

## MANAGEMENT BOARD | AGENDA

Date and time: 29 March 2022 at 10:00 a.m.

Any member wishing to submit an apology for this meeting please contact NALC at [committees@nalc.gov.uk](mailto:committees@nalc.gov.uk) or call on 020 7637 1865.

### 1. Apologies

### 2. Minutes of previous meeting - 11 January 2022 (10:00 - 10:05)

- |                                                                                                 |               |
|-------------------------------------------------------------------------------------------------|---------------|
| 2.1. To approve minutes of the meeting of Management Board held on 11 January 2022.             | Appendix 2.1. |
| 2.2. To receive notes of the recent informal Management Board meeting held on 14 February 2022. | Appendix 2.2  |

### 3. Filling vacant positions (10:05 - 10:20)

- 3.1. To receive a verbal update on vacancies for NALC committees.

### 4. National employment framework (10:30 - 10:50)

MB ONLY

### Tea break (10:50 - 11:00)

### 5. Support for county associations (11:00 -11:15)

Appendix 5

### 6. Governance (11:15 - 11:25)

- 6.1. Task and finish group – governance  
6.2. Proposed training courses for NALC committee chairs

### 7. Monitoring and managing performance and service delivery - Any verbal updates will made here: (11:25 - 11:45)

- |                                                                                                                |                 |
|----------------------------------------------------------------------------------------------------------------|-----------------|
| 7.1. Member services                                                                                           |                 |
| 7.1.1. Member services report and E learning                                                                   | Appendix 7.1.1. |
| 7.2. Finance and administration                                                                                |                 |
| 7.2.1. Summary minutes of recent Finance and Scrutiny Committee                                                | Appendix 7.2.1. |
| 7.2.2. Summary finance figures                                                                                 |                 |
| 7.3. Policy and communications                                                                                 |                 |
| 7.3.1. Incorporating LCR content in the new website                                                            |                 |
| 7.3.2. Supporting NALC's response to levelling up - use of Financial Times article at LGA conference, showcase |                 |

publication for party conferences and stand at Conservative party conference.

**8. External affairs (MB only) (11:45 - 12:00)**

Confidential items

- 8.1. JPAG minutes of 3 February 2022 meeting
- 8.2. Civility project update
- 8.3. SAAA minutes of January meeting.

**9. Date and time of next meeting**

Management Board are invited to consider when to hold face to face meeting.

To note that the next meeting of the board be held on:

- 5 July 10:00 a.m.
- 20 September 10:00 a.m.
- 22 November 10:00 a.m.

To note that the next Informal Management Board meetings are:

- 11 April 11:00 a.m.
- 13 June 11:00 a.m.
- 8 August 11:00 a.m.
- 10 October 11:00 a.m.
- 12 December 11:00 a.m.

## **MANAGEMENT BOARD | APPENDIX 2.1 DRAFT MINUTES**

11 January 2022

### **Present:**

Cllr Bob Blezzard	Cllr David Francis
Cllr Peter Davey (vice-chair, finance)	Cllr Paul Harvey
Cllr Mike Drew (vice chair member services)	Cllr Richard Parry
Cllr Graham Ford	Cllr Keith Stevens (chair of the association)

### **Also present:**

Jonathan Owen, chief executive  
Jane Moore, acting head of member services and senior solicitor  
Steve Walker, head of finance and administration  
Justin Griggs head of policy and communications

### **1. Minutes 16 November 2021**

These were received, subject to a minor correction to include a missing date; and a further report on the national employment framework requested. Cllr Blezzard asked for his opposition to the exclusion of a confidential note from the published minutes.

### **2. Board terms of reference**

The board considered its current terms of reference.

The following issue was identified for immediate amendment: the inclusion of the scheme of delegations to officers. There was a debate whether the urgent decision role of management board was relevant given scope for remote meetings. On balance it was agreed to retain.

