

CIPFA in the Midlands – AGM and Professional Development Event 2017**THURSDAY 9th MARCH 2017**

Grand Central Station, Birmingham

AGENDA

- 12.30pm – 1.30pm** **Arrival of guests and speakers which will include lunch and networking**
- 1.30pm** **Welcome by Regional President, Alison Jarrett**
- 1.35pm** **Address by CIPFA President, Brian Roberts**
- 2.05pm** **AGM**
- 1) Apologies
 - 2) To receive and approve the minutes of the previous meeting held on 3rd March 2016 at BDO Offices, Birmingham
 - 3) To receive the Regional President’s Annual Report for 2016 – Alison Jarrett
 - 4) To receive the Honorary Treasurer’s Annual Report
 - a) Treasurer’s Report
 - b) Approval of the accounts for Year Ending 31st December 2016
 - c) To note the outline budget for the year to 31st December 2017
 - 5) Election of CM Officers
 - a) To elect the following officers for the period 2017-2019
 - i) President – Kelly Watson
 - ii) Vice President – Tony Crawley
 - iii) Assistant Treasurer – Emma Cranidge
 - 6) Elected corporate CIPFA Members
 - a) To elect the following corporate CIPFA members for the period 2017-2019
 - i) Alison Breadon
 - ii) Gus Miah
 - iii) Theresa Channell
 - iv) Hayley Mason
 - v) Chris Blundell
 - b) To elect the following corporate CIPFA members for the period 2017-2018
 - i) Sean Pearce
 - ii) Paul Hector

7) To co-opt the following Members of Council for the period 2017-2018

- i) Events Co-Ordinator – Nick Harvey
- ii) Events team member – Melanie Brittain
- iii) Website Co-ordinator – Colin Sharpe
- iv) Honorary Auditor – Sharon Longson
- v) CATS chair – Vacant
- vi) December Club Chair – Vacant
- vii) Higher Education Expertise – Vacant
- viii) CSN Rep – Vacant

8) To note the appointment of Alan Edwards as the representative of CIPFA secretariat

9) Amendments to the Constitution (Andy Morley to confirm)

10) Introduction by Sue Summers, CEO Obillex

11) To receive the newly appointed President's address and approve the incoming President's Development Plan for 2017 – Kelly Watson

12) Presentation of Certificates to newly qualified members

13) AOB

2.45pm

Coffee Break

3.10pm

Learning to lead

Barry Hastie – Director of Finance and Corporate Services
Coventry City Council

3.25pm

My journey and the future professional

Martin Reeves – Chief Executive
Coventry City Council

3.40pm

Funding regeneration

James Dair – Head of Public Sector Finance
GVA Bilfinger

4.10pm

Future fit workforce

David Harris, Regional Manager (Midlands and East)
Gavin Chalmers, Team Leader – Strategic Risk, Practice, Risk Engineering UK
Zurich Municipal

4.30pm

Close of meeting and vote of thanks by Regional President, Kelly Watson



Sue Summers – Interim CEO, Obillex – 15 years finance industry experience

Formed Finance Birmingham in partnership with Birmingham City Council to kick start liquidity to local SMEs. The driving force behind Finance Birmingham's growth to £670 million funds under management. Sue has over fifteen years' experience of CEO posts in regulated businesses including The Exchange (Europe's largest trading exchange for financial intermediaries), Regional Stock Exchange and Finance Birmingham and Deputy Managing Director of a FTSE 250 Fin Tech business. A strong commercial focus and corporate experience has secured the support of both public and private sector initiatives.



Gavin Chalmers M.Sc., B.Sc. – Team Leader, Strategic Risk Practice, Zurich Municipal

Relevant Experience: Gavin Chalmers has over 20 years of risk management experience across both the private and public sector. A graduate Chemist, he started his career as an Environmental/Marine Chemist in the shipping industry, moving into a consultancy role in the construction industry. Developing his career at Zurich, Gavin worked for a number of years as a Senior Risk Consultant in the Operational Risk Management team before moving into the Strategic Risk Practice following successful completion of a M.Sc. in Risk Management.

Over the years, he has worked closely with Senior Leadership Teams, developing and implementing Enterprise Risk Management Solutions, Gavin is a highly motivated, energetic, innovative and technically astute individual who brings knowledge, experience and a drive for delivering clients expectations.

Gavin takes an active interest in his personal and professional development and is a trained facilitator and trainer.



David Harris B.Eng - Regional Manager (Midlands and East) Zurich Municipal

David started with Zurich 19 years ago, of which 11 years with Zurich Municipal. He began as an Engineering Surveyor and completed a Mechanical Engineering degree. Within this time, he has

been developed by Zurich through various training and development programmes. Now a Regional Manager, he currently looks after Public Services, including Local Authorities, Police and Fire.



Martin Reeves – Chief Executive, Coventry City Council

Martin has been Chief Executive of the Council since April 2009. He previously worked for Bedfordshire County Council for three and a half years as Assistant Chief Executive and Chief Executive.

Martin has also worked as Head of Performance Improvement at Westminster City Council in the heart of London. He was also Programme Director for WorkSmart, Westminster’s transformation programme.

Martin spent much of his early career as a lecturer and researcher, and has a PhD in applied economics.

He is a Governor on the Board at Coventry University and is the first Honorary President of LARIA (Local Authorities Research and Intelligence Association). He was the President of SOLACE (Society of Local Authority Chief Executives) in 2013 and now leads their Digital Leadership Network. In 2014 he was ranked at 32 in the Local Government Chronicle’s list of the 100 most influential people in local government.



Barry Hastie - Director of Finance and Corporate Services, Coventry City Council

Barry began his career at Coventry as a graduate financial management trainee in 1997. Since then, he has held various finance posts throughout his time at Coventry including Internal Auditor, Schools Finance Manager, Children’s Services Finance Manager, Head of Financial Management and Assistant Director of Finance. Barry was recently appointed as the Council’s S151 officer in his new role Director of Finance and Corporate Services where he has responsibility for finance, legal services, revenues and benefits, democratic and governance services and insurance and risk management.

CIPFA in the MIDLANDS

MINUTES OF ANNUAL GENERAL MEETING HELD MARCH 3, 2016

- 1. Apologies for absence** 9 apologies were received. Alison Jarrett was unable to attend, so the meeting was chaired by Kelly Watson, CIPFA in the MIDLANDS Vice-President.

- 2. Minutes of the 2015 AGM** The minutes of the 2015 AGM were approved.
Proposed: Paul Hector ; Seconded: Nick Harvey

- 3. Regional President's Report** In the absence of the President, Kelly Watson set out the achievements of the last year, and outlined the strategy and plans for the 2016 year. This was noted.

- 4. Regional Treasurer's Report** The annual accounts were presented for approval by the Honorary Treasurer, Andy Morley.
Proposed: Sanjay Sharma ; Seconded: Tony Crawley
The budget for the year to December 2016 was noted.

