



Minutes of the Executive Committee

6th January 2023

Venue: Virtual (Public) Meeting

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

SDCT Members in Attendance: Alison Scott (President), Adrian Rowbotham (Vice President), Angela George (Secretary), Clare Fletcher (Treasurer), Homira Javadi, Sian Moore, David Stanley, Terry Collier, Jon Illingworth, Carolin Martlew, Richard Baker, Simon Freeman, Peter Catchpole.

Also: Patrick Flack (DLUHC – for item 3), Nicola Morton (LGA), Andrew Chappell (PSAA), Mike Newbury (NAO), Sophia Brown (GT), Iain Murray (CIPFA)

1. **SDCT Executive Apologies:** Richard Gibson, Emma Foy, Christine Marshall, Clive Mason, Richard Bates

Goodbye: Sian Moore, Richard Bates (Unitary authorities from 1st April 2023) and David Heyes. The Executive expressed their thanks for the input into the work of the SDCT and wished them best wishes for the future.

2. **Minutes of previous meetings:**

The minutes of the previous meeting of 9th December 2022 were agreed. Matters arising, or outstanding issues are considered further on the agenda.

3. **Financial Settlement and Issues: Update**

Patrick Flack (DLUHC) and Nicola Morton (LGA) gave updates from their organisation's perspectives on the Financial Settlement.

Following discussion and questions on several points Alison advised that she would prepare a response to the Settlement and circulate it around the Executive for comments prior to submission by the closing date of 16th January. Nicola advised the LGA were preparing their own response.

Action – Alison to prepare draft SDCT response.

4. **Audit Issues**

PSAA – Andrew Chappell reported that:

- that 56 (12%) of opted in bodies had been given opinions by the publishing date of 30 November 2022. Although this was higher than last year's 9%, the publishing date had been put back by two months from September of the previous year.
- He hoped that now a short-term solution to the infrastructure assets is in place, there will be some improvement, but this impacts on a limited number of district councils.
- This meant that overall, there were 630 outstanding opinions.
- The Chairman of PSAA has commented that '*The local audit system desperately needs to find a way of clearing the backlog and restoring the norm of timely opinions as quickly as possible*'.

- PSAA are pressing the different stakeholders to take the actions that they can to move things on.
- The auditor appointment process that was detailed at the previous meeting was now complete. It was quite a jigsaw puzzle, but PSAA were disappointed that in a handful of cases they had to make very late changes to deal with the consequences of enforced changes elsewhere in the picture.

Mike Newbury (NAO) updated the meeting on issues from the NAO perspective and said PAC remained very interested in audit timeliness issues. He advised NAO would do what they could to assist but the issues were not going to be easy to resolve.

Action – Alison to draft a letter to PSAA setting out our serious concerns.

5. Consultations:

Infrastructure Assets - a 2-year statutory override is now in place which will enable audits being delayed for only this reason to be completed. However it was noted that in the longer term this would remain an issue.

MRP Consultation - No further progress.

6. Sponsor and Advisor updates:

- **CIPFA (Iain Murray, Director of Public Financial Management)**

Iain introduced himself to the Executive and gave updates on:

- o Financial Resilience Index <https://www.cipfa.org/services/financial-resilience-index>
- o LAAP 99 (Reserves) – this would be refreshed and published shortly.
- o Guidance Notes for practitioners – due soon
- o Events for the CFO community over the next 12 months - being planned

- **Grant Thornton (Sophia Brown)**

Sofia updated the meeting on GT's focus on closing down open audits where infrastructure is the only outstanding item. With some audit procedures required and audited bodies needing to update their financial statements per the Statutory Instrument, Code update and CIPFA Bulletin, and to send re-signed annual governance statements.

She also shared a link to GT's latest publication -

<https://www.grantthornton.co.uk/insights/local-government-procurement-and-contract-management-lessons-learned/>

- **Nicola Morton (LGA)**

Nicola updated the meeting on the Energy Bill support scheme.

7. Any Other Business

- Timetable of meetings 2023 – agreed.
- Flyer and Agenda for SDCT event 16th and 17th March. Andrew Chappell, Iain Murray and Nicola Morton agreed to contribute to the event

Action – Angela to progress

8. DONM - 16th and 17th March 2023 – Warwick University

9. Private Executive Business: Issues discussed:

- Peter updated the Executive on his discussions with CIPFA re. the role of the CFO. He felt that despite all of the significant current issues CFOs are dealing with the SDCT should focus on the positives of the role as it was still an attractive career.
- Clare updated the meeting that quite a number of Districts were not paying their SDCT fees, and she would pursue this. Also, there were 17 Districts being lost to Unitary authorities from 1st April 2023, so it was a diminishing pot.

Action – Clare

- SDCT Executive Membership / Roles and Advisors
The role of the 2nd VP was being discussed shortly with Alison and Adrian
Action – Angela to update Advisor areas once 2nd VP was filled.
- It was agreed to formally reduce the number of Executive Members from 26 to 21 following the most recent reduction of Districts to 164 following the transfer of North Yorkshire, Cumbria and Somerset to Unitary status with the loss of 17 Districts. There are 21 County areas remaining.
- **Action – Angela to update the website and constitution.**
- A Flyer has been prepared and will be distributed for the SDCT 2-day event in March 2023. The draft programme was discussed. It was agreed the dinner would be informal.
Action – Angela / Clare to progress.
Action – Angela to contact Past Presidents