A number of other general issues were identified for possible inclusion in the upcoming governance review:

- A. Frequency of meetings and the need for greater councillor involvement in decisions, giving a steer on direction of travel. There should be a call for items for inclusion on the agenda
- B. Minutes should be reported to assembly for agreement

- C. The terms of reference should include oversight of relationships with trades unions ideally through a negotiating committee
- D. The board should have a role in hearing grievance appeals

**Resolved:** It was agreed to hold monthly informal Management Board meetings excluding officers (see dates below) and that the other matters be fed into the work of the governance review.

### **3. Filling National Assembly committee vacancies**

Management Board noted that there were three vacancies for National Assembly members on the board. It also noted that it could co-opt non-assembly members. The board agreed that given its role and accountability to assembly, its membership should be drawn from assembly members.

The board also noted that there were other National Assembly member vacancies on committees, and it was resolved that the chief executive draft a letter to National Assembly members and county associations seeking expressions of interest from National Assembly members to serve on committees taking into account the need for diversity and geographical balance. The final decision on appointments should be taken at the next National Assembly.

A number of other points were made which should feed into the governance review including: the need to promote diversity; the need to encourage more people to get involved in the work of their CALC and NALC; the importance of face-to-face meetings and conferences in encouraging engagement; directly elected positions have provided a route to get people involved in the assembly; and the importance of existing assembly members promoting their work to colleagues.

### **4. Corporate risk register, priorities and board work programme**

Management Board received the current risk register, commenting that its excel format was difficult to read. The board identified the following risks facing the sector and NALC:

#### **Sector risks**

- a) Poor communications and relationships between councils and other agencies
- b) Adequate finances, income streams and access to grants
- c) Top-down local government re-organisation
- d) Threat of abolition
- e) Imposition of referendum principles
- f) Lack of understanding of sector and its potential by government and other bodies. Get government to listen
- g) "overloading" of councils, particularly smaller ones
- h) Devolution

- i) Patchy collaborative work with other agencies – districts/counties, police, health etc
- j) Demonstrating relevance through work on climate change and health etc
- k) Standards and civility including public attitudes
- l) Lack of access to government funding
- m) Unintended consequences of legislation
- n) Adverse publicity from errant council
- o) Recruitment and retention of clerks
- p) Diversity of councillors and more participation in elections
- q) Need to retain remote meetings
- r) Creation of new councils – ring fenced funding for upper tier councils to parish their areas?

### **NALC risks**

- i. Income and loss of membership
- ii. Lack of financial transparency
- iii. Weak national assembly, clarity of assembly member roles including informing county associations of NALC work/initiatives
- iv. Demonstrating vfm
- v. NALC driven by minority not majority
- vi. Mutual understanding, support and trust
- vii. Ceasing to be relevant and threat of other bodies representing/supporting the sector
- viii. More resources for NALC
- ix. Better website
- x. Ability to resource roll-out of local council award scheme.
- xi. Resilience and succession planning for staff
- xii. Modernisation and building capacity
- xiii. 109

The chair and vice-chair also reported on their emerging priorities: modernising NALC, promoting the sector as the first tier of local government, the big issues including health and climate change, financial planning and transparency, robust corporate systems, local council award scheme, website, getting councillors more involved in CALC and NALC, closer working between CALCs and NALC.

The chief executive reported that the committees were also identifying their priorities, and these would be circulated to the board separately and included in the committee minutes. They are attached as an appendix to these minutes for information.

**Resolved:** that NALC officers amend the risk register and develop draft work programmes for the board and committees for further discussion, prioritisation and resourcing.

## 5. NALC governance review

Management Board had agreed to set up a task and finish group (TFG) to examine the effectiveness of NALC's committees and its election processes.

Management Board agreed that Paul Harvey should be the Management Board representative on the task and finish group, and that National Assembly should be invited to consider draft terms of reference and the composition of the task and finish group. The board recommended that there should be an assembly member from each of the eight regional groupings.

Terms of reference should include effectiveness of current structure; elections process and how to encourage greater participation; proposals to change committees; proposals to change electoral processes; committee terms of reference; standing orders; engagement with county associations and their governance/constitutions in light of recent letter from Lord Lytton.

The task and finish groups proposals should be considered by Management Board and reported to National Assembly and then agreement at the AGM for implementation from 2023.