- 5. Election and appointment of officers and members**
 - a) Election of officers** The following officers were elected for the period of 2 years, until March 2018:
Honorary Treasurer: Owen Campbell
Assistant Treasurer: Vacant
Honorary Secretary: Andy Morley
Assistant Secretary: Victoria Hundleby
Proposed: Paul Hector ; Seconded: Nick Harvey

 - b) Election of Regional Council members** The following members of the Regional Council were elected for the period of 2 years, until March 2018:
Lisa Commane
Martin Reohorn
Tony Crawley
Joe Reeves
Proposed: Owen Campbell; Seconded: Paul Hector

 - c). Appointments to Regional Council** The following appointments to the Regional Council were noted for the period of 1 year to March 2017:
Representative of CIPFA secretariat: Alan Edwards

- d). Co-options to Regional Council**
- The following co-options to the Regional Council were approved for the period of 1 year, to March 2017:
- | | |
|---|------------------|
| December Club chair: | Ken Rose |
| CIPFA Student Network Rep & Link officer: | Emma Cannell |
| Higher Education expertise: | Andy Stephen |
| Events team member: | Melanie Brittain |
| CATS Chair: | Robert Milford |
| Website co-ordinator: | Colin Sharpe |
- Proposed: Owen Campbell; Seconded Nick Harvey:
- e). Appointment of Honorary Auditor**
- David Ashley has resigned from the position of Honorary Auditor, and no new appointment was made
- 6. Presentation of Certificates**
- Certificates were presented to the newly qualified members present at the AGM
- 7. Any other business**
- There was no other business, and the AGM closed at 3.15pm

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016 £	2016 £	2015 £	2015 £
Incoming Resources				
<i>Incoming resources from charitable activities</i>				
Advancing public finance and promoting best practice	3,225.00			
Educating and training students			500.00	
Regulating & Supporting members				500.00
	-----	3,225.00	-----	
<i>Incoming resources from generated funds</i>				
Donations				
Investment Income	21.24		19.64	
	-----		-----	
		21.24		19.64
<i>Other incoming resources:</i>				
Subvention		9,833.00		9,686.00
Total Incoming Resources		<u>13,079.24</u>		<u>10,205.64</u>
Resources Expended				
<i>Charitable activities:</i>				
Advancing public finance and promoting best practice	4,704.75		4,368.26	
Educating and training students	2,741.10		4,883.46	
Regulating and supporting members			1,846.66	
	-----		-----	
		7,445.85		11,098.38
<i>Governance</i>				
Regional Council and audit		904.26		439.78
		-----		-----
Total Resources Expended		8,350.11		11,538.16
		-----		-----
Net Incoming/(Outgoing) Resources		4,729.13		-1,332.52
		-----		-----
<i>Gains / (Losses) on investment assets</i>				
Net Movement in Funds				
Fund Balances Brought Forward at 1 January		38,290.41		39,622.93
Fund Balances Carried Forward at 31 December		43,019.54		38,290.41

BALANCE SHEET
AS AT 31 DECEMBER 2016

Note		2016 £	2016 £	2015 £	2015 £
	Fixed Assets				
4	Investments		0.00		0.00
	Current Assets				
	Stocks	0.00		0.00	
5	Debtors and Prepayments	2,842.73			
6	Investments				
	Cash at Bank and in Hand	41,276.81		39,490.41	
		-----		-----	
		44,119.54		39,490.41	
	Current Liabilities				
7	Creditors: Amounts falling due within one year	1,100.00		1,200.00	
		-----		-----	
	Net Current Assets		43,019.54		38,290.41
			-----		-----
	NET ASSETS		43,019.54		38,290.41
			-----		-----
	Represented by:-				
	Capital Funds				
	Restricted Funds:				
8	Trust Funds		0.00		0.00
	Income Funds:				
9	Designated Funds		0.00		0.00
10	Other Charitable Funds		43,019.54		38,290.41
			-----		-----
			43,019.54		38,290.41
			-----		-----

