

Attendees: Chair: Ben Stone (Kier), Joanna Gilroy (Balfour Beatty), Dale Turner (Skanska), Dan Evans (Speedy Services), Mandy Messenger (Advante), Andrew Spencer (Galliford Try), Ian Heptonstall (Action Sustainability), Hilary Hurrey (Action Sustainability), Shaun McCarthy (Action Sustainability – joined via Teams)

Apologies: Julia Barrett (Willmott Dixon), Marcus Bennett (CITB), Graham Edgell (Morgan Sindall),

Please note: Shaun McCarthy did not join the meeting until after section 2.1 Governance: School Constitution due to conflict of interest.

1. Review of actions

Hilary reported that all actions were complete, in progress or being discussed as part of the agenda.

The Plant Charter item was discussed. Key points made:

- There have been individual conversations taking place by Ian with key stakeholders in the group to understand what expectations and wants are around the Plant Charter.
- James Cadman (who is leading the group) is arranging a face-to-face meeting with the above and a wider group of stakeholders (including other plant hire organisations) to discuss the Plant Charter and agree what is expected from the charter. Dan and Ian will join this meeting. It is key that whatever is agreed is financially and commercially sustainable.
- It was agreed that contractors should also contribute to this conversation.
- It's a very important time for plant in particular around energy and its important that the School does not miss the leadership element around this.
- Plant needs to be a main trade category, rather than the sub-category that it is currently. The trade categories listed in the School need review. This will be planned for next financial year, however Ian & Hilary will look into how plant could be added as a trade category.

Actions

- Ian/Dan to consult with others on the strategy and objectives for the plant group going forward
- Hilary/ Ian will look into how a Plant trade category can be added to the School this year.
- All trade categories need to be reviewed in the next FY.

2. Governance

2.1 School Constitution

Ian talked through the background to bringing on an investor which is confirmed as Scale Up. As a result of this, due diligence is taking place where the School Constitution, IP and Partner Schedule required some changes to be made. Lawyers were instructed to act upon Action Sustainability interests to advise on these changes. This process has not been funded by the School and its Partners.

Advisory Board (the Board) members have had these changes explained to them individually prior to the meeting, and these changes which were summarised in the Board pack and pre-read were discussed in the meeting. This included changes that were agreed at the last Board meeting.

Key discussion points raised

- A question was raised around what would happen if Action Sustainability did not want to run the School or the business ceased trading. Ian confirmed that first of all this was not on the horizon, but also there is now a clause in the constitution that Action Sustainability would need to give 12 months'

notice if they were no longer interested in running the School and then consult with the Board over a three-month period to develop a succession plan. However if Action Sustainability ceased trading it is unlikely we need to plan for a situation where there is little or no notice. The re-drafted constitution provides for all the Learning Content IP to be passed over to a nominated Partner to distribute in whatever way was necessary. The Board can then decide how and if they want to move forward with a new version of the School with a different delivery partner.

- It's important to note that the growth of the business is not predicated on the UK School but on other School being launched in other areas.
- A list of what else Scale Up invest in is contained on their website. Ian has also checked where their sources of investment are and he is satisfied that these are ethically and do not represent any conflict of interest. Scale Up only invest in small organisations.
- Dan advised Ian that there needs to be a conflict resolution process in place separate to the constitution which sets out what happens should there be an unresolved conflict between the two controlling shareholders in Action Sustainability.

Agreed

- The Board agreed to the changes set out in the revised Constitution and Partner Schedule circulated with the meeting pre-read and agreed to recommend the revised Constitution to the Partners at the next AGM.
- The Board should consider how the School learning content could be made available to members and Partners for a period of time in the unlikely event of the School being closed.
- Hilary confirmed that the voting system used at the AGM allows the delivery team to check that there is only one vote per organisation.

Actions

- Ian to work with Scale Up to understand how conflicts between Action Sustainability's shareholder and the Board will be resolved and to advise the Board of this.
- The new constitution and the IP register will be put onto the School website once approved by the Partners at the next AGM.
- The new Partner Schedule will be used with immediate effect.

Please note: Shaun joined the call to present the next section of the agenda and was in attendance for the remaining meeting.

2.2 School Chair Role & Process

Shaun talked through the process that took place to agree the role of the Chair. Thank you to Andrew and Aled for their contribution to this process.

Agreed

- The appointment duration and timing of three years every three years was agreed.
- The Board having the ability to review every 12 months was important to ensure that the Chair was performing well. The Board retain the ability to remove the Chair if they were not performing as expected at any time.
- Ian will not take the role as Chair as it is fundamental that the Board advises him and vice versa. Taking a Chair role could be seen as a conflict of interest. Should the appointed Chair decide to leave

the position or was unavailable at any one meeting the Board asked that Ian take the role of vice Chair. This position is not an elected role and this needs to be explained at the next AGM.