**Resolved:** That draft proposals be drawn up for consideration by National Assembly.

## 6. Lobby day

The board considered arrangements for this year's lobby day in the light of the current COVID pandemic situation. The board resolved that it should be held on 23 March, primarily remotely and a parliamentary reception deferred to the summer.

## 7. Rural Services Network - market town grouping

Justin Griggs reported that a number of NALC national networks had been created to increase engagement. The RSN had a rural market town grouping and discussions had been held with them to see if this could be opened to wider participation from NALC councils as a forum to address market town issues. <https://www.rsnonline.org.uk/page/rural-market-town-group> The RSN had agreed to this with a discounted rate for NALC councils.

**Resolved:** To authorise Justin Griggs to continue and implement this proposal.

## 8. Dates of future meetings

### Informal meetings of the board

To note that the board will meet informally on the following dates at 11 am via zoom for 30 minutes.

- 14 February 2022
- 11 April 2022
- 13 June 2022
- 8 August 2022
- 10 October 2022
- 12 December 2022

### Date and times of next meetings

The next meeting of the board be held on Tuesday, 29 March 2022 starting at 10:00 via zoom. The following meetings will be held at 10.00 am on:

- 5 July 2022
- 20 September 2022
- 22 November 2022

## Appendix – initial committee priorities

Management board possible priorities

- Oversight of modernisation of NALC
- national employment framework
- Civility and respect project
- Development of SAAA/ finance support etc

## Policy Committee

- Enabling members of the committee to message each other during meetings using Zoom chat.
- Bringing in additional external expertise to provide evidence and information to inform the committee's work.
- There had previously been a range of views on how the allocated budget for planning support should be used and further work was needed to scope this out.
- Potential reform of Local Enterprise Partnerships and developing proposals for alternative structures.
- Devolution and working with other organisations to expand the sector in urban areas.

- The importance of close working and involvement of county officers, greater use of fortnightly meetings between county and national officers and proactivity by the County Officer Forum representative.
- Ensuring there are effective practices in place to identify consultations and announcements and gather input from the committee in parallel with responses from councils; &
- Agreeing the need to strengthen the involvement of the County Officers' Forum in NALC's policy work.

### **Smaller Councils' committee**

- Practice regarding planning consultations
- carbon literacy
- Identifying future membership needs for advice/guidance and providing feedback/input on NALC services
- Practical issues arising from limited capacity
- Sharing good practice
- Supporting NALC campaigns/big themes and helping develop the evidence base including through surveys
- Improving good governance and increasing take-up of the Local Council Award Scheme and CiLCA

During discussion several comments and further suggestions were made, including:

- Cllr Lillian Burns said she was keen to write a report on the Levelling Up White Paper and a report with a working title of 'You can do anything' to provide encouragement to smaller councils including expanding examples from NALC's Points of Light publication
- The committee should avoid duplicating the work of other committees but instead ensure linkages were in place, for example responding to the Levelling Up White Paper was a Policy Committee responsibility
- The committee should advise on the language that would resonate with smaller councils

### **Larger Councils Committee**

- Sharing good practice
- Piloting extension of LGSCO
- Supporting NALC's campaigns and big themes including developing an evidence base for direct funding
- Identifying future membership needs for advice and guidance



- Further peer reviews with the Local Government Association
- Piloting cyber security with the National Cyber Security Centre
- An effective National Network: Super Councils
- Continuing National Network: Coastal communities
- Partnering with the Rural Services Network on the National Network:  
Market towns

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## **MANAGEMENT BOARD | APPENDIX 2.2**

### **Notes of informal Management Board meeting**

We were joined by David, Graham, Bob, Paul and Richard from the Management Board for an informal catch-up, where we covered:

