

Significant improvements have been made in this area with a robust process of Business Planning now in place involving SMT, Staff and Board. The Business Plan in place is aligned to Sport England requirements and provides the driving focus behind subsequent team planning and individual work plans to deliver against agreed organisational KPIs. This also links strongly with the Impact Report for Active Norfolk which is available in digital form on our website.

Additionally, the Board has completed an internal self-assessment review of performance involving all NEDs. Additionally, a full raft of individual annual reviews for NEDs has taken place. Combined with Equality & Diversity Monitoring and Skills Audits this has provided the most complete picture of Board performance for Active Norfolk and will drive ongoing focus within the Board going forward.

Equality, Diversity & Inclusion

The Board continues to develop diversity and promote opportunities through ongoing recruitment and training. However certain aspects remain challenging, especially in the area of ethnic diversity on the Board. However, the Board does have excellent representation across many other key protected characteristics, and this is kept under regular review. The Diversity & Inclusion Action Plan (DIAP) required by Sport England and DCMS has been signed off by Sport England and their appointed consultants as a 'Good' Plan. The Board and organisation will continue to deliver and review this plan in the year ahead.

3. Financial Statements

Financial governance

As with overall governance, Active Norfolk adheres to all requirements around financial procedure and policy relating to the DCMS Tier 3 Code for Sports governance. The organisation continues to uphold the improvements made to financial governance in the last 2 years and keeps this under review with the help of the Finance, Risk & Audit Committee.

The year 2023-24 has seen some improvements in the MyOracle (EPM) financial system and better quality information has been available to assist with planning for the short, medium and long term. This information is shared and discussed quarterly with SMT, committee level and the Board.

The Board have also approved refinements to the Reserves Policy to ensure that appropriate levels of reserves are retained against planned expenditure for contingency purposes, with alerts set for when these levels reach 70% and 75% (the maximum level set by the Board).

The Board and the Finance, Risk & Audit Committee have also been preparing for the departure of long serving Finance NEDs Ian Roberts and Bob Rose. They will complete their term of office in June 2024. The Board have already recruited their replacements. Ian Castle and Mark Madden have been shadowing Bob and Ian for 3-4 months already and will formally take up their posts in June 2024 when Ian and Bob depart.

Additionally, there has been an increased level of support from the Active Partnerships National Team with a dedicated officer assigned to support finance developments across the entire Active Partnerships network. This is already providing a better level of collaboration plus insights as to national financial performance across the network.

Financial position & context

Active Norfolk ended the previous financial year (2022-23) with a trading deficit of £30,416k and reserves at £1,044,146.

The budget for 2023-24 was constructed as a deficit budget of £101k. A long-term financial plan has been constructed that illustrates future challenges for sustainability of the current structure and operation. This includes known ending dates for key funding sources and inflationary pressures driving down the value of long-term funding arrangements, as well as cost increases driven by staff pay rises (with staff costs forming around 2/3 of core expenditure). The Board agreed to use reserves to continue to fund the organisational structure in 2023-24.

The outlook for 2024-25 and beyond continues to be challenging. This is mainly due to the likely loss of HAF funding from March 2025, and the ongoing difficulties faced with funding in the public and VCSE sectors, where the majority of Active Norfolk's partners are from. Significant time and resource is being expended on tackling these challenges, both through securing new funding and cost savings.

End of Year Finances 2023-24

A summary of the year end accounts is provided below. This is a new format required by Sport England and in turn DCMS (as Active Norfolk is an organisation in receipt of public money through DCMS and Sport England). Active Norfolk delivered a surplus of £99,667 (or £20,529 including deferred income), increasing reserves to £1,143,815.

The surplus was mainly due to specific project income that could not be accrued to 2024-25 (£79,138), plus salary savings due to vacancies and the usual sums of money that were acquired from partners late in the financial year.

Payroll continues to make up the largest part of Active Norfolk's cost base, with another above budget pay rise being incurred through Norfolk County Council and agreement with national unions.

