**Society of District Council Treasurers**

**Minutes of the Executive Committee held on 4th March 2016**

**At the Cipfa Offices, Mansell Street, London**

**In Attendance:**  Norma Atlay (President), Rob Bridge (2nd VP), Angela George (Secretary), , Nick Eveleigh, Alan Peach, William Jacob, Jane Kitchen, Chris Brewer, Kevin Jaquest, Vince Green, Shirlene Adam, Jill Penn.

**Also in attendance:** Nicola Mortonand Alan Finch (LGA), Cliff Dalton (dial in )(CIPFA).

1. **Apologies / Introductions / Goodbyes**

**Apologies** were received from – Sandra Cowley, Peter Stuart, Jason Vaughan, Frank Wilson, Jo Wagstaffe, Kevin Jaquest, Bob Palmer, Sanjiv Kohli, Steve Richardson.

Also: Sally Marshall (DCN), Paul Tombs (Zurich), Jon Hayes (PSAA), David Aldous (NAO), Cecilie Booth (Capita).

Simone Hine has now commenced her maternity leave. The Executive passed on their congratulations and best wishes on the birth of her son.

Martin Henry who has been on a sabbatical from the SDCT has now resigned due to personal reasons.

1. **Minutes of Previous Meeting and actions arising**

Minutes of the previous meeting of 4th December 2015 were agreed.

HMRC Members Expenses – Legal advice had been received and circulated to the wider membership. The experience of most of the Executive members present was that HMRC had accepted that there was no liability, although discussions were still ongoing at some authorities.

It was noted that the proposal to freeze SDCT subscriptions for 2015/16 and 2016/17 had been approved at the General Meeting on 8th January 2016.

Other outstanding actions have either been actioned or picked up elsewhere on the agenda.

1. **Finance Settlement 2016/17**

Sandra Cowley had submitted a response to the Settlement on behalf of the SDCT, and which had been circulated to the wider membership. The next crucial issue will be what is expected for the four year settlement in October.

Nicola Morton gave an update on current issues. In relation to the Efficiency Plan, Nicola advised that a letter would be sent out shortly to authorities. It was anticipated that the monitoring arrangements would be ‘light touch’ and concentrate on what Council’s would do differently in light of the 4 year settlement. A discussion ensued as to what the benefits of accepting a 4 year settlement actually were if an authority had a forecast negative RSG 2019/20. It remained to be seen whether the negative RSG would remain in future settlements – the additional Transitional Funding awarded as part of the 2016/17 settlement had resolved the negative RSG for all years except for the 2019/20 financial year.

The LGA are intending to run some workshops in the new financial year, to assist Councils prior to their decisions in October.

There has been an announcement that the Chancellor may be making more cuts to public spending in his forthcoming budget. It is not currently anticipated that there will be further cuts to Local Government.

Sandra Cowley had circulated a draft response to the NHB consultation and requested assistance in a number of areas where there were different options that could be supported. The Executive gave their view on the outstanding areas and this would be fed back to Sandra to enable the response to be finalised.

**Action – Sandra Cowley to finalise the SDCT response to the NHB consultation.**

1. **Business Rates Retention**

Norma Atlay and Nicola Morton reported on the meeting co-ordinated by CIPFA / LGA to progress the issue of Business Rates Retention.

There would be a Steering Group which would meet every two weeks and which Norma would attend on behalf of the SDCT. In addition there would be 3 further groups; one dealing with Need; one dealing with Transferred Responsibilities; and one dealing with ‘Everything Else’. Once the detailed terms of reference had been received then SDCT representation would be agreed. Nicola reported that although it was important for all interested parties to be involved, the Steering Group membership was already looking very unwieldy and they would give some thought as to the best method of engaging efficiently with all parties given the enormous amount of work to be undertaken in a relatively short period.

The LGA will also announce that they will not be able to get involved in ‘distribution issues’.

It was advised that CIPFA have 3 or 4 people earmarked to support the process.

1. **Devolution and Transformation**

Sandra Cowley and Rob Bridge are representing the SDCT on the CIPFA devolution panel which held its first meeting on 10th December. The sector are keen to ensure that the CFO voice is heard and that any conflicts between political will and financial prudence is properly considered. Following the meeting on 10th December CIPFA undertook to pull together a proposition around the key themes discussed which they are hoping everyone will sign up to and work together to deliver. It was not known what the timeframe for publication of the CIPFA guidelines is but the Executive noted that the current deals were progressing at a very fast rate and CFO’s were already having to contribute to this.