- The levelling up white paper and Wednesday's informal National Assembly. There was support for us taking a positive line with the government and seeing the proposed review of the role and functions of local (parish and town) councils as an opportunity to press our policy objectives. We also discussed how we could ensure county associations and councils input effectively to new levelling up directors, county deals, new unitaries etc. General support for the idea of organising ourselves through regional leads, perhaps one county officer and one councillor, from each of the regions, and to develop a short role description.
- Agreed to keep the July National Assembly separate from a summer parliamentary reception. And to test with the next National Assembly whether the June meeting should be face to face.
- Supported proposals for our events over the next year comprising continuation of monthly online events programme, a hybrid conference in London in October and the Annual General Meeting (AGM) again held remotely.
- Supported continuation of NALC Star Councils Awards with same categories, improvements to judging process and online ceremony in November. Suggested we consider how to engage National Assembly members more in long term such as through judging.
- Bob suggested regional top-ups for committees which will be fed into the Task and Finish Group (TFG) on governance.
- Agreed a process to seek expressions of interest via county associations to fill the National Assembly member vacancies on committees first (draft e-mail below) and to consider co-options to the Policy Committee and Smaller Councils Committee at a later date.
- Progress proposals for planning policy support.

Subsequently, I met with Mike, Keith and Peter to do my appraisal and set objectives for the year which are set out below:

- Improve and modernise internal management and processes as set out in the reports to Management Board and National Assembly in the summer of 2021
- Deliver new website
- Complete move to Microsoft 365
- Ensure the new TFG on governance reports effectively to National Assembly in June and the AGM later this year

- Progress 109 Great Russell Street project including identifying costs of alternative accommodation, engaging with Local Government Association, compiling information on 109 to facilitate the sale and appointing agents
- Continue to improve member services
- Help the new chair develop good relations with the government and other partners.

Afterwards, we visited a couple of possible options for rented office space which seemed reasonably suitable to our needs and cost-effective should we proceed to sell 109 Great Russell Street

## **MANAGEMENT BOARD | APPENDIX 5**

### **Support to county associations**

One of our agreed strategic aims is “Effective national and county associations working together to deliver our vision”

Last year Management Board noted the following developments on this in the light of the experience of the pandemic, which were supported by National Assembly on 13 July.

- Close working and trust between county associations as well as nationally and at regional level critical to our success, as is a healthy relationship between county officers and NALC staff
- Weekly then fortnightly remote meetings with county officers worked well and helped relationships and mutual understanding
- Some increased regional working between county associations and challenges in some areas, should continue to encourage close working and regional working
- Relationship between county officers, county association chairs and National Assembly representatives was also vital
- NALC and county association staff need to work closely together, an ‘away day’ style event would help develop team approach and culture

A number of suggestions follow to address these issues in 2022/24

### **Proposed package for county officers – building a team ethos**

- Views are sought on the following potential measures. These do not necessarily need to be provided at once or to all county associations. Views will also be sought from county officers once the Board have considered.
- Induction pack and introductory session for new county officers
- Buddy support from county officers’ forum
- Continuation of fortnightly zoom meetings
- Support for four “free” training and development sessions to be agreed between county officers and NALC. For example, media and communications training, parliamentary engagement, advocacy, mediation etc.
- Access to crisis communications support from LGA
- Annual “Lacey day” financial briefing and two legal remote briefings (in addition to four written updates
- Access to employee assistance programme.

- “Free” access to NALC remote events. This could be extended to National Assembly and committee members
- Residential team building session (NALC to meet residential costs) £10,000
- Access to resources from partner organisations including NCVO and ACRE etc.
- NALC staff to visit/shadow county officers and vice-versa

### **Support to county associations/ National Assembly members**

- Standard job description and recruitment and handover advice for county officers (to be drawn up with CoF). To include expected hours and remuneration.
- Remote event for chairs and assembly representatives to discuss role
- Discounted NALC affiliation fee for new/returning councils
- NALC councillor/ officer attendance at events etc. To include management board attendance at other county associations.

### **Regional engagement**

- We have previously helped facilitate regional events to encourage regional working. It is suggested this that events are held in the northern and eastern regions. (£5,000 – possible sponsorship support).
- All regions to consider how best to engage with new levelling up directors
- NALC senior managers to be identified as regional contact points. Subject to further consultation.