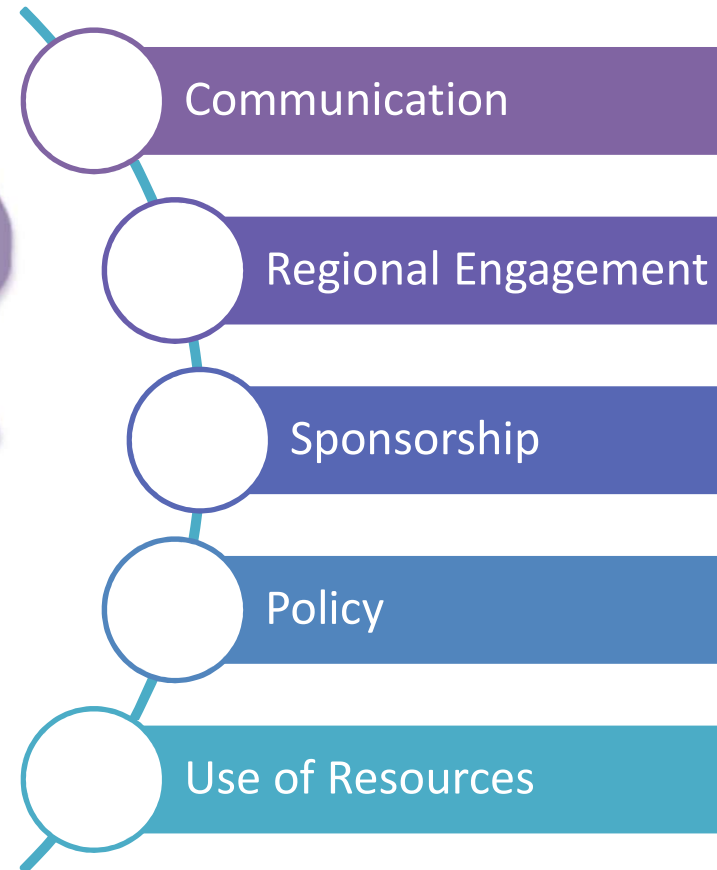
CIPFA in the Midlands

Business plan and future objectives

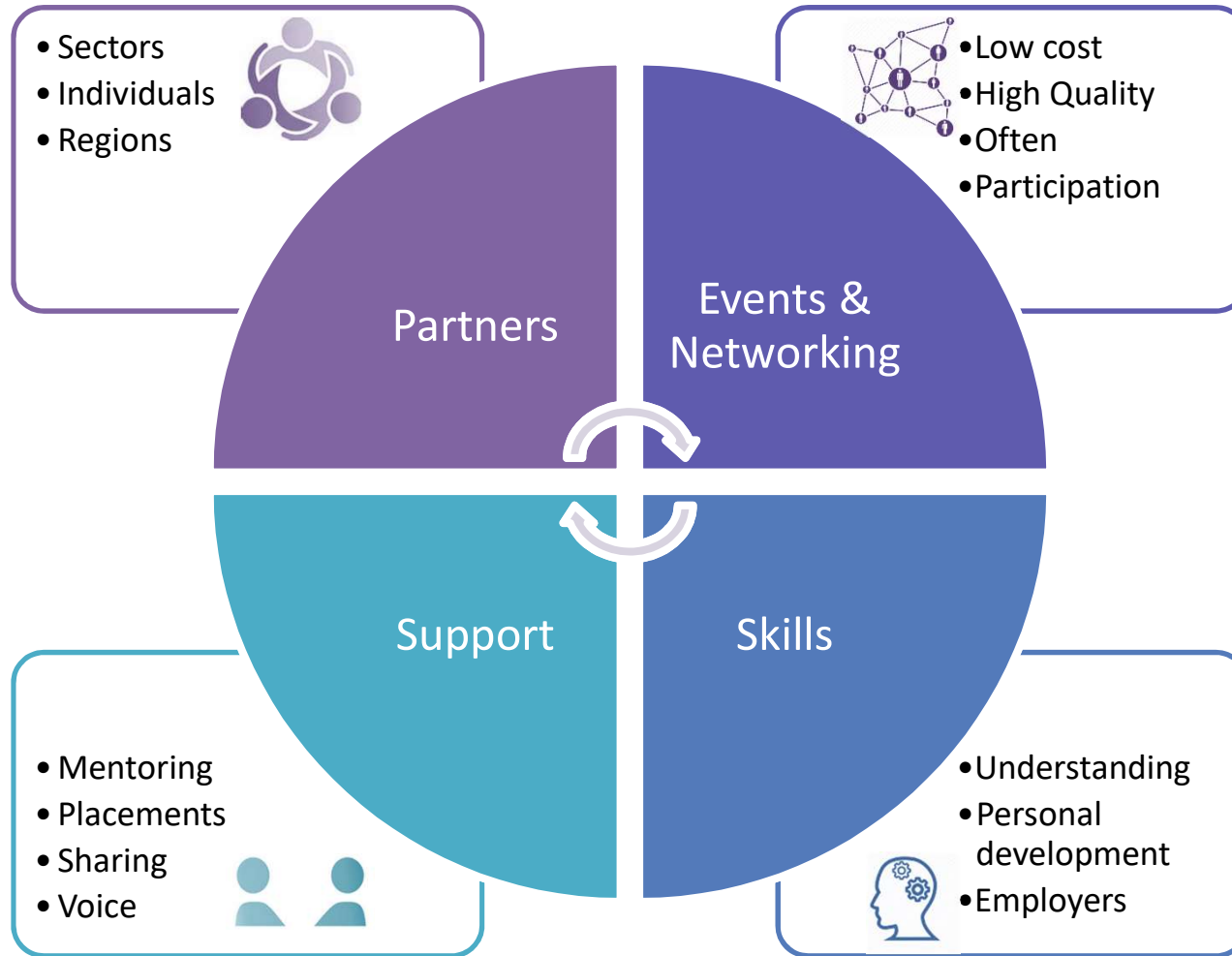
A word cloud of various terms related to CIPFA's business plan and future objectives in the Midlands. The words are arranged in a roughly rectangular shape and vary in size and color. The most prominent words are 'Development', 'Leadership', 'Training', 'Future', 'Engagement', 'Trusted', 'Collaborate', 'Partner', 'Skills', 'Deliver', 'Drive', 'Promote', 'Member', 'Student', 'Think', 'Change', 'Support', 'Voice', 'Team', 'Volunteer', 'Professional', 'Region', 'Champion', and 'Member'.

Professional
Region
Think
Collaborate
Partner
Development
Team
Skills
Volunteer
Deliver
Leadership
Change
Support
Voice
Training
Future
Drive
Promote
Member
Student
Trusted
Engagement
Champion

Development plan framework



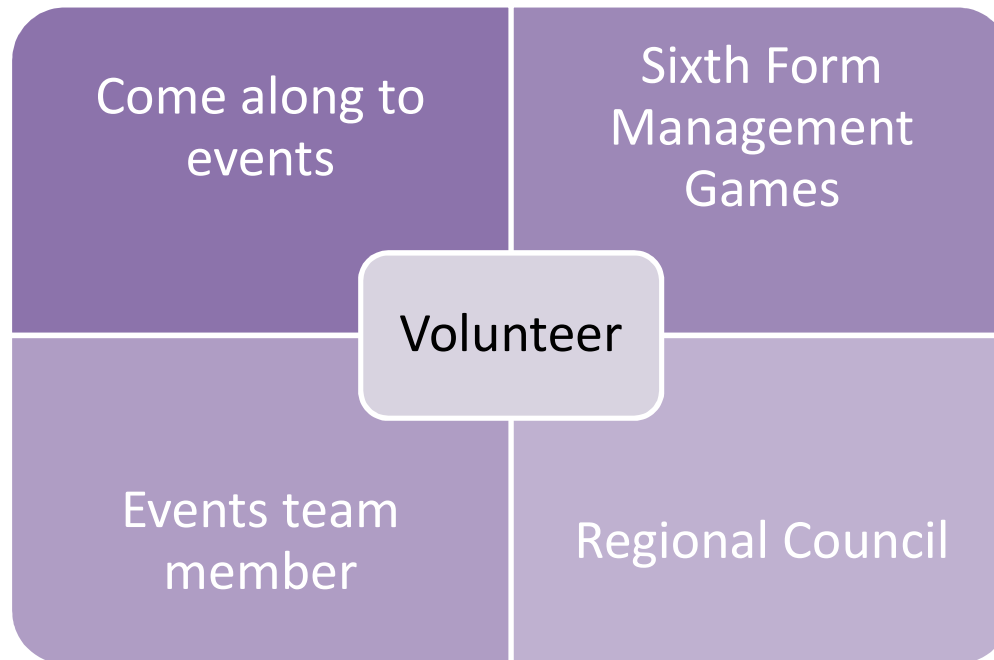
Themes



Next steps



How to get involved



Get in touch:

CIPFA in the Midlands regional council
cim@cipfa.org

Sixth Form Management Games
6thforms@cipfa.org

Thank You!
😊



Barry Hastie Director of Finance and Corporate Services





ARNING

ISLON

LIBRARY

When The Other Shoe Drops
Between Yesterday & Tomorrow
Anything But Silent
Heritage Cookbook
VIOLETS ARE BLUE
A Study in Matter of Time

Life

ENGLISH BASICS
Life
Lost Knowledge
MILLENIUM
BANGLADESH
LA SCALADORO
POWERBY
LOST KNOWLEDGE

working together for a bolder city

The logo features three large, stylized lowercase letters: 'a' in pink, 'b' in blue, and 'c' in green. Each letter has a white outline and a drop shadow effect, giving them a 3D appearance. The letters are arranged horizontally and are the central focus of the logo.

