



Minutes of the Executive Committee

8th September 2023

Venue: Virtual (Private) Meeting

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

LinkedIn: [Society of District Council Treasurers \(SDCT\)](https://www.linkedin.com/company/society-of-district-council-treasurers)

SDCT Members in Attendance: Adrian Rowbotham (President), Angela George (Secretary), Alison Scott, Homira Javadi, Richard Gibson, Christine Marshal, Peter Catchpole, Simon Freeman, David Stanley, Clare Fletcher, Bev Bull

- ❖ It was confirmed that the meeting was quorate (i.e. one third of Executive members were present)

Also in attendance: Neil Harris, Will Hannon and Adam Mohamed (FRC) and Robbie Maxwell (DLUHC) for item 2 and Mark Green (Maidstone) for items 2 and 3.

1. **SDCT Executive Apologies:** Jon Illingworth, Emma Foy, Terry Collier, Richard Baker.

Public Session:

2. Local Government Audit update

Following the letter issued to authorities in July setting out high level proposals to resolve the audit backlog, Will Hannon and Neil Harris gave a presentation asking for the Executive views on some of the options and deadlines under discussion. FRC and DLUHC are also working with CIPFA and the NAO on various aspects to try to improve the position going forward.

The pros and cons of the various options were discussed, and several comments were made. The Executive pointed out that auditors were taking different approaches to the backlogs and the advice already issued and it was crucial for a common understanding of the position to be understood as quickly as possible.

Neil requested any information and views to be shared with him, albeit recognising consensus would not be possible.

Will advised that there would be further online consultation in the Autumn.

Action – All to feedback views and issues to Neil

3. CIPFA / LASAAC – Accounts and Materiality

Mark Green (Maidstone) and Alison Scott reported back from discussions they had had following CIPFA / LASAAC meetings on whether SDCT could explore a think piece about materiality and smaller authority accounts specifically looking at districts. Following discussion, it was agreed this would be useful and an external supplier could be commissioned to undertake the work.

Action – Alison Scott to progress and report back

Private Session:

4. Minutes of previous meetings:

The minutes of the previous meeting of 14th July 2023 were agreed and will be published on the website.

Outstanding Actions:

- **HRA:**
Homira reported that she will feedback on the issue of the HRA and whether there was an opportunity to look at changes to rent setting arrangements in due course.
Action – Homira

- **Audit Delay Questionnaire:**
Clare reported that she had not received many responses to the audit questionnaire and will recirculate it.
Action – Clare

- **Drainage Board Levy:**
Christine reported that the application to set up a special interest group had been agreed and this would be submitted (currently 15 authorities but will reach out to others impacted). She would feed back in due course.
Action – Christine

- **LinkedIn:**
Angela reported that there were still a few of the Executive members yet to sign up to LinkedIn. There were also currently two SDCT LinkedIn sites which was causing some confusion and she now had the necessary authority to delete the unused one. It would be important going forward to issue updates and posts to the site and encouraged the Executive to post any relevant information to the site.
Action – Angela / Executive

Any other matters arising, or other outstanding issues are considered further on the agenda.

5. Financial Issues: Update

Adrian gave a general update including:

- ALATS update:
 - o FRC updated ALATS as per todays update.
 - o GT are working on a statutory officer project. Room for improvement as to how the 3 SO's work together and looking at Council failures. Report anticipated in October.
 - o Budget setting – how to get the sector message right following previous years 'crying wolf' claims but particularly given the recent S114 notices.
- DLUHC financial stability meeting – reserves work has been delayed.
Action – returns to Adrian
- LGA CFO Sounding Board:
 - o Working on dealing with financial uncertainty
 - o Producing 'must know' guides – subjects to be confirmed.
 - o 10 key questions for audit committees to ask.
- DLUHC
 - o Working on rationalising the financial settlement
 - o BR Pooling email.
Action – all to respond.
- DCN - monthly meetings held to cover all subjects sharing knowledge and pushing common messages.

- Public Finance – Adrian interview on Reserves
- Room 151 – Adrian is on the Presidents’ Panel at the Finance Directors’ Summit on 19 September. The subject is: Cost of living pressures, high interest rates and widespread underfunding – what are the challenges facing s151s in the year ahead?
- ALATS Reserves Survey – deadline now extended to 22nd September.

Action – all

- OFLOG – A letter from a group of authorities had been sent to DLUHC setting out concerns over flawed metrics particularly in respect of inclusion of HRA data. SDCT agreed to write a letter to support the concerns raised.

Action – Adrian to write a letter to Michael Gove MP supporting the letter.

6. Consultations:

Adrian reported that DCN are keen that SDCT and DCN give a common message in consultations where appropriate.

- **CIPFA COP** – Alison reported that the issue of Infrastructure assets is the key thing for districts and will respond accordingly.

Action - Alison

- **MRP Consultation**

It was reported that further consultation is still expected shortly - depending on the guidance issued this could have significant impact on some authorities.

- **Business Rates Avoidance and Evasion**

David Stanley has circulated a draft response prepared by himself and Emma and asked for comments back before the submission date of 28th September.

Action – All / David Stanley

- **Capital Risk Metrics**

Richard Gibson and Christine are co-ordinating the SDCT response and will submit by the closing date of 21st September.

Action – Richard G / Christine

- **Council Tax Premiums.**

Richard Gibson agreed to look at this on behalf of SDCT to decide if a response was required.

Action – Richard Gibson

- **Proposed fee scale for 2023/24 audits.** 30 November 2023 is the statutory date by which PSAA must publish the scale fee. The impact of any changes to the scope of the audit resulting from the ‘backlog solution’ will need to be factored in.

The consultation will close at noon on Tuesday 10 October 2023.

Action – Richard Baker to advise if an SDCT response is required.

7. Any Other Business

- **CIPFA Conference SDCT Workshop 28th June 2023 – follow up.**

- The follow up Housing session is being progressed with Public Finance

Action - Emma / Terry

- The fact sheet to answer the questions not answered at the conference is under preparation.

Action – Emma / Terry

- **SDCT Advisors – Good Practice Discussion**

The updated advisor areas have now all been filled and has been published.

A discussion ensued on what the role of the advisor should be and any 'good practice' to follow. In the past each advisor had reported to each SDCT meeting on their own areas and whilst it was accepted that the workload for the CFO was increasing each year and it was important not to add considerably to that workload, it was agreed that this would be a good model to aspire to. Bullet points only will be sufficient, and it was considered that it could be good training for a deputy / finance officer in the advisor's authority to assist with.

Action – Advisors to report (briefly) on their areas to each SDCT meeting.

8. DONM – 13th October 2023 10am (public meeting)