### **Grand re-union**

- In order to foster a team culture and recognise the contribution made by National Assembly and county officers to hold a face to face event coinciding with summer assembly meeting/ parliamentary reception or annual conference.
- Costs to be met by NALC including refreshments. Strategic partners/ exhibitors to be invited and SLCC (50<sup>th</sup> anniversary). £15,000.

### **Resources**

- Whilst some of these costs may be offset by sponsorship it is recommended that £30,000 be set aside as an earmarked reserve.

### **Recommendations**

- That the Management Board consider and authorise consultation with county officers.

## **MANAGEMENT BOARD | APPENDIX 7.1.1.**

### **Member services report – March 2022**

This is a summary of some of the current work being undertaken by the member services team.

#### **Local Council Award Scheme (LCAS)**

The first round of the award scheme for 2022 is currently underway. The triage stage has been completed and the applications are now being sent out to the panels. There are 11 applicants in this round (five quality gold, two quality and four Foundation) with nine of these from large councils and two of these small councils.

We have recently made some changes on the admin side which should help make the scheme run more efficiently. We are also currently working on a new grid that will help applicants, panel members and county associations have a better understanding of what each of the criteria mean and how they are assessed. We continue to attend occasional meetings with county associations to explain how the scheme works and to encourage participation.

#### **Online learning**

Our online learning offer provided through the platform Nimble is developing new momentum thanks to the civility and respect project.

Further information is available in the online learning report.

#### **Website and CRM**

A revamped website remains a priority, but we have decided to bring these two projects together as we realised how much they interlink. This will ensure that they fully integrate, and we do not create a website that then needs further financial outlay to make it work effectively with a CRM system.

We are currently putting together a broad plan of what we are trying to achieve from these projects, with a view to working with an external company who can help us refine this into a fuller specification. This means that we are not currently committing to a specific implementation date, but a new project plan will be drawn up when we have the spec. So far, apart from the initial user testing with Heavy Penguin, there has been no financial commitment on this project,.

#### **Peer challenge**

We are discussing with the LGA how we will undertake two peer challenges later in the calendar year (around September/October). Although a couple of councils have previously expressed an interest neither have committed yet and so we would welcome interest from other larger councils, especially those who have achieved Quality Gold in the Local Council Award Scheme. These will be fully funded by the LGA.

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## **MANAGEMENT BOARD | APPENDIX 7.1.1.**

### **Update from member services**

#### **Online learning pilot**

NALC began a pilot of online learning in October 2020. After considering three potential providers, we began working with Nimble E-learning, who are also being used by a number of county associations.

This report is to review how the pilot has gone and to make future recommendations.

#### **How it works**

Since October 2020 we have offered 12 essentials courses that were written by Nimble which covered a range of core employment type skills e.g. diversity, managing stress, fire safety, customer service etc. These courses were tweaked slightly by Charlotte Eisenhart to make sure they were appropriate for local councils. We have also offered a further two courses that were written by Warwickshire Association of Local Councils (WALC) - an introduction to local councils and an introduction to planning for local councils. These courses are online only and largely made up of reading and quizzes and so are easier to undertake than webinars and easier to create than courses with video content (although our own bespoke courses will probably offer those elements). More recently further Nimble courses have been added and an additional course from WALC on understanding precepts.

The courses are open to councillors and clerks (and other staff) with enrolments and payments handled by the county associations. We are then invoiced by Nimble on a quarterly basis, following which we then invoice the county associations for the courses in their area.

#### **Pricing**

Nimble essentials courses are priced at £14, with other courses in a range between £14 and £20. This compares well with other providers of similar online training - Online Nexus (one of the companies considered alongside Nimble) range from £5 to £25 per course. It is also worth comparing this with online courses that are longer and/or offer more interactive elements or a blend of learning formats - NCVO offer £30 for a half day course, webinars from SLCC start from £30, and FutureLearn (one of the largest of the MOOC (Massive Open Online Courses)



platforms charge £44 for a one-off course which involves around 12 hours of study. In contrast, most Nimble courses take around 45 minutes to 2 hours to complete with most at the bottom end of that range.

