

minutes

Paper C 52 09/10

Committee	Council
Date	15 April 2010
Venue	Robert Street
Present	Roger Latham (President) Tony Redmond (Treasurer) Jaki Meekings Davis (Vice-President)
	Caroline Al-Beyerty Helen Kilpatrick Ken Barnes John Matheson Brian Berry David McBride Chris Bilsland Mike Owen Paul Breckell Ian Perkin Jane Cuthbertson Jeff Pipe Tim Day Jon Pittam Chris Donnelly Steve Purser Alan Edwards Jaki Salisbury Ken Finch Trevor Salmon Alan Geddes Judith Savage Claire Gravil Martin Sinclair Richard Harbord Natalie Slayman-Broom Nigel Hiller Alison Sweeting Neil Hunter Steve Watson Suzanne Jones Lee Yale-Helms Karen Kelly

Minutes of the Open Session

1 Apologies for absence

Apologies were received from Caroline Mawhood, Rachel Banfield, Nathan Elvery, Curtis Juman, and Carole Mills-Evans.

2 Declarations of Interest

Caroline Al-Beyerty and Jeff pipe declared interests in the BL 6 paper; the Vice-President in the Disciplinary Scheme papers; and Alison Sweeting in the tuition providers paper.

3 Minutes of Last meeting

The minutes of the Open Session of the meeting held on 10 December 2009 were agreed as accurate.

4 Matters Arising

There were none.

5 Institute Finances

5.1 Council received the Accounts for 2009, which had been approved by and were recommended by the Audit Committee, together with the External Audit Findings Report and the first Going Concern report; the Treasurer invited comments from Council members before asking for their approval of the Annual Report and Accounts and authorisation for the Officers to sign the Accounts and Letter of Representation.

5.2 Comments raised were –

- that the pension deficit remained of great concern and that, as trustees, Council should be receiving more detailed information about the Institute deficit and the health of the Wiltshire CC Fund rather than waiting for the triennial valuation. In response, Council were assured by the President, Treasurer and Resources Director that Group Board had established a sub-group to concentrate on the pension situation, that discussions were already taking place with Wiltshire CC, that Group Board was receiving reports at each meeting on the matter, and that it would continue to report to Council; the pension issue was covered in the Going Concern report (part of paper C35) and was one of the few 'black' risks on the Risk Register. It was inevitable that the Institute's contribution would increase, only the scale was as yet unknown, but this and its impact will be known in time for the autumn business planning process.

- that there seemed to be little prominence given in the Annual Report to explain the reasons for the year's deficit. The Resources Director noted that the Report was aimed at a variety of audiences therefore it was difficult to strike the right balance; however, he and the President assured Council that the final text of the Report, and associated press releases, would be looked at again before publication.

- that despite student numbers increasing, income from students was below budget. This was explained as students studying fewer modules and purchasing fewer learning materials on average than previously.

5.3 Council approved the Annual Report and Accounts, authorised the Officers and Chief Executive to sign them, and the President to sign the Letter of Representation.

6 Audit Committee

6.1 The chair of the Audit Committee introduced the Annual Report from the Internal Auditors, which had been considered at its own last meeting. The Committee had reiterated its desire that CIPFA should aspire to a high standard of internal control and, responding to comments, the chair assured Council that the committee vigorously challenged the secretariat not only about the findings of the IA reports but also in ensuring recommendations are followed through in a timely way. The report was noted.

6.2 Paper C 37 provided the annual report on compliance with the CIPFA Code of Governance, and the chair reported that the Audit Committee was satisfied that this provided a fair assessment of the current position. Council noted the report.

7 AADB scheme

Council ratified the Chairman's Action taken since the last meeting in connection with minor drafting changes to the text of the revised AADB joint disciplinary scheme, as described in paper C38.

8 Disciplinary Scheme matters

8.1 Paper C 39 made a series of recommendations for the appointment of additional panel members for the scheme committees, and Council approved these. Council was reminded that lay members of committees were remunerated. It was noticed that there were no female names in the recommended list, but Council were assured this was coincidence since there were already a number of female members and the next tranche of recruitment was likely to generate more female panel members.

8.2 The annual reports from the Investigations and Disciplinary Committees, contained in paper C40, were received and noted.