a better council

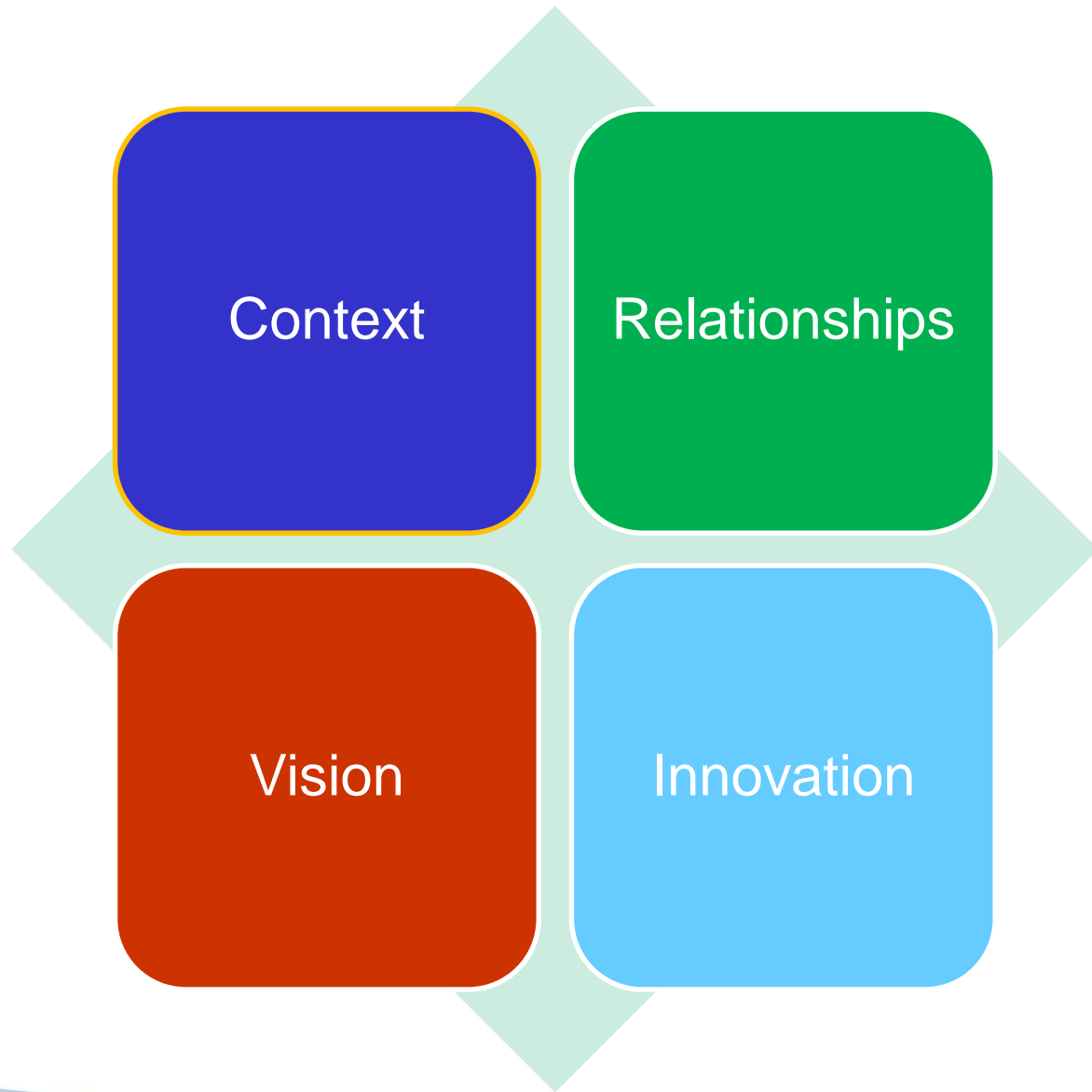


RICOH

WEST

WASPS

DORSET



SONY



WALKMAN PROFESSIONAL
DOLBY B-C NR

TAPE

NORM I

CrO₂ II

METAL IV

DOLBY NR I

C-TYPE

B-TYPE

OFF

+6

+3

0

-3

-6

-10

+4VU

PEAK

BATT OFF

STEREO CASSETTE-CORDER WM-DEC

AMORPHOUS HEAD
CAPSTAN SERVO

HEADPHONE VOLUME

0 5 10

PLAY

REVIEW

Funding Regeneration

James Dair, Head of Public Sector Finance,
GVA

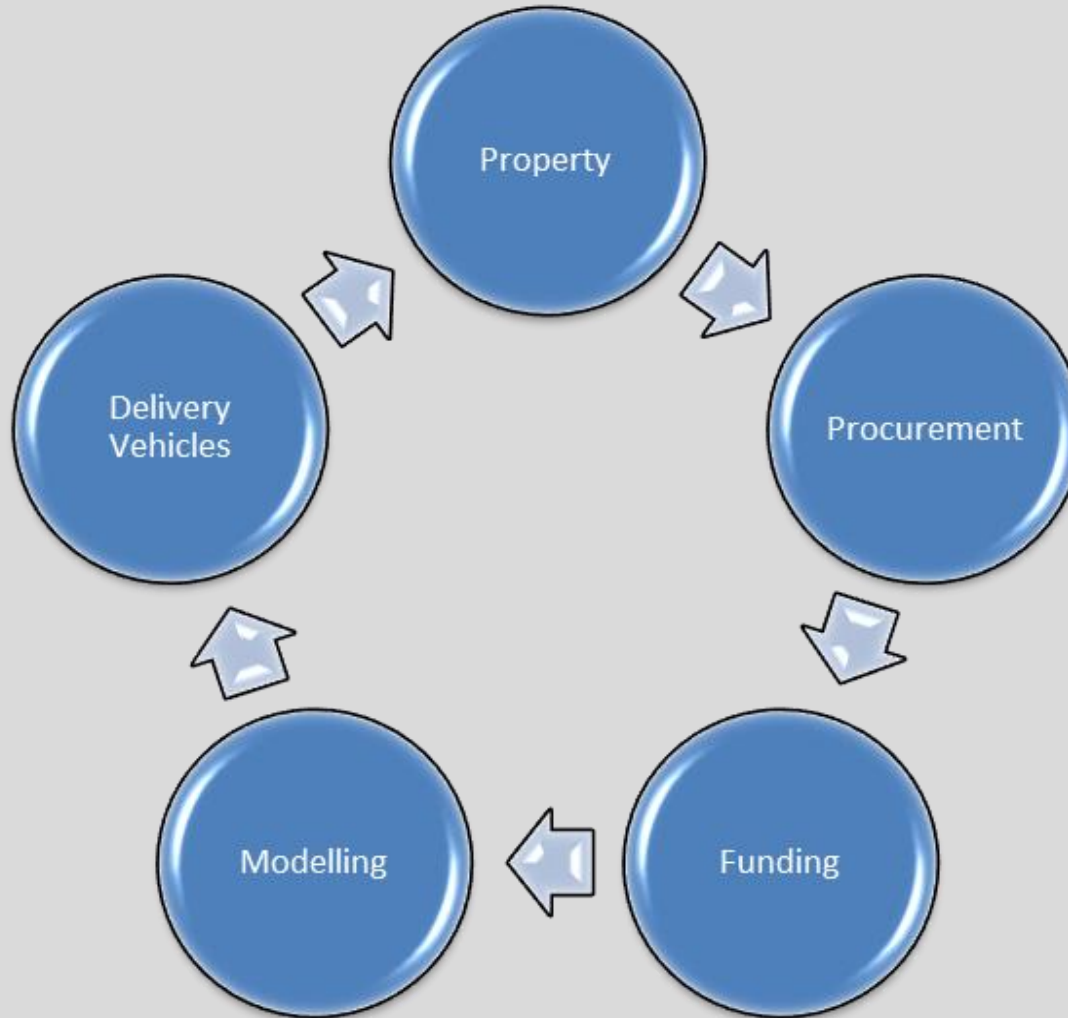
Thursday 9th March 2017



The role of a CIPFA Accountant in supporting regeneration projects

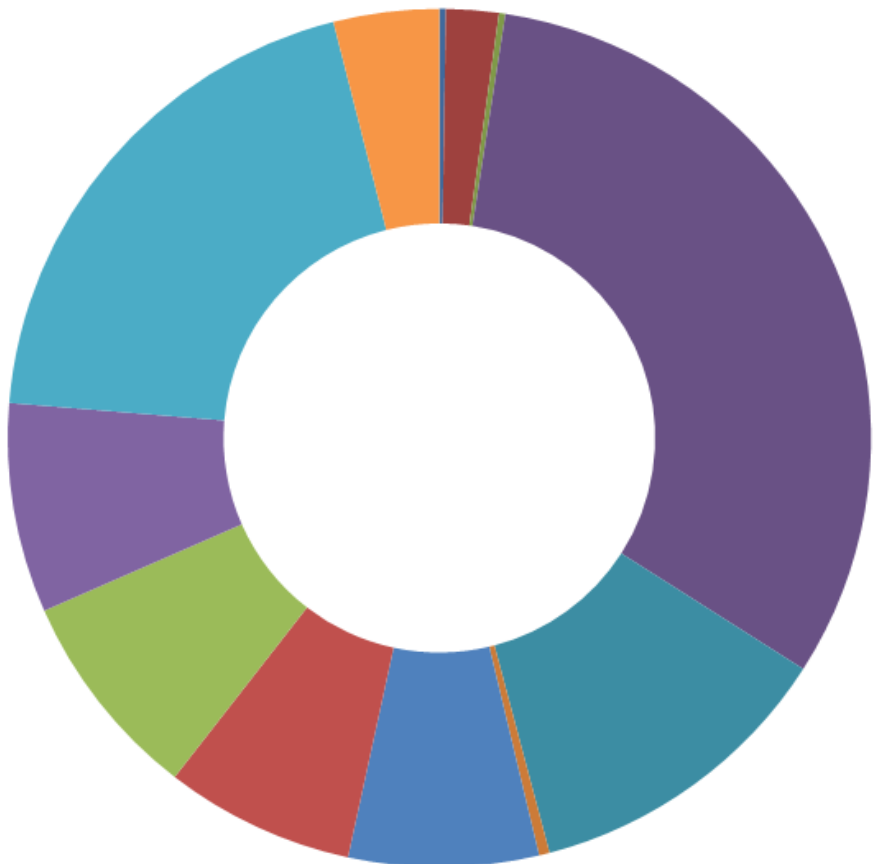
- Delivery more complex than ever before
- Traditional models fail to deliver key objectives and manage risk appropriately
- Multi-disciplinary skill set required
- Local Authorities are looking to housing delivery and regeneration projects as a means of solving the revenue gap challenges
- The Localism Act enabled Local Authorities to think differently about delivery
- Very rewarding when you get it right....

Skills Required



Looking at wider value creation to support projects

Potential Net Additional "Value Capture" (Site Wide)



- Positive impact on HS2 Hybrid Bill cost plan
- SDLT
- Corporation Tax
- Business Rates Above baseline
- Recyclable Council Tax
- New homes Bonus
- CIL
- S106
- Surplus / Profit from JV Delivery Route
- Ground rent
- Retail Rents / turnover
- Capital - Freehold /Leasehold disposals

Case Study 1



Vision

Create a world class premium shopping and dining destination above a major transport hub.

More than 60 shops, 20 restaurants and one of the largest John Lewis department stores in the UK.