For Nimble essentials courses, the course fee is split with Nimble receiving £6, NALC £1 and the county association £6, although during the pilot the NALC shared was passed onto the county association. For other courses the proportions are similar but anyone who has authored a course retains more of the income.

NALC currently pays £650 for its own author licence but this only covers any materials produced by NALC itself or are commissioned by NALC from a partner e.g. Breakthrough Communications.

## **Statistics**

Initially, 10 county associations signed up to be a part of the pilot with eight of these then making use of the platform.

As of March 2022, the platform has been used by 524 different learners, who have been enrolled onto 926 courses. The most popular courses being introduction to planning (167), freedom of information essentials (112), introduction to local councils (102), equality & diversity essentials (86) and health and safety essentials (82).

Of the 524 learners, 31% of these were enrolled by one county association (Nottinghamshire) with two other county associations (Dorset and Kent) making up further 32% of all enrolments.

It is worth noting that a number of county associations also offer online learning but were not a part of the NALC pilot. Significantly, East County Association Network (covering the six county associations in the East of England) also offer online learning through their own separate contract with Nimble.

## **Feedback**

All course participants were asked to complete a survey after they completed the course. The key results are as follows:

- 54% said the course they took was very good with 43% saying good
- 98% said the Nimble platform was easy to use
- 59% said they would like to see more e-learning (including online learning and webinars) with 51% saying they would like to see more blended learning

- 93% said they would recommend the course to other local councils

We also asked a question about courses that people would like to see made available which produced as long list of suggestions. A number of these have now been added to the essentials range. We will use this information to prioritise other courses that should be developed.

The feedback highlights that although we expect in-person training to prove popular again once we return to a form of post-Covid normality, there is still strong demand for online learning.

We have also discussed the courses with those county associations who offered them and their response has been largely positive. They would welcome more courses being available and there are a few potential technical improvements that could be made which we have discussed with Nimble.

### **Recommendations**

We propose continuing to offer online learning using the Nimble platform and enhancing the offer as follows:

- Encouraging more county associations to take part in the national e-learning. This has the advantage that we can make a consistent offer across the country and can be offered as a core benefit of NALC and CALC membership.
- Bookings will continue to be handled by county associations with them receiving the appropriate share of the income for doing this. It is possible to introduce a functionality that allows learners to sign up online which will save time on admin by automating part of the process. This would however come at an additional cost to NALC and we would also need to discuss this further with county associations. Some counties have also expressed an interest in handling bookings on behalf of other counties for which they would receive a share of the income.
- We will create a page on our website outlining the courses available, a summary of content, and how to sign up to them through their CALC.
- NALC has a partnership with Breakthrough Communications, and through this we will be offering additional courses on social media (for both councillors and clerks) and how to communicate effectively.
- The civility and respect project will be offering a number of courses which would be available across the country. Although other platforms will be

able to import these courses in a SCORM format (a common format that allows courses to be accessible (but not editable) on any platform.

- A learner can sign up to a 'folder' of courses which may be a useful way to bring together key courses for new clerks or councillors, and will also be helpful in marketing. We would also envisage this being useful for the civility and respect project.
- We can offer the chance for county associations to develop their own courses however this would involve them needing to pay for an author license which is currently priced at £650. Further work is needed on how the workload could be handled but we may be better instead identifying the key courses that CALCs would like to see developed across the country and work with them to write these courses. These courses could then be offered to everyone with the CALC that 'authored' the course receiving a share of the income.

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## **MANAGEMENT BOARD | APPENDIX 7.2.1.**

### **Draft summary minutes of Finance and Scrutiny Committee**

**Present:** Cllr Graham Ford- chair, Cllr Peter Davey, vice chair – finance, Cllr Tony Howard , Cllr John Plant, Cllr Duncan Wright

**Also present:** Jonathan Owen, chief executive; Steve Walker, head of finance & administration; Justin Griggs, head of policy and communications (part); Jane Moore, head of member services (part); Claire Fitzgerald administration manager (part); Farhana Miah, executive officer (part); Lisa Stockdale, IT project manager.

