**Minutes of the Executive Committee**

**5th June 2020**

**Venue: Virtual Meeting of the Executive**

**SDCT Website: www.cipfa.org/partners/society-of-district-council-treasurers**

**In Attendance:** Simone Hines (President), Mark Dickenson (VP), Angela George (Secretary), Sal Khan, Peter Stuart, Terry Collier, David Stanley, Ka Ng, Steve Hearse, Helen Smith, Homira Javadi, Adrian Rowbotham, Simon Freeman, Alison Scott, Jenny Poole, Glenn Hammons.

**Also:** Bevis Ingram (LGA), Paul Dossett and Andy Mack (GT), Andrew Chappell (PSAA), Aileen Murphie (NAO), Joanne Pitt (CIPFA), Rob Baxter (Link), Alex Skinner (MHCLG for item 6)

**Part A – Public Meeting**

1. **Apologies**: Alan Peach, Paul Deal, Peter Catchpole, Clare Fletcher.
2. **Minutes of Previous Meetings and matters arising**

The minutes of the previous meeting of 15th May 2020 were agreed. Any matters arising are either considered below or further on the agenda:

* 1. **PWLB Consultation response**

A draft SDCT response to the PWLB consultation has been previously circulated (on SDCT Website). HMT have confirmed that the deadline for submissions has been extended to 31st July 2020.

HMT have requested a virtual roundtable event with the SDCT to discuss the proposals set out in the PWLB Consultation. This has now been arranged for 11am on 24th June.

**Action – Peter to send out invitations to SDCT Roundtable event with HMT.**

**2.2 Commerciality PAC Inquiry**

The SDCT has submitted a response to the PAC Call for evidence into Local Authority Commercial Investment Response (on SDCT Website). The hearing has now concluded, and the transcripts are available. It remains to be seen what action is taken on any potential changes to the rules.

**2.3 Update on COVID-19**

Simone updated the meeting on the key issues arising from her regular meetings with MHCLG / LGA / ALATS etc. The key points will be set out in a communication to all members (now on SDCT website).

SDCT have recently commissioned LG Futures to undertake a piece of work on the overall picture for District Councils on the pressures from COVID19. This will assist in lobbying for further grant funding. All Districts have been asked to share their Delta returns with LG Futures to enable the work to be completed and a report is due by the end of June 2020.

LG Futures will also be doing some separate work on future funding for District Councils to assist with discussions on the 21/22 funding settlement discussions with MHCLG and looking at:

* Business Rates – based on 20/21 modelling and the ‘gain’ expected by Districts from Business Rates and how this could be lost from the ‘reset’ and / or COVID19
* New Homes Bonus – assuming the NHB funding is stopped after the remaining legacy periods and quantifying the overall loss for Districts.

**Action – Simone Hines to send out an update to District members**

1. **Audit Issues**
   1. **Audit in an age of COVID** - **What to expect from your Auditors in 2019/20 and beyond** - Presentation from Grant Thornton (Paul Dossett and Andy Mack)

Paul and Andy highlighted the challenges faced by the Audit profession and which have been exacerbated by the COVID19 crisis. The presentation is on the SDCT Website and has been circulated to all District Members. The Key messages were:

* Covid19 continues to present Councils and auditors with a number of challenges, both in terms of practical working and in terms of financial resilience for authorities
* The presentation sets out some key issues which Section 151 officers should consider as part of closedown
* Please ensure you liaise closely with your auditor, especially if you are considering a S114 route.
  1. **PSAA Update (Andrew Chappell)**

Andrew Chappell gave an update from the PSAA Advisory Panel held on 1st June 2020 (presentation on SDCT Website). Key points were:

* There are 59 audits not delivered for 2018/19 as at 31st May 2020.
* A profile of fee variations per Audit firm was set out in the presentation.
* The draft accounts date has been extended to the end of August with the inspections starting before 1st September (think about publicising this) and final sign off by the end of November 2020.
* The Redman review on Local Authority Audit to conclude in September 2020.

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* 1. **NAO Update (Aileen Murphie)**

Aileen Murphie updated the meeting on the following issues:

* **LA commercial investment PAC evidence session: key points:**
  + The financial position of LG due to the pandemic, now and in the future
  + Fitness for purpose of the prudential framework
  + The department’s understanding of activity and trends in the sector
  + Transparency and scrutiny
* **Current work:**
  + **NAO response to covid 19:**

<https://www.nao.org.uk/naoblog/covid-19-what-it-means-for-the-nao/>

* + **Summary report on government’s response to covid 19:**

<https://www.nao.org.uk/report/summary-of-uk-governments-response-to-the-covid-19-pandemic/>

* + **Readying the NHS and adult social care for the covid 19 pandemic:**
    - For publication mid June
    - Sets out factually the main steps taken from mid March to mid April
    - PAC late June
  + **Investigation into the progress of cladding remediation:**
    - Factual report into the 2 remediation funds and how far dangerous cladding has been identified, funded and remediation begun
    - Publication late June
* **Code of Audit Practice:**
  + New Code laid
  + Team working on audit guidance notes
  + Redmond Review delayed to September
  + New head of NAO Code Team – Mike Newbury replacing David Aldous.

The Executive asked that their best wishes be passed to David Aldous who has retired. Mike Newbury will attend a meeting at some point in the future.

1. **External Advisors / Sponsors**
   1. **LGA – Bevis Ingram**

Bevis Ingram gave an update on LGA work with most items being considered earlier in the agenda. He advised that the SDCT were short of a core advisor to the LGA and that he was aware this would be filled once the Second VP position was filled.

* 1. **CIPFA – Joanne Pitt**

Joanne Pitt gave an update as follows:

* CIPFA transition to digital
* Policy and technical panel / meeting
* Commercial and training
* Commercial PAC – Rob Whiteman appearance
* MHCLG funding – Andy Burns and Don Peebles
* Section 114 updated guidance
* Consultation on PWLB – Sarah Sheen
* Outlook for Local Government
* Discussion on future for Local Government ( LGFB)
* CIPFA Conference October
* End of Year Bulletin <https://www.cipfa.org/policy-and-guidance/cipfa-bulletins>

Alison Scott reported that she had been accepted onto the CIPFA / LASAAC Board as the SDCT rep[resentative.

* 1. **Link – Rob Baxter**

Rob Baxter gave an update on Link’s work in connection with the following:

* PWLB Consultation
* Commercial Activity within Local Government
* COVID19

The detailed notes are on the website.

**The open part of the meeting finished at 11.30am**

**Part B – Private Meeting of the Executive (including Bevis Ingram LGA)**

1. **MHCLG – Alex Skinner**

Alex Skinner outlined the work that MHCLG are doing in response to COVID19 / Spending Review etc.

A Question and Answer session took place with the Executive.

1. **Any other Business:**
   1. SDCT Second VP
   2. Communications / Linked In
   3. Expression of Interest to join the Executive – Angela advised there were 3 or 4 expressions of interest awaited.
   4. It was agreed that the SDCT would hold a workshop at the re-arranged Cipfa Conference on 21st and 22nd October.

**Action – Angela to arrange**

1. **Date of Next Meetings** -

The next scheduled meeting is **10am on 4th September 2020. A further private meeting of the Executive would be arranged prior to that (subsequently agreed as 10am on 26th June).**