

Note of last Resources Board meeting

Title: Resources Board
Date: Wednesday 2 March 2022
Venue: Beecham Room, 7th Floor, 18 Smith Square, London, SW1P 3HZ

Attendance

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

Item	Decisions and actions	Action
1	Declarations of Interest The Chair welcomed and introduced members to the Resources Board meeting. No declarations of interest were made.	
2	Local Government Finance Update The Chair invited Nicola Morton, Head of Local Government Finance, to present the report which provided a summary of the work by the LGA on funding and finance issues since the previous meeting. Since the circulation of the agenda, the government had published an Online Sales Tax consultation which officers were working on providing a response. Members discussed the report and asked questions of clarification. In response to concerns raised over the practicalities of billing authorities delivering Council Tax Energy Rebate for 2022/23, Members were advised that the LGA had been liaising with the government on the issues raised. Members requested the link to the guidance and funding allocations, published on 23 February 2022, be circulated to them. It was agreed that discussions relating to pensions would take place in the private session of the Board meeting, following item 5.	
	Actions: <ul style="list-style-type: none">• Officers to circulate the guidance and allocations for council tax billing authorities on the £150 Council Tax Energy Rebate, and allocation for the £144 million discretionary fund to Board Members• Officers to circulate the report from WPI Economics assessing certain options for local government finance reform to Board Members	
	Decision:	

The Members **noted** the report

3 Update on Local Audit

The Chair invited Bevis Ingram, Senior Adviser, to present the report which provided an update on local audit and outlined major reviews and other activity that had been undertaken in the previous three years.

Members discussed the report and expressed concerns over considerations to make the independent member a statutory requirement. Councils had previously found securing an independent member for their audit committees difficult.

In response, Bevis Ingram advised that the Chartered Institute of Public Finance and Accountancy (CIPFA) had committed to publishing guidance on audit committees in April 2022.

Decision:

The Members **noted** the report.

4 Review of CIPFA Prudential Code and Treasury Management Code

The Chair invited Bevis Ingram, Senior Adviser, to present the report which provided a summary of reviews of the final published versions of the CIPFA prudential code and Treasury Management Code following concerns raised at a previous meeting of the Board.

Members commented that they were reassured by the revised code.

The Chair thanked Members of the Board and Officers for their work.

Decision:

The Members **noted** the report.

5 Support for Low Income Households

The Chair invited Rose Doran, Senior Adviser, to provide an update on the LGA's work delivered to support councils and shape policy on support for low-income households. Much of the improvement work had been more reactive in response to the impacts of Covid-19 and would now be more proactive.

Members discussed the report and expressed concerns that the events in Ukraine would contribute to the cost-of-living crisis. Following clarifying questions, Members were advised that the Cost-of-Living Steering Group was set up to be deliberately broad so that housing, children's services, adult social care, and other areas could be covered within it.

Members were invited to get in contact with any further comments or queries.

Decision:

The Members **noted** the report.

The Chair requested that the public leave the meeting so that it would continue in private session.

6 Local Government Finance Update - CONFIDENTIAL

Please refer to the confidential minutes document for information related to this item.

7 Workforce Update - CONFIDENTIAL

Please refer to the confidential minutes document for information related to this item.

8 Minutes of the previous meeting held on 17 November 2021 - CONFIDENTIAL

Members agreed the note of the previous meeting as an accurate record.

Appendix A -Attendance

Position/Role	Councillor	Authority
Chairman	Cllr Shaun Davies	Telford and Wrekin Council
Vice-Chairman	Cllr Richard Wenham	Central Bedfordshire Council
Deputy-chairman	Cllr Keith House	Eastleigh Borough Council
	Cllr Jason Zadrozny	Ashfield District Council
Members	Cllr Adrian Hardman	Worcestershire County Council
	Cllr Mark Hawthorne MBE	Gloucestershire County Council
	Cllr Nicholas Jones	Bury Metropolitan Borough Council
	Cllr Phillip King	Harborough District Council
	Cllr Rory Love OBE	Kent County Council
	Cllr Roger Phillips	Herefordshire Council
	Cllr Sharon Taylor OBE	Stevenage Borough Council
	Cllr Amanda Serjeant	Chesterfield Borough Council
	Cllr Peter Marland	Milton Keynes Council
	Cllr Terry Paul	Newham London Borough Council
	Cllr Harpreet Uppal	Kirklees Metropolitan Council
	Cllr Richard Kemp CBE	Liverpool City Council
Cllr Phelim Mac Cafferty	Brighton & Hove City Council	
Apologies	Cllr Jas Athwal	Redbridge London Borough Council
In Attendance	Cllr Andrew Jamieson	Norfolk County Council
LGA Officers	Greg Burns	
	Naomi Cooke	
	Joanne Donnelly	
	Rose Doran	
	Megan Edwards	
	Jeff Houston	
	Bevis Ingram	
	Laura Johnson	
	Nicola Morton	
	Douglas Olley	
	Emilia Peters	
	Jamie Saddler	
Aivaras Stakevius		
Sam Swift		

Appendix B – LGPS Investments

Additional Information under Pensions in Finance Update

Ukraine

1. Any LGPS authorities who are not already doing so have been advised to consider the implications for their investment portfolios in the light of events in Ukraine and resultant extant and potential sanctions by the UK government are advised to and discuss with their pools and asset managers what action should prudently be taken.

Investing in line with UK foreign and defence policy

2. On 22nd February an amendment to the Public Service Pensions and Judicial Offices Bill will provide powers for the Secretary of State to produce directions and guidance in respect of investment decisions which are not '*proper for the scheme manager*' (LGPS authority) '*to make in light of UK foreign and defence policy.*'
3. On 24th February LGA officers met with HM Treasury and DLUC officials to clarify the government's intentions regarding this power. The meeting was helpful however there remains a very real concern that the wording of any direction or guidance could inadvertently restrict the ability of LGPS authorities to take proper and prudent account of Environmental, Social and Governance (ESG) matters in their investment decisions.
4. It is therefore proposed to seek assurance from government that the power would not be used to restrict the proper account of ESG matters when the Bill returns to the Lords for consideration of amendments. Timetabled for w/c 7th March

Jeff Houston

Head of Pensions