1. Apologies, none

#### **2. Vice chair post**

Consideration was given to appointing a vice-chair for the committee. It was accepted that since there is representation from both the chair and the vice chair (finance) this role could be left open for the time being as has been the case in recent periods.

#### **3. Minutes**

The members noted some minor typos and confirmed the minutes for the meetings of the committee held on 1 December and 9 December.

Under matters arising, the chief executive clarified the position in respect to filling vacant positions which is being done through national I assembly, and co-options which are for individual committees to consider. It was agreed unanimously that the committee has special responsibilities which may not make it appropriate to co-opt at this time.

**RESOLVED: The minutes be agreed.**

#### **4. Management accounts**

The head of finance & administration identified items of specific note for comment. There is a surplus against budget for the nine months, which continues to include some gain against staffing due to, vacancies, maternity, and lack of conclusion with the national pay agreement. Gains also accrue from continued remote meetings and reduced promotional activity. This trend should continue to the year end, and at least maintaining this surplus level. The head of finance and administration

explained how the timings of affiliation fees affect the vat recovery ratio during the year.

The head of policy & communications reported that events have been successful this year and are ahead of budget. There have been over 3,000 delegates to events during the year which helps to raise the profile with commercial partners.

The head of members services reported that there are some changes within the team to administer LCAS triage . This frees some time in finance and administration. Member services are also looking at the website, including design, but no financial commitments have been made so far.

There are two peer review challenges being discussed with LGA who would fund it, making it cost neutral for member services.

Members noted that operation expenses are within expectations.

## **5. Bank matters**

Balances held at 11.02.21

Coop £104,097

CCLA £455,964

Total £560,061

This compares to £493,634 at the same point last year.

### **RESOLVED: Report to be received**

## **6. County association debtors**

There is one county which has not paid the final instalment. There have been a number of issues this year which have been exacerbated by changed working practices due to the pandemic, but other matters are now resolved despite some last-minute updates from some counties .

### **Resolved: Report be received**

## **7. Updates from other committees**

None.

## **8. Risk register**

No matters.

**RESOLVED: Report be received**

## **9. GDPR**

No breaches or near misses to report. Noted it will be necessary to reconsider processes and impact on GDPR once IT changes are complete.

**RESOLVED: Report be received.**

## **10. Update on IT and website projects**

The project manager presented a report explaining the process and timings for the IT upgrade to 365 cloud. This had included a starting point with 76 users/mailboxes and a shared file system which contained 289,000 files in 490,000 folders. The tenancy began in the period June to August with configuration and the file system being transferred to enable testing. Consultations and switch overs took place and the first user migrated in mid-October with the last in Mid-December. The final stage of migration and switching off the hybrid setup was completed in January. There are number of next steps, including switching the accounts system; training to make full use of features; future communication systems; data protection review and cyber security review.