9 IAASA AGM

Council approved the appointment of Mary Balfe (secretary of the ROI branch) to represent the Institute at the AGM of the Irish Auditing and Accounting Supervisory Authority, as covered by paper C 41.

10 Group Board Governance Sub-group

10.1 The President explained the background to the formation of the sub-group by Group Board, as an opportunity to devote proper time to the remaining issues surrounding the matters put before December Council. The Vice-President, who chaired the sub-group, thanked those who had volunteered to serve on it at such short notice; although Council had been keen to progress these matters, the Officers and Group Board were concerned about ensuring a well-considered discussion about the balance between increasing length of tenure and accountability and democracy; there had been a disappointingly low response to the member consultation, albeit mostly in favour of the proposals. She went through the report, item by item, and invited comment and reaction.

10.2 *Second Vice-President:* the group had weighed up the pros and cons of this and on balance considered that the support of the President could be best achieved by a more planned sharing of duties with the other Officers and Board and Panel chairs. Council accepted that recommendation, and this will not be progressed.

10.3 *Term of Office of elected Council members and Hon Treasurer:* the group had also considered the advantages and disadvantages of the initial proposal for a three-year term and, having done so, were recommending that a two-year term provided the best balance of trustee effectiveness versus accountability and democracy. Responding to comments, the President assured Council that all governance issues would be kept under review, including the matter of the employment categorisation, and the

- 10.4 *Maximum length of service on Council:* the group had accepted the unworkability of the proposal for a maximum of three terms, whatever the length of the term, but had nevertheless considered a maximum length of tenure represented good governance and therefore had considered alternatives; its proposal was for a maximum aggregate years as a member of Council of ten years, unless already part of the Officer 'ladder'. All members who responded were not in favour of this proposal, considering there would be no gain overall from it and that it would discourage the younger Institute member from considering candidature. There was, however, a degree of agreement that Council cooptees should nevertheless be subject to a maximum tenure on Council, and that the protocol for the selection of cooptees should be revisited. The President proposed, and Council agreed, that this particular proposal should be referred back to the governance sub-group for further consideration.
- 10.5 *Application of the above to regional representatives on Council:* the group had recognised that there were likely to be different views about whether its proposals would be appropriate for regional representatives on Council and that consultation with regions must be undertaken. Other members welcomed this proposal and suggested that the consultation should be extended to include the current requirement for an annual nomination/election in the six mainland regions. Council agreed with that recommendation.
- 10.6 *Timetable:* the sub-group were strongly in favour of presenting a whole package to the membership, rather than in a piecemeal approach, and the remaining work to be completed together with the regional consultation led it to recommend that none of these governance changes should be presented to the 2010 AGM, preferring to create a well-considered and fully-presented set of proposals (which would by then have gained Privy Council commentary) to the 2011 AGM. Council accepted this recommendation.
- 10.7 *Delegated authority of boards:* section 3 of paper C42 proposed the development of 'call-in' and 'referral' arrangements to facilitate decision-making at the appropriate level in the governance structure. Council accepted the recommendation.
- 11 2010 AGM Motions
- 11.1 Paper C 43 proposed the seven Motions to be put before the membership at the 2010 AGM. The first Motion was the proposal from Group Board and MSDB to raise the 2011 full annual subscription by £5. Those members who had disagreed with the proposal at both boards repeated their view

11.2 Chris Bilsland proposed, and Neil Hunter seconded, that there should be no increase in subscriptions in 2011; in a hand-vote, six members voting in favour, and the proposal was lost. The President therefore asked Council for a hand-vote on the proposed £5 increase, and Council voted overwhelmingly in favour.

11.3 Council accepted without comment the remaining five Motions for the AGM. A member urged the organisers to ensure that adequate time was allowed in the programming of the Tuesday afternoon of conference so that the AGM was given the time is deserved without being rushed by the following lecture.

12 Strategic debate.

Prof John Benington joined the meeting and made a presentation about forces for change and how they were likely to shape policy making in the future. He argued that the combination of ecological, political, economic, social, technological and organisational changes were likely to have a profound impact on society and thinking within relatively short time horizons. *Copies of Prof Benington's presentation are available to Council members within the secure Council website pages.*

13 Any Other Business.

There was none. The President formally closed the Open Session.