Clintons



JACQUES VERT



JO MALONE
LONDON

FATFACE
UNITED KINGDOM



JONES
BOOTMAKER

TAPASREVOLUTION

TORTILLA
Real California Burritos & Tacos



vodafone

HOBBS
LONDON

Monsoon



PANDORA
UNFORGETTABLE MOMENTS

TIGER

MAC



Caffè Concerto



L'OCCITANE
EN PROVENCE

Cath Kidston®
EST. LONDON 1993

Kiehl's
SINCE 1851

crêpeaffaire

Carluccio's

T. H. BAKER
Family Jewellers
Est. 1888

PYLONES
créateur d'objets à Paris

love
aroma
discover home fragrance

COSTA

SQUARE PIE
CREAMY BQ SPINACH & HAMMEL



STEEL & JELLY

T.M. Lewin



THE WHITE COMPANY
LONDON

Fizzenti



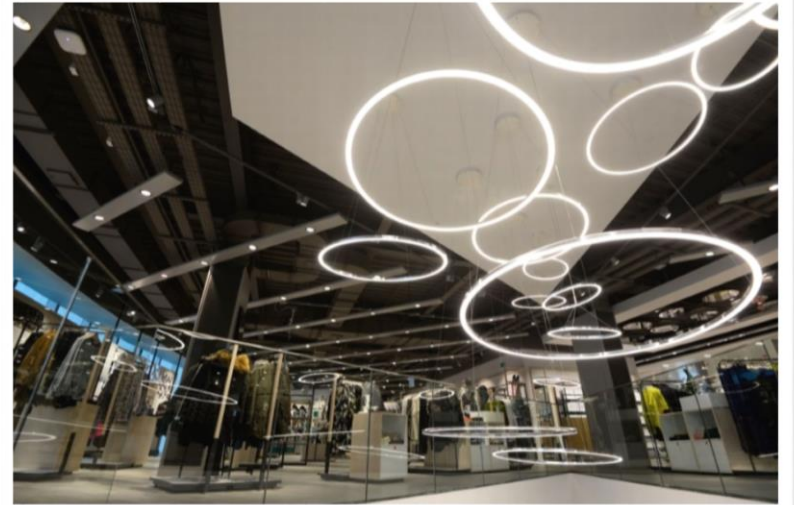
giraffe

Sonique

select®

Papurchase

John Lewis



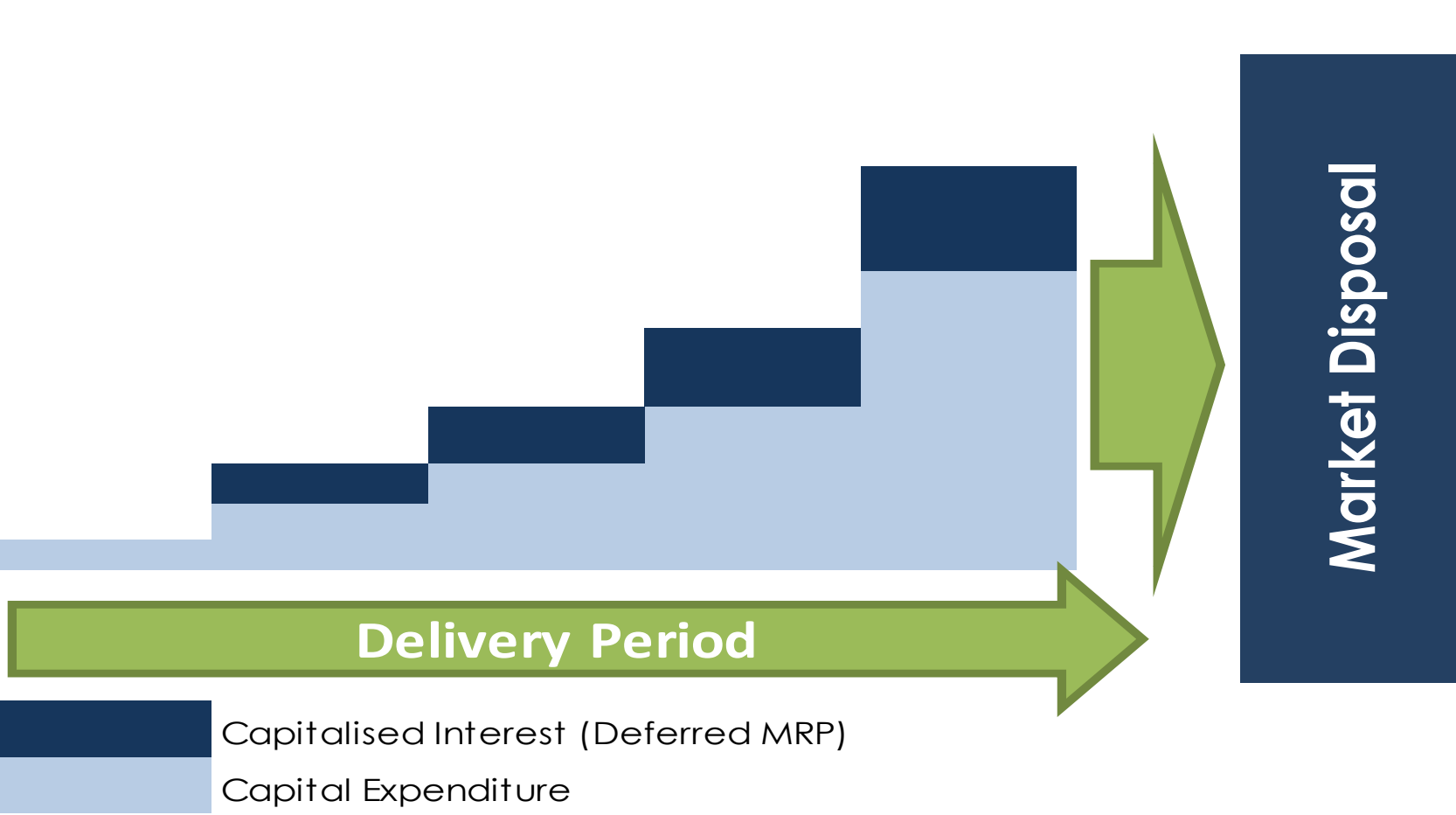
Anchored by a full-line
250,000 sq. ft. John Lewis
department store

Many concepts new to
Birmingham store e.g.
Community Hub, Spa,
Apple store

First regional city to have all 5 major department stores (6 if you count Primark).



Funding & Finance Structure



Vision into reality

- Grand vision for Birmingham
- Integrated transport hub, premium shopping & dining destination
- Catalyst for regeneration
- Successful commercial environment

