

FINANCE AND SCRUTINY COMMITTEE

Appendix 2.1 Draft minutes

12 March 2024

Via zoom

Present: Cllr Peter Davey, vice chair (finance) and Chair of the Committee; Cllr Duncan Wright, Cllr Ian Cowling, Cllr Mike Scott, Cllr Alan Neal.

In Attendance: Jonathan Owen, chief executive, Steve Walker, head of finance & administration; Charlotte Eisenhart, head of member services (for part); Justin Griggs, head of policy and communications and Claire FitzGerald, administration manager.

1. Apologies:

No apologies were received.

2. Minutes of previous meeting

The draft minutes of the meeting held 30 January 2024 were considered. Cllr Scott noted that the draft minutes missed an item on expenditure reporting. It was agreed to add the following “a question on expenses policy was raised”.

The committee discussed the subject of expenses and having a process for approval. Cllr Scott clarified a misunderstanding from a previous meeting that his intention was related to NALC purchase of services and large ticket items not smaller expenses claims. The head of finance and administration would circulate the relevant policies to the committee.

Resolved: That the amended minutes of the meeting held 30 January 2024 be agreed.

3. Chief executive introduction

The chief executive reported on the recent meeting of chairs and vice-chairs of committees to discuss future work programmes. They had stressed the importance of all committee members working together and developing work programmes to deliver the assembly’s priorities and within the staffing resources allocated. He stressed that it was important that the finance and scrutiny committee was clear of its role and expectations of current staff. The committee should seek to take a strategic overview and address any detailed questions in advance via the chief

executive, who would liaise with the head of finance and administration and chair of the committee as appropriate.

The committee recalled that at its previous meeting an accounts reporting workshop had been held to inform the development of financial reporting to assembly for the new financial year 2024/5. This review was on-going, and options being considered. Members of the committee were keen to see the new reporting process include an estimated outturn figure and more up-to-date reporting.

Cllr Davey confirmed that the committee now provides summary reports to National Assembly and this has been very successful and has increased the transparency of the Finance and Scrutiny committee. He recognised that there was a need to continue to improve these.

In order to progress the review, the committee **resolved** to set up a Task & Finish Group (TFG) to look at how our accounts should be presented for the new financial year. The members of the TFG will be Cllrs Wright, Scott and Neal who will chair the TFG. Cllr Cowling will work with the head of finance and administration to understand the systems currently in place and report back his findings to the TFG.

4. Accounts

The management accounts were received and the loss for 9 months of £12,500 is not likely to worsen to the year-end providing issues surrounding the collection of affiliation fees from Staffordshire are resolved and subject to the annual year-end VAT reconciliation. The committee asked what actions are being taken with respect to the outstanding debt by Staffordshire. It was suggested that a CVC contact Staffordshire to offer support and overview their difficulties.

Cllr Neal moved the accounts. The committee accepted the accounts except for Cllr Wright who was concerned that a new reporting process had not been progressed already.

Resolved – that the accounts be accepted.

5. Annual insurance renewal

The committee noted that NALC's insurances will be due for renewal on 1 April 2024. To that end the head of finance and administration and the administration manager have held meetings with Clear Councils insurance to ensure best value. The committee suggested that we should also consider a three-year deal if that were to save costs.

Resolved: That the report be noted

6. NALC Offices

The committee noted that NALC had signed a new lease up to 30 April 2025. As part of the incentive package, some free meeting rooms were included.

Resolved: That the report be noted

7. Local Councils Explained (LCE)

The committee noted that LLG have agreed to update LCE. The estimated cost of this update will be approximately £12,000.

Resolved: That the report be noted

8. Update from head of member services.

Charlotte Eisenhart briefed the committee on upcoming publications noting that LCE would a digital publication and that SAAA would be providing £46,000 for the JPAG role related to the practitioner guide and other matters.

It was agreed that the head of member services would resend the publications schedule to county associations.

Resolved: That the report be noted

9. Update from head of policy and communications.

Justin Griggs provided an update as follows:

- Exploring in-person events from 2025.
- Exploring a grant from the LGA for levelling up work.
- Cost saving due to unfilled role in the policy and comms team.
- Events continue to perform well, and the chief executive noted that a significant number of councils still prefer to be invoiced so this is both labour intensive and the finances for each event are always “behind”. Ideally, we should consider to moving to payments up front.

Resolved: That the report be noted

10. Cashflow

The vice chair (finance) referred to the 2021 AGM motion during which delegates discussed changing the payment date for the first tranche of affiliation fees from 30 June to 31 May. Whilst the motion was defeated at the time, it does mean that cashflow can be a challenge during the spring months. The chief executive will ask county associations to pay promptly.

The committee noted that there is a possible large payment due to Pixl8 during this period.

A discussion ensued around our investment portfolio, and this will be added to the work programme.

11. Scrutiny role

The chief executive provided a document summarising scrutiny idea from the last meeting.

Resolved: That the development of the scrutiny role be added to the work programme

12. Work programme for 2024/26.

The main focus should be the new reporting process highlighted above.

13. GDPR

The breach log containing 2 recent breaches was noted. In both incidences it was agreed that human error had caused the breaches however neither warranted reporting to the ICO.

Resolved: That the report be noted

14. Expenses policy review

The committee received the paper from the head of finance and scrutiny in which increased rates based on inflation for expense reimbursements were proposed. The committee agreed to all suggestions therein and agreed that this would be implemented from 1 April 2024

Resolved: That the report be approved

15. Speakers

Suggestions for speakers were considered with the following agreed with Milton Avis attending the June meeting and a scrutiny speaker being invited to an upcoming meeting.

16. Date of time of next meeting

Resolved: That the next meeting of the committee be held on 11 June 2024 via Zoom.