

Note of last IDeA Company Board meeting

Title:	IDeA Company Board
Date:	Wednesday 10 June 2015
Venue:	Smith Square 1&2, Ground Floor, Local Government House, Smith Square, London, SW1P 3HZ

Attendance

An attendance list is attached as **Appendix A** to this note

Item	Decisions and actions	Action
1	IDeA Financial Statements for the Year to 31 March 2015 <p>The Executive Director introduced the report, which presented the IDeA's audited accounts for 2014/15. It was noted that the Audit Committee had recommended the accounts for adoption following their meeting on 2 June 2015.</p> <p>One member highlighted that the pension fund deficit had doubled, and no action had been taken with Layden House to address the shortfall. The external auditor commented that for the purposes of the financial statements, the going concern guidance was that liabilities could be met for one year from the period of signing the financial statements. Forecasts for the forthcoming 12 months had been analysed and liabilities could be met. Longer term measures to manage the deficit had also been considered, and there was sufficient information to satisfy concerns.</p> <p>Currently interest rates were low, but were projected to return to a higher level and reduce the deficit. The valuation of Layden House would help meet the projected deficit, and also would rise in valuation as an asset as it would have nearby access to Crossrail. Further conversations with Camden on the implications of transferring Layden House to IDeA would need to take place, and legal advice was being sought on the nature of the transfer.</p> <p>The Chief Executive highlighted that paragraph 4.5 of the external auditor's report considered 'going concern', and that the external auditor and the senior management team were satisfied that current mitigation was in place. Current projections were that RSG would not reduce in 2015/16, and present assumption was that for 16/17 the reduction would be in line with the reduction faced by councils. As the LGA had restructured this year, and also had reduced overheads, there was flexibility to mitigate any reduction in line with that seen by councils.</p> <p>The Board requested that existing briefing notes on the status of Layden House should be updated and circulated so that members were fully briefed.</p>	

Decision:

- The Board **agreed** that statutory audited accounts for the IDeA for the year to March 2015.

Action:

- That existing briefing notes on the status of Layden House be updated and circulated to the Board for information.

2 Full Year Performance Report 2014-15

The Executive Director introduced the report, which presented performance for the 4th quarter of 2014/15.

The Head of Improvement highlighted that the performance report was for the whole LGA, and that it had been a very successful year. The second highest number of peer challenges had been delivered, the National Graduate Development Programme continued to increase, and political leadership programmes had been re-launched with approximately 600 councillors having attended. New programmes were coming forward for 2015/16 and further updates on these would be provided in due course.

Decision:

- The Board **noted** the performance report for 2014/15.

3 IDeA Banking Arrangements - Automated Treasury Management Processes

The Head of Finance and Accounting introduced the report which set out the background to the necessary resolution required to allow Barclays to automate the transfer of balances into a single Treasury Management account to enable pooled funds to be invested more efficiently.

Members noted that the LGA had changed supplier to Barclays from March 2015. The new automated process would sweep balances in one go, which would in effect automate what was currently done manually.

Decision:

- The Board **approved** the new cash management process with Barclays Bank.

4 RSG Memorandum of Understanding

The Head of Improvement introduced the report which updated the Board on the progress with a Memorandum of Understanding (MoU) between DCLG and the LGA / IDeA on the RSG allocation for 2015/16.

Members noted that the RSG grant has been confirmed as part of the

Local Government Finance settlement. The MoU was much more detailed than in previous years, and was clearer on what the RSG could and could not be used for. Reporting requirements were set out which would formalise the current reporting arrangements, and work was already underway to ensure full compliance. Additional resources had been set out for councils in need of particular assistance or in special measures, such as support for the new intake of councillors at Rotherham Metropolitan Borough Council.

In response to a question, it was confirmed that the MoU would be subject to review in September 2015.

Discussions with Ministers on future grant had already started to take place and were positive so far.

Decision:

- The Board **noted** the latest draft of the MoU and delegated to the Chief Executive, in consultation with the Chair of the IDeA Board, authority to approve the final version.
- The Board **noted** that the main change in the business case that was submitted in 2014 was for additional activity to be carried out on digital issues, support to councils in or at risk of intervention.

5 Notes of Previous IDeA Company Board Meeting

The notes of the previous meeting were **agreed** as a correct record of the meeting on 4 March 2015.

Appendix A -Attendance

Position/Role	Company Director	Authority / Organisation
Chairman	Cllr Peter Fleming	Sevenoaks District Council
Members	Cllr David Sparks OBE	Dudley Metropolitan Borough Council
	Cllr Jim McMahon OBE	Oldham Metropolitan Borough Council
	Cllr Gary Porter	South Holland District Council
	Cllr Gerald Vernon-Jackson	Portsmouth City Council
	Mr Richard Priestman	Local Government Improvement and Development
	Mr Philip Sellwood	Energy Saving Trust (EST)
Apologies	Cllr Marianne Overton MBE	Lincolnshire County Council

In Attendance

LGA Officers

Carolyn Downs
 Stephen Hughes
 Dennis Skinner
 Paul Brack
 Paul Goodchild

Alastair Duke (Partner)
 PKF Littlejohn (external auditor)