- Key skills the Chair should possess are around facilitation, building consensus, able to get decisions made in a time manner.
- The Chair should be from a Partner organisation. If the Chair leaves that Partner organisation it will be decided at the time if they are able to continue their term. It is recognised that the Chair role is based on the individual and what they can bring to the role.
- The Chair is a separate appointment to the Board, but similar to the Board appointment will be ratified at the AGM.
- If the Chair appointed comes from the same Partner organisation as any other Board member this will be dealt with at the time as to whether the Board member continues.
- It was agreed that the Board member term remains at 5 years.
- The process for appointing the Chair would be a sub-group would shortlist; this would then be discussed by the Board and consensus formed.

Actions

- Ian will ensure the changes are incorporated into the revised Constitution.
- We should start the process for looking for a Chair to replace Shaun from after the AGM in May 2025.

2.3 Board re-election process

Hilary gave a brief run-down of the Board members who will need to be re-elected as per the constitution.

Agreed

- It was agreed that due to the timings, both Dan and Julia will be approached to confirm if they would like to go for re-election at the AGM in May 2025.

Action

- Hilary will confirm with Julia and Dan on the re-election and then begin the process agreeing timescales.

3. Financial Review

Following the last Board meeting Ian presented the revised slides to show the last FY costs with the people costs broken into activity type.

The slide 19 explanation on Overheads was misleading. Hilary confirmed that the figure shown was the overheads just for the UK School and they were not being split further with any other iteration of the School. The explanation was to show why overheads had gone down this FY to last FY. As the team grows this does not necessarily mean that the overheads grow e.g. the office space is split between more team members.

Agreed

- Future financial reviews will continue to show costs in this way.

4. KPI's

Ian presented the nine KPI's. Thank you to Aled who contributed to helping the School create the KPI's around 3, 4 and 9.

Agreed

- It will be important when presenting the KPI's to explain why they are being collected. Is it a data collection exercise at that point.
- We need to define against each KPI what we mean to give context.
- There needs to be a few months of data collection before we can agree some targets (e.g. around NPS).
- The performance metrics listed in the operational update will remain something we will monitor but the KPI's presented to the Board are the more strategic KPI's which we will report against.
- There needs to be some analysis around the definition of 'active'. Is one piece of learning enough?

Actions

- Hilary to look at the data around number of learning interventions and bring this to the next meeting.
- Hilary to map the historic performance against the chosen KPIs (where possible) and present to the Board at the next meeting.

5. Construction Line Proposal

Ian explained what conversations have happened since the last Board meeting. (Please note: the slides mentioned that Dale Turner has had conversations with Construction Line about this topic. This was noted in error as it was Graham and Andrew).

Discussion points

- The Common Assessment Standard (CAS) does not address environment and sustainability maturity to the level that is required. There is concern that there is another standard the supply chain has to undertake and meet the cost of on top of their current assessment with Construction Line, Achilles, CHAS etc.
- The idea with the Sustainability Assessment Standard would be that it goes into more detail and provides the criteria by which a verification could be undertaken against the standard.
- It was agreed that it was a good thing that the School should seek to lead in this area and define a Sustainability Assessment that provides a common understanding of what "good looks like".
- There are still concerns around the School aligning with Construction Line as it could look like the School is sending the message to the supply chain to use Construction Line.
- The other providers (CHAS, Achilles etc) should be part of the conversation as well as Build UK. The School does not want to lose its impartiality. Construction Line have confirmed that they do not want a monopoly on this.
- It's important to raise the bar on quality using the existing tools already being used.
- Build UK will have restrictions on what they can do on the CAS.
- It was noted that EcoVardis are currently charging £1,500 to £6,000 for their sustainable supplier assessment and that some buyers were mandating. Also CHAS have launched their verified Social Sustainability accreditation. The market is set to become fragmented

Actions

- Ian will speak to Build UK about the proposal and report back to the Board.
- Ian to speak to Construction Line and feedback the Board's thoughts and concerns.

6. AOB

A discussion took place around Partner and income. The School is behind on income and all agreed it is a tougher market out there currently. Paul Parkison has recently presented on the pipeline and there is also work going on to package up the School for mid-size companies.

Ian advised the Board of Action Sustainability's plans to launch a School platform in the USA in January 2025 working with UK Partners who operate or are based in the USA. That School will have its own board.

Ben gave feedback from the summit from Kier. It would be good to incorporate more time for Q&A and include more breakout sessions.

Actions

- Hilary to distribute the current pipeline to Board members.
- The next Board meeting will have an agenda item on budget update.

Next meeting:

Tuesday 12th November: 10am – 1pm at Willmott Dixon Offices, The Bailey, 16 Old Bailey, London, EC4M 7EG