## **11. Date of time of next meeting**

Mon, 4 July 2022

@ NALC 2022

**Appendix 7.2.2. NATIONAL ASSOCIATION OF  
LOCAL COUNCILS SUMMARY REPORT AS  
AT 31 DECEMBER 2021**

	1	2	3	4	5
	2020/21	2021/22 Revised Budget	9 Months 2021/22 Actual YTD	2022/23	2023/24
	YE ACTUAL		Actual YTD	BUDGET	PLAN
	£	£	£	£	£
<b>Affiliations</b>					
Affiliation fees	1,092,938	1,132,700	855,120	<b>1,154,027</b>	<b>1,188,648</b>
<b>Trading Income</b>					
Publication & Media	48,945		53,548		
Less cost of sales	( 58,574)		( 53,261)		
CONTRIBUTION	<b>( 9,629)</b>	<b>( 7,500)</b>	<b>287</b>	<b>5,000</b>	<b>5,000</b>
Other projects	35,488		17,684	5,000	30,000
Less cost of sales	( 7,272)		( 18,362)		
CONTRIBUTION	<b>28,216</b>	<b>30,000</b>	<b>( 678)</b>	<b>5,000</b>	<b>30,000</b>
Events	82,986		82,577		
Less cost of sales	( 33,524)		( 44,292)		
CONTRIBUTION	49,462	30,000	38,285	30,000	30,000
<b>Other Income</b>					
Other Income	97,752	77,000	41,684	77,000	77,000
<b>TOTAL NET INCOME</b>	<b>1,258,739</b>	<b>1,262,200</b>	<b>934,698</b>	<b>1,271,027</b>	<b>1,330,648</b>
<b>Other Expenditure</b>					
Staffing Payroll	830,689	833,060	574,577	851,461	870,210
Additional staff costs	76,573	109,700	58,305	97,701	75,201
	<b>907,262</b>	<b>942,760</b>	<b>632,882</b>	<b>949,162</b>	<b>945,411</b>
<b>Administration Expenses</b>					
Accommodation/Rent & Utilities etc	133,719	145,500	117,994	155,500	163,500
Office running cost	90,464	111,250	69,173	111,500	116,500
Member Expenses	3,953	24,500	7,578	24,500	48,000
Promotions	6,765	20,000	4,831	20,000	20,000
Other expenses	8,305	10,000	9,785	10,000	10,000
Audit	5,793	6,000	3,968	6,000	6,000
	248,998	317,250	213,329	327,500	364,000
<b>TOTAL EXPENDITURE</b>	<b>1,156,260</b>	<b>1,260,010</b>	<b>846,212</b>	<b>1,276,662</b>	<b>1,309,411</b>
<b>SURPLUS/(DEFICIT)</b>	<b>102,479</b>	<b>2,190</b>	<b>88,486</b>	<b>( 5,635)</b>	<b>21,236</b>
Movements (To)/From reserves	( 85,000)		-	-	-
	17,479	2,190	88,486	( 5,635)	21,236

The previous report showed 6 months to 30 September. It had the original budget at column 2 with a revised budget at column 4 called "forecast". This created some misunderstanding so column 2 is now that budget as revised by committee last year with the original budget no longer shown. Column 4 is the budget for the next financial year as noted at AGM. Column 5, now shown as "plan", will form the basis for the next budget which will be put to AGM 2022. Movements on reserves were shown separately last time. These have now been included within the main figures to reduce the distortion by this exceptional expenditure.

See note 15- It is anticipated that the year end surplus will be around this level, providing other income is received as expected. This will be partly offset by the national pay award which is now agreed. At 6 months the YTD was shown as a surplus of £48k. This last quarter especially benefited from finalising corporate sponsors who were represented at the events during the quarter.

**NOTES TO BUDGET REPORT**

Affiliations- Affiliation rate to increase 1% in 22/23; 23/24 3%

Publications - publications include the LCR and income from the sale of Good councillor publications

Cost of Sales - includes a recharge of £32k each from staffing to Publications and Events as a notional reallocation of staff costs

Contribution- net surplus

Other project-various other activity incl Local award scheme, sustainable communities

Other income- largely from commercial sponsorship and support payment for supporting the work of other national bodies. E.g. SAAA; interest and ad-hoc income. If the Insurance commission agreement is resolved the variance to budget should be significantly reduced by year end.

Payroll- budget based on basic 2% pa .

Additional staff costs - This is largely for external support from contractors and other externally commissioned member services.

Accommodation/rates and utilities- includes repairs & maintenance , IT £43k (with £19k setoff against IT project Reserve) & insurances

Office costs- includes telecoms, distribution, irrecoverable vat Professional Indemnity Insurance

Member expenses -committee and representatives costs including Chair & vice chair allowances. Savings reflect meetings remaining online.

Promotions- external promotional activity

Other expense- Legal & professional services such as outsourced payroll and HR

Movement on reserves- Transfer for project costs on specific reserves. Reserves were created at the end of 20/21 in respect to IT upgrade and migration to 365 which are being drawn down as it progresses.

It is anticipated that the year end surplus will be around this level, providing other income is received as expected. This will be partly offset by the national pay award which is now agreed. At 6 months the YTD was shown as a surplus of £48k. This last quarter especially benefited from finalising corporate sponsors who were represented at the events during the quarter.