GRAND CENTRAL

Paradise

GVA
An **APLEONA** company

St Philip's
Cathedral

Council
House

Victoria
Square

Town Hall

Bullring

 New Street Station

Mailbox



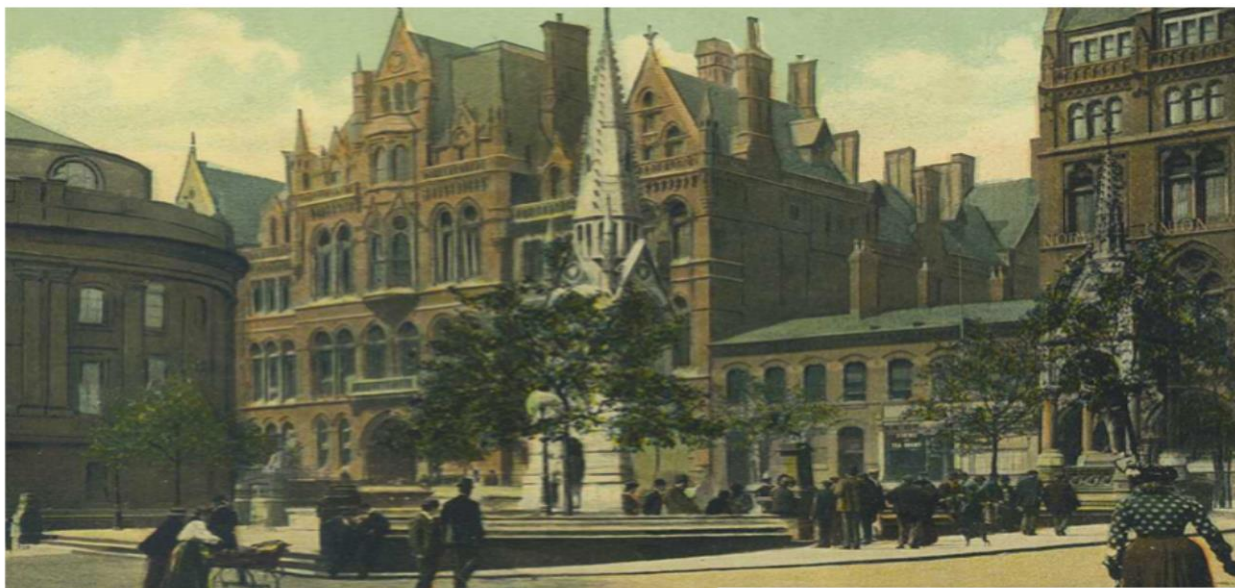
Paradise

Birmingham
Museum & Art Gallery

Library of
Birmingham

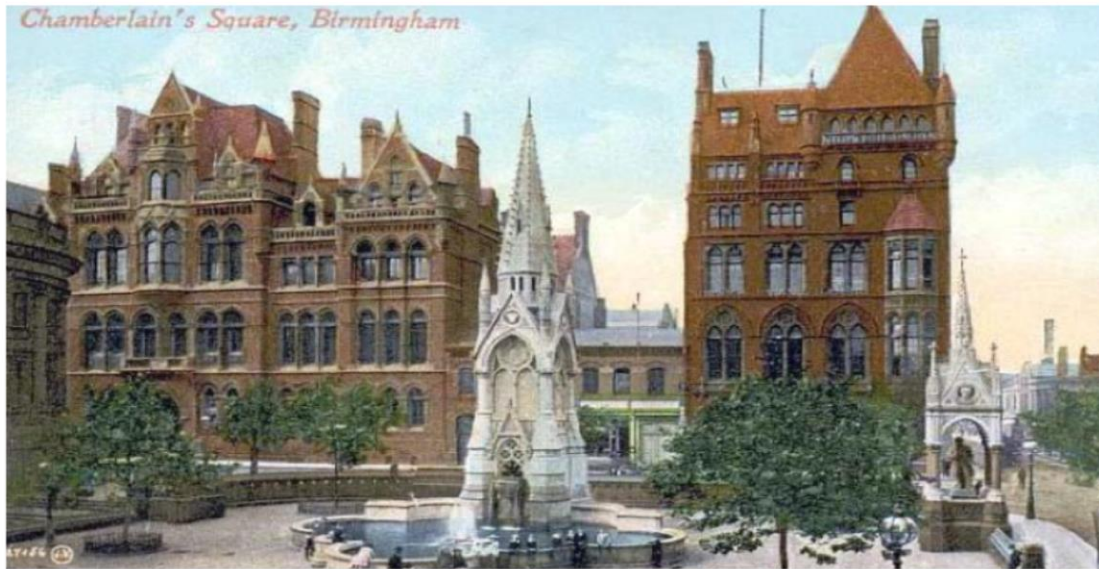
Centenary
Square





CHAMBERLAIN SQUARE. BIRMINGHAM.

