

ALACE Council Meeting

Date: Wednesday 4 October 2017 Time: 2pm-4pm

Venue: Westminster City Hall, 5 The Strand, London, WC2N 5HR

Attendees: Tracey Lee (Chair), Simon Baker (Vice Chair), Michel Saminaden (Honorary Treasurer), Ian Miller (Honorary Secretary), Charlie Parker, Karen Satterford, David Hughes.

Attended by telephone conference: Alistair Buchan, Mary Pitcaithly, Duncan Sharkey, Rachael Shimmin.

The following consultants attended by telephone conference: Peter Bounds, Cheryl Miller

1. Welcome

The Chair welcomed those attending and congratulated Charlie Parker on his appointment to the States of Jersey.

2. Apologies

Alison Ward, Alastair Stewart, Jerry Hutchinson, Mark Williams, John Sellgren, Liz Bruce, Merran McRae.

3. Chair's update

The Chair said that there had been a number of high profile cases in recent months where ALACE support had been provided and that considerable effort had been invested in addressing the Association's financial position.

4. Minutes from the meeting held on 23 March 2017/Matters Arising

The minutes were approved as an accurate record. Cheryl Miller said that the update on cost of providing pension support had been prepared and, in agreement with the Honorary Secretary, would be brought to the next meeting.

5. Financial and membership report & budgetary position

The Honorary Treasurer led Council through the report that had been prepared with the Honorary Secretary. The Officers had looked at options to reduce costs and increase income and had discussed these

with the consultants. The Association was spending less this year but was still heading for an overspend position of about £10k. This was better than previous years but further steps would be required to address the position.

The actions proposed or already taken were discussed in turn and the following points were raised in discussion:

- Employers could be asked for a contribution to costs in employment cases only where there is a settlement agreement. Generally the sum offered is sufficient to pay only for the independent legal advice – councils were reluctant to pay more or even a reasonable amount. Nevertheless consultants would endeavour to request a contribution wherever appropriate;
- It was appropriate to ask members for whom a significant compensation or termination payment had been negotiated for a voluntary contribution. 1% would be suggested for individuals to consider, while recognizing that they are not obliged to pay anything. This request would need to be communicated to members so that they could take account of it in negotiations;
- A similar approach could apply where an individual secured a significant reduction in tax liabilities as a result of pensions support from ALACE;
- The steps taken in respect of commissioning work from consultants (outside support for individual members) were endorsed;
- Council agreed that the Honorary Secretary and Honorary Treasurer should be given delegated authority to negotiate and finalise arrangements for the role of webmaster at a lower hourly rate than was paid for consultancy support;
- Council would continue to meet physically with the option of joining by telephone for Council members. A couple of consultants would attend by telephone only, in order to keep costs down, although it was noted that the consultants found it helpful to come together once a year or to present any particularly complex report. The Honorary Secretary would pursue these points with them to agree mutually acceptable arrangements;
- The concept of ALACE members, whether drawn from the Council or more widely, providing “buddy support” as a first port of call was discussed. This might help to reduce the call on consultants which then translated into costs for ALACE. A “buddy system” would work only if volunteers were available and there is clarity about what support they are able to provide. It could be good for confidential and practical emotional support, particularly for new members or new appointments. The Honorary Secretary would produce some text for the website that would describe the “service”, who is available to provide it (volunteers to be sought) and how they might be contacted;
- ALACE members, including Council members, should play a greater role in promoting the Association and other activities

such as speaking at events, preparing consultation responses and fostering links with the LGA, SOLACE, COSLA etc. This would allow minimisation of work commissioned from paid for consultants. The Honorary Secretary would draw up a list of activities which could then be used to recruit volunteers.

6. Honorary Secretary's Report

The Honorary Secretary presented his report which he explained was largely for information. The report was noted.

The Chair is preparing a set of "key lines" for the media to simplify the task of responding to requests for comments.

7. Consultants' update

The Honorary Secretary had prepared a short report, including information on pension work but a technical error had resulted in it not being received by members of the Council. It was circulated for information after the meeting.

The Chair reminded Council members that any discussion of current cases was on the basis of complete confidentiality.

Consultants referred to a number of ongoing cases. It was noted that cases involving pension advice were still in the majority although the volume of such work had reduced. It was agreed that Cheryl Miller should produce a paper for the next Council meeting on the cost of providing pensions support and whether ALACE should continue to provide it free in the first 6 months of membership or whether some other sort of arrangement would be more appropriate.

