

## **ALACE Council Meeting**

Date: Thursday 24 September 2018 Time: 10.45am-12.15pm

Venue: LGA, 18 Smith Square, London

Attendees: Tracey Lee (Chair), Simon Baker (Vice Chair), Ian Miller (Honorary Secretary), Scott Crudgington, David Hughes, Karen Satterford, Rachael Shimmin, Jerry Hutchinson, Carole Mills, Alistair Buchan

The following consultants attended by telephone conference: Richard Penn, Pete Morris

### **1. Welcome**

The Chair welcomed those attending.

### **2. Apologies**

Michel Saminaden (Honorary Treasurer), Liz Bruce, Andrew Flockhart, Merran McRae, Charlie Parker, Duncan Sharkey, Alison Ward, Amanda Skelton, Dan Swaine, Mark Williams  
Consultants: Peter Bounds, John Schultz, Roger Morris, Cheryl Miller

### **3. Chair's update**

The Chair said it was pleasing to see the growth in membership.

### **4 Minutes from the meeting held on 24 May 2018**

The minutes of the meeting were agreed.

### **5 Financial and membership report & budgetary position**

The Hon Secretary introduced the Hon Treasurer's report, the content of which was noted. Membership had increased by 30 or about 10%. There was a modest surplus but not enough to rebuild reserves. Efforts would therefore need to continue to increase income and/or reduce costs. There was concern about the potential level of churn in the next 5 years. The script for "regional lead recruiters" was to be finalised and would make clear that it is about senior officers, not just chief executives, and ask colleagues to exploit links with professional groups – the text should play on the 2% pay increase that had been negotiated. The list of regional leads would be circulated.

### **6 Hon Secretary's report**

The Hon Secretary introduced his report, the content of which was noted.

The presentation by Pete Morris at SOLACE Scotland had not been designed to attract new members: about 10 existing members attended. The Chair had spoken to the Chair of SOLACE about clarity of roles between the professional society and the union. It was still not clear if SOLACE will have a business partner offering financial advice (and therefore overlapping with arrangements made by ALACE). The importance of an ALACE presence at the SOLACE summit was stressed but no slot had been negotiated for October 2018. The Chair will follow up again with the Chair of SOLACE, and would aim to have a twice yearly catch up.

The idea of a business partner required a cautious approach, which should not conflict with SOLACE's programme as it is central to their funding model. The Council would consider this issue further at its next meeting in the light of the discussion with SOLACE.

## **7 Consultants' report**

There had been 31 cases on pensions, and consultants expect to see demand for support in the next 2-3 months when pension statements have been received. There had been limited interest so far in the tax return service. The pension FAQs had been updated but the sections on lifetime and annual allowance were awaiting any announcement in the Budget. The tax return service could be promoted in the recruitment script and in a message to members for future years. Anyone earning more than £122.5k a year is now likely to exceed the annual allowance, and anyone earning £172k a year would have the minimum annual allowance of £10k. The Hon Secretary said that ALACE's representation to the Budget would call for simplification of taxation of pensions by removing the annual allowance.

There was nothing specific to report on employment issues. There had been a general downturn in cases. The £95k cap would be of significant concern if introduced. There had been a number of high cost cases which the Hon Secretary would discuss with the consultants.

Thanks were expressed to all the consultants for their work.

## **8 Policy on combination of Head of Paid Service/S151 role**

The Council supported this policy statement. It was good to have three senior officers with governance roles rather than two. It was felt that CIPFA's policy statement was a little woolly, suggesting that a section 151 officer can do other things but not at the same time. The statement would be published with a press release, and the Hon Secretary would contact other interested bodies to undertake joint lobbying.

## **9 Reflection on feedback in LGC survey on workloads**

The Council considered the issues raised in the detailed comments in this survey, not all of which will have been from ALACE members. The results should represent "our conscience" and the key "facts" need to

be extracted from the material, so that the Chair would build them into the key lines. There were issues that could be deployed e.g. in future pay claims but care was needed about messaging in respect of private sector “brain drain”: it is not evident. The survey raised significant questions about how the sector would be sustainable at senior level with impact on resilience, regional working etc. It was felt that there were opportunities to work with SOLACE and the LGA on addressing the issues raised: this would be raised in the first instance with SOLACE.

## **10 Review of JNC handbook**

The report was introduced by Richard Penn, and thanks were extended to Peter Bounds for his work on this. Even though the new procedures were only two years old, the consultants agreed on the need for changes, including a reminder of the need for proper structures/procedures to be in place and that a preliminary investigation should be held before the formal stage as this can help to avoid the expense and time of the formal process.

Council supported raising the points that had been identified. The need for similar changes/procedures in Scotland was raised; and the importance of the independent investigator coming to a conclusion and making a recommendation should be stressed.

The Hon Secretary would pursue the suggested changes with the Local Government Employers.  
(Alistair Buchan and Carole Mills left the meeting at this point.)

## **11 Any other business**

There was none.

## **12 Date of next meeting**

The Hon. Secretary would seek to identify a date in January 2019.  
(The consultants left the meeting at this point.)

## **13 Consultants’ pay rate for 2019 and 2020**

The Council considered carefully a proposal from the consultants to increase their hourly rate with effect from January 2019. It recognised that the consultants had voluntarily agreed to freeze their rates for 2018 on the basis that there would be a review for 2019.

The Council concluded that, having regard to the report on the Association’s finances earlier on the agenda and while the Council and members generally were appreciative of the consultants’ work, the Association was not making a sufficient surplus to agree an increase at this time. The level of activity and costs would be reviewed in mid 2019. A number of other points were identified for inclusion in a response to the consultants, including a need to keep control on high cost cases

and commissioned work. A response would be prepared by the Hon Secretary in consultation with the other officers.