Chamberlain's Square, Birmingham





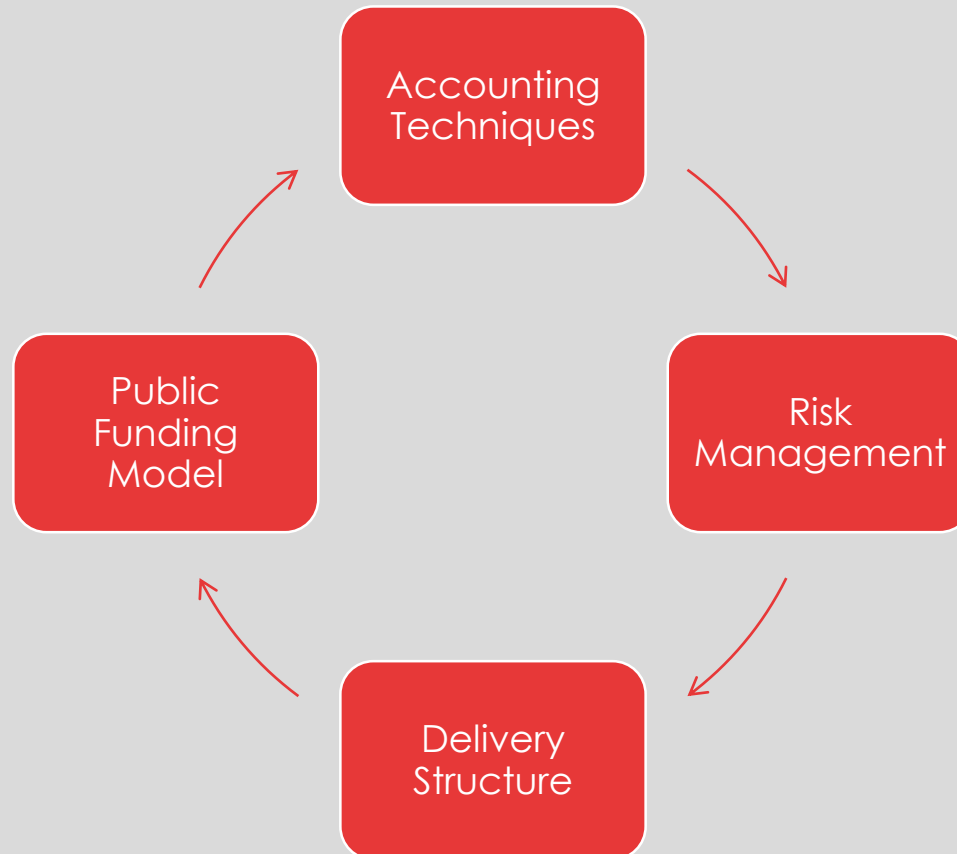




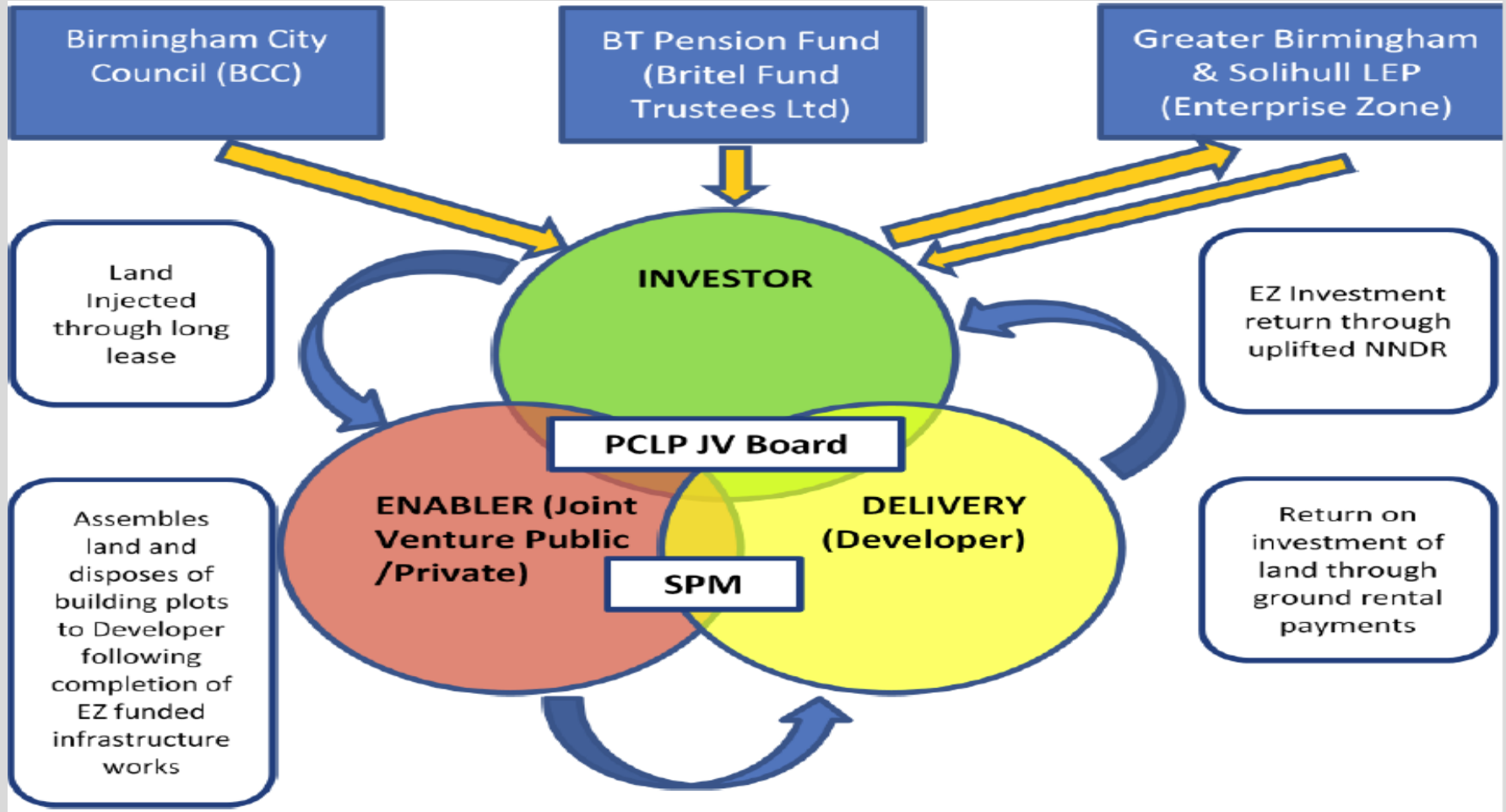
The Challenge / Opportunity

- Need for a creative delivery structure to encourage and enable economic investment.
- How can we utilise property taxes to unlock development
- How do we ensure risk is managed by the people best placed to manage it
- Lack of existing models available to aid thinking
- How do we get the best results from scarce Council resources
- How does the Local Authority manage early project deficits
- Need to create a structure that addresses, set up costs, preparation works, borrowing and lost property income

The Building Blocks of Financial Innovation



Delivery Structure Solution - Innovation



Public Funding Model

- The Council invests land in the form of a long lease for the duration of the development and in return receives a geared ground rent following joint venture competition.
- LEP invests capital to fund infrastructure and in return receives £180m net business rates uplift
- Joint Venture partner invests capital and receives development profit and a proportion of ground rent at a level that is commercially acceptable

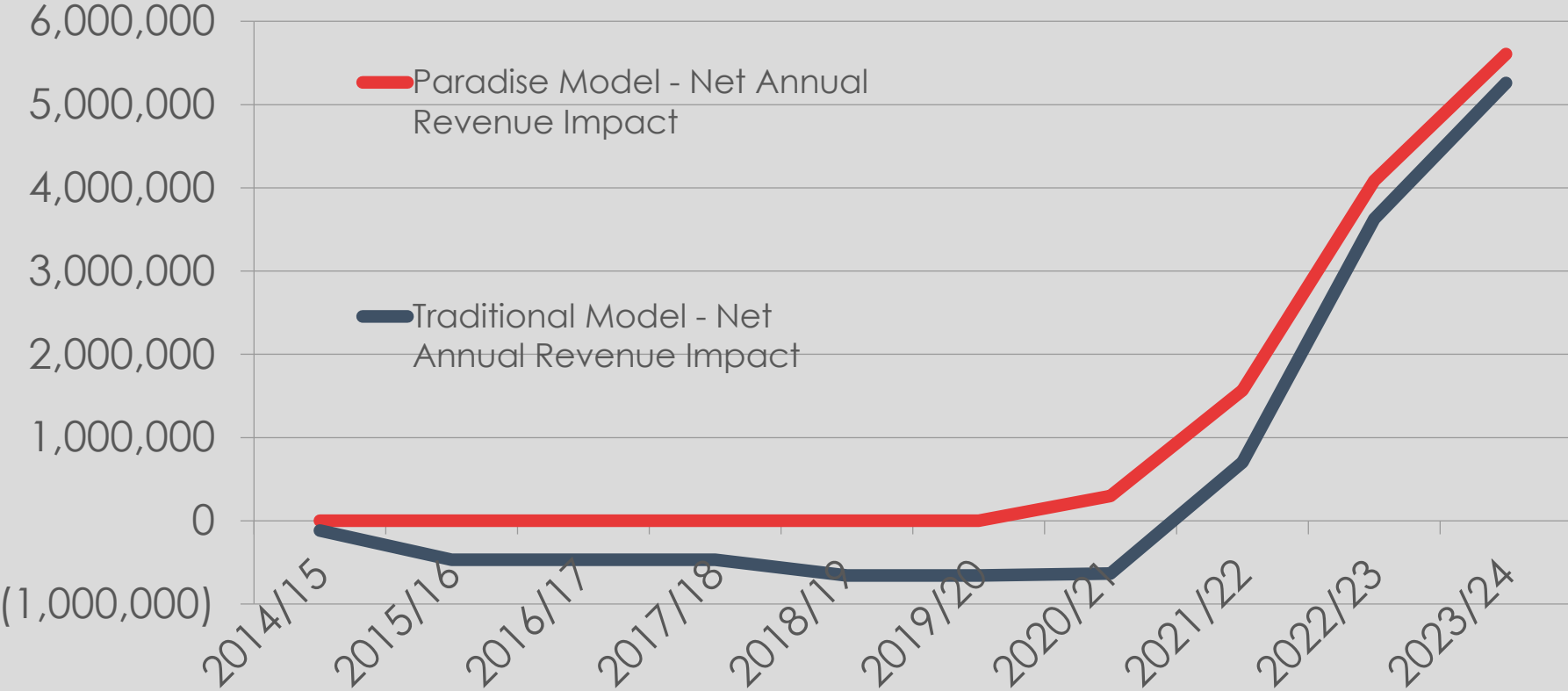
Accounting Techniques

- Capitalisation of interest costs during construction phase
- Maximising capitalisation of preparatory and administrative costs
- Recovery of up front costs
- Treatment of business rates income in Enterprise Zone – Leverage borrowing to support LEP investment through Market Economy Investor Principle (MEIP)
- Minimum revenue provision (MRP) profiling - aligning costs and economic benefit

Risk Management

- The structure manages the risk of revenue exposure associated with Local Authority borrowing (see illustration)
- Provides a mechanism whereby early development costs can be recovered
- Development risk remains with the developer
- Partners are incentivised to manage risk equally through the joint venture
- Partners broad objectives are aligned - avoids perverse decision making
- Local Authority is insulated from development delays
- Lost property rental income is recovered through the joint venture
- Joint venture working capital is provided by the pension fund
- No requirement for guarantees from the Local Authority

Enterprise Zone Financial Model/Risk Mitigation



Benefits/Wider Application

Key Financial Outcomes

- Net business rates growth of £180m
- Long term income stream for the Council
- Net jobs growth
- Leverage major international investment in the City
- Addresses and mitigates financial liabilities for the Council

Wider Application

- Structure and funding solution can be used to unlock development across the UK
- Provides a credible way of utilising the opportunity on the back of business rates reform



Thank you

For further enquiries please contact:

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