4. Income and expenditure accounts summary

NOTE – Like for like comparisons to previous years are not possible due to the reporting format requested by Sport England. Accounting of recharges in line with NCC accounting may also distort some figures although these will not affect the bottom-line figure.

See page 6 for the summary.

2021-22 and 2022-23 account summaries are listed for information in Appendix 1.

Active Norfolk Year End Financial Summary

2023-24



INCOME

	Sport England	Local Authority	Other Public Sector	Non-Public Sector / other	Total
Revenue Grants	£734,050	£245,855	£3,255,203	£20,000	£4,255,108
Sponsorship	£0	£0	£0	£0	£0
Other income	£0	£0	£0	£41,691	£41,691
TOTAL INCOME	£734,050	£245,855	£3,255,203	£61,691	£4,296,799

EXPENDITURE

	Sport England	Local Authority	Other Public Sector	Non-Public Sector / other	Total
Core staff costs	£253,040	£103,800	£395,356	£0	£752,196
Overheads, equipment & expenses	£37,000	£6,035	£0	£13,795	£56,830
Marketing, Communication & Digital	£45,000	£0	£1,333	£51,757	£98,090
Project & thematic Delivery (see below)	£345,945	£141,644	£2,784,452	£17,975	£3,290,016
<i>Active NoW (NHS)</i>	£20,000	£0	£296,769	£0	£316,769
<i>HAF</i>	£0	£0	£2,464,528	£0	£2,464,528
<i>School Games</i>	£51,593	£0	£0	£0	£51,593
<i>Localities / Communities</i>	£90,000	£141,644	£0	£0	£231,644
<i>Sport Welfare</i>	£4,102	£0	£0	£0	£4,102
<i>CYP</i>	£72,750	£0	£0	£0	£72,750
<i>All to Play For / Mental Health</i>	£20,000	£0	£23,155	£0	£0
<i>On the Move</i>	£20,000	£0	£0	£17,975	£37,975
<i>Together Fund</i>	£67,500	£0	£0	£0	£0
TOTAL EXPENDITURE	£680,985	£251,479	£3,181,141	£83,527	£4,197,132
Net Income / Expenditure	£53,065	-£5,624	£74,062	-£21,836	£99,667

Deferred income £79,138


Contribution to reserve / surplus £20,529

Final Reserve balance, Year End 2023-24: £1,143,815

Deferred Grant Reconciliation

	Sport England	Other	Total
Opening Balance	£0	£8,330	£8,330
Cash received	£734,050	£3,562,749	£4,296,799
Net commitment from reserves	£0	£0	£0
Released to P&L	-£680,985	-£3,516,147	-£4,197,132
Closing Balance	£53,065	£54,932	£107,997

Appendix 1:

Active Norfolk Year End Financial Summary		
2022-23		
	2022-23	2021-22
Expenditure		
Employee related expenditure	£1,189,687	£973,905
Overheads, equipment & expenses	£41,670	£27,078
Grants and projects	£2,589,321	£2,282,029
Marketing, Communication & Digital	£76,085	£390,890
Licences & subscriptions	£6,467	
Professional services	£49,778	
Other	£7,142	
	£3,960,150	£3,673,902
Note: Footnote below gives details of Public fund expenditure		
Income		
Sport England	£816,098	£817,891
NHS / ICB	£237,977	£14,000
Local Authority	£282,300	£164,331
HAF	£2,379,801	£1,785,045
Other grants	£205,538	£359,142
Other income / recharges	£8,020	£706,234
	£3,929,734	£3,846,643
Trading deficit (draw from reserves)	-£30,416	£172,741
Reserve balance as at Year end 22-23	£1,044,146	£1,074,562
Figures includes debtors of:	£38,436	£453,762
Figures includes creditors of:	£21,798	£0
FOOTNOTE - Details of expenditure of public funding (2022-23)		
Sport England capacity & overheads	£591,750	
Sport England project & other	£48,108	
Together Fund	£157,648	
ICB project grants & capacity	£306,597	
HAF (project grants & capacity)	£2,379,801	
Local Authority (project & capacity)	£175,013	
OSF (capacity)	£23,362	
Other	£76,500	