Alistair Buchan suggested that a piece of work should be commissioned on the Scottish situation in respect of pensions to check if any angles had been missed in the guidance notes on pensions.

Rachael Shimmin suggested that ALACE might need to lobby about the annual allowance and lifetime allowance depending on announcements in the Budget.

It was suggested that ALACE should have a policy position on whether it is desirable to have a joint head of paid service and section 151 officer post. Legislation allows it but we could raise concern about its appropriateness as one of our "lines"; and lobby Government to change the legislation, about the need for checks and balances, liaising with SOLACE, CIPFA etc. on a joint position once the Lancashire situation had passed. **Action:** Chair.

The Consultants were thanked for their work.

7. Membership of JNC for chief officers

The report from the Honorary Secretary was considered. The Council decided that preservation of exclusivity in the Chief Executives' JNC is of greater importance than securing representation on the JNC for Chief officers. It agreed that the Honorary Secretary should follow up the other points identified in paragraph 4(b) and (c) of the report.
Action: Honorary Secretary.

8. Pay claim for 2018 onwards

The report from the Honorary Secretary was considered. The Council agreed that a pay claim should be submitted as outlined in the report. Members would need to be reminded of the potential impact on their annual allowance and lifetime allowance if an award was agreed.
Action: Honorary Secretary to draft pay claim and clear with Council via email.

9. Support for new members and membership rate for retired members

The report from the Honorary Secretary was considered. The Honorary Treasurer left the room during the discussion and decision on the membership rate for retired members.

The Council agreed that the membership rate for retired members should be set at £50 but that this would give access only to the members' area of the website and information bulletins etc., and other rights conferred by the constitution such as the right to attend (but not vote at) AGMs. The precise details would be set out in a note by the Honorary Secretary for ratification at the next meeting of Council but it was not intended that retired members would have access to free consultancy support. They would be eligible to pay for consultancy support at the rate of £85/hour in respect of any issue related to their past ALACE membership e.g. in respect of the terms of a departure deal negotiated by ALACE.

In respect of support for new members, the Council debated proposed changes that would reduce the entry barrier for new members while still protecting ALACE's financial position, by limiting the amount of free consultancy support that an individual could receive in the first 12 months of membership. The arrangements set out in the table below were approved and would be implemented with effect from 1 November 2017, with the Honorary Treasurer and Honorary Secretary to make the practical arrangements with the consultants around monitoring usage of free support and billing for additional support.

Require one year membership fee up front but cap the free consultancy support that someone can receive in first year to four hours (all purposes). In the first year, a member can buy any support they require above 4 hours at the hourly rate of £85.

Retain option of paying for two years up front but give a discount for those who choose it. A £25 discount was agreed meaning that the two year subscription in January 2018 would be £715. This option would include access to more free consultancy support in first year (eight hours). In the first year, a member can buy any support they require above 8 hours at the hourly rate of £85.

The option of providing monthly or half-yearly subscriptions would not be pursued because of the administrative implications.

Arising from this, Council considered suggestions for supporting efforts to attract new members. The Vice Chairman proposed developing a network of regional “leads” who would undertake promotion, contacting potential new members in the region etc. As a first step, he would develop a regional “heat map” to analyse where the Association had strength and weakness in membership. **Action:** all to provide suggestions to Simon; Simon to produce proposals for next meeting.

There was also the need to promote the Association at professional society events such as CNN, DCN, Society of Metropolitan Chief Executives, CIPFA etc. The Honorary Secretary would circulate a standard presentation that colleagues could use at regional meetings and other events.

11 Response to consultations

The Council discussed the report from the Honorary Secretary. It agreed the terms of a response to the Welsh Government’s consultation document on electoral reform in local government with the addition of the point that electoral payments should be pensionable. The update on forthcoming consultations on public sector exit payments was noted.

12 Partnership proposal: CS Healthcare

The Council discussed the partnership proposal from this provider of health insurance, which would not cost ALACE anything but might produce modest income if some members took out policies. Council agreed that the proposal should be accepted and authorised the Honorary Secretary to conclude an agreement with CS Healthcare.

13. Dates of meetings

The next meeting of Council will be at 2pm on Monday 18 December 2017.

The AGM will be on Wednesday 4 July 2018, 12 noon to 2pm, Birmingham (venue TBC).