Members of the Executive in areas covered by current devolution deal proposals gave updates on progress and issues arising in their areas. The issue of an elected mayor appears to be a non-negotiable part of any devolution deal. There has also been a recent announcement that the Prime Minister is backing the unitary status for the Oxfordshire Councils which has impacted on the current devolution bid in Gloucestershire.

The LGA advised that they understood that there were 8 deals published so far, details of which may be clarifies in the Chancellor’s March budget.

**Action – Sandra and Rob to advise of any further progress and anticipated timeframe for the CIPFA proposals.**

1. **LGA Sector Led Improvement**

Alan Finch, the Principal Advisor, Finance and Productivity at the LGA attended the meeting to give a presentation **(attached**) on issues that the LGA are progressing as follows:

* Progress in establishing a sector led body for the appointment of local auditors rather than individual authorities appointing themselves.

Generally the Executive supported the LGA proposal for PSAA to become an appointing body but were keen to understand how individual authorities would ‘have a say’ in the process and also how any concerns over audit quality / resources / complaints would operate. It was noted that on the current timescale authorities would have to make a decision between September 2016 and January 2017.

* The Finance Offer – Sector Led Improvement. How the LGA can work with CIPFA and others to support finance professionals over the coming increasingly difficult period. SDCT will continue to be part of the discussions on the way forward.

1. **Audit Update**

A Paper from Bob Palmer was considered (attached) with the key issues as follows:

* 1. **National Audit Office**

No reports had been issued in the current period that impacted on Districts directly, although the report on the acceptance of gifts and hospitality by government officials makes interesting reading.

* 1. **PSAA Ltd**

The report on the results of auditors work at Local Government bodies for 2014/15 is now published.

Bob advised any colleagues involved with council owned companies to read the public interest report highlighted in his report.

The next meeting of the Local Government Audit reference panel is on 6th April.

**Action – Bob Palmer to continue to update on audit issues.**

1. **Advisor Reports**
   1. **Flexible Use of Capital Receipts** - note from Chris Brewer previously circulated.
2. **Reports from External Bodies / Sponsors:** 
   1. **LGA**

Nicola updated on issues not previously covered including:

* Charitable relief for NHS Trusts
* CIL progress
* Council Tax Support Inquiry (to be circulated to SDCT)
* Fighting Fraud Locally
* LGA stance on EU debate (completely neutral)
* Apprenticeships response to consultation

**9.2 DCEN**

Sally Marshall had asked that updates be given on the following areas:

* NHB Consultation response (previously circulated)
* Consultation response on apprenticeships (to be circulated)
* Devolution issues

1. **Any Other Business:**
   1. Financial Standing Advisory Support (CIPFA) – The Executive noted the current offer from CIPFA to support members.
   2. Council Tax Bills – Nick Eveleigh advised that the Social Care increase required a new line on the invoices which will show as 100% increase next year due to the difference between this year’s new charge which is at 2% and next year’s charge which is at 2%.
   3. William Jacobs reported that he had received differing responses to his query regarding buying property for investment purposes outside the District. Different CFO’s take different views on the issue of risk.

**11 Date of Next Meeting** - The next meeting scheduled for 15th April clashes with the CIPFA retreat which the Executive have agreed will be supported and so has been **cancelled**. A new date will be set shortly.

**12. Part B – Private Executive Business**

**12.1 Web site presentation**

Anna Atkinson (CIPFA) attended and gave a presentation on the new website. The site is not yet fully developed and work will continue to get the site ready for the ‘relaunch’

**Action – Angela George to liaise with Anna**

**12.2 Sponsorship Proposals**

An update was given on the proposal (previously circulated) from Grant Thornton. It was agreed that GT be invited to the next meeting to run through the proposals in more detail with the Executive.

An update on the meeting with Zurich was also given (papers previously circulated). ZM are requesting assistance in a members’ poll on items of interest to SDCT members. They are also interested in shadowing arrangements at authorities. Both of these initiatives will be pursued further.

**Action - Angela George to progress**

**12.3 Executive Vacancies**

A number of expressions of interest have been received and applications for the 5 current vacancies would be circulated as they were received.

**Action – Angela George to progress**

**12.4 Advisor Area Updates**

Proposals to fill Simone’s maternity leave and the changeover of the presidency were discussed and agreed.

**Action – Angela George to circulate amended advisor areas.**

**12.5 SDCT Lunch Arrangements**

It was agreed to stick with the lunch arrangements as in previous years. Norma suggested a change of venue and this will be investigated. Currently the SDCT meeting and lunch is 20th May but this may need to change depending on availability of venues.

**Action – Angela George to progress**