

# **Thurrock Council**

## **Finance Recovery Board**

**Minutes – 10am, Thursday 10 October 2024**

### **Attendees:**

Nicole Wood (NW) – Finance Commissioner (Chair)  
Dave Smith (DS) – Managing Director Commissioner/ Chief Executive  
Cllr John Kent (JK) - Leader of the Council  
Cllr Sara Muldowney (SM) – Cabinet Member for Resources  
Cllr George Coxshall (GC) – Opposition Deputy Leader  
Dawn Calvert (DC)– Chief Financial Officer / Section 151 Officer  
Daniel Fenwick (DF) – Executive Director of Corporate Services  
Cristina Hall (CH) – Chief of Staff to the Commissioners (Minutes)

### **Apologies:**

Cllr Andrew Jefferies (AJ) – Opposition Group Leader  
Cllr Lynn Worrall (LW) - Deputy Leader  
Alex Powell (AP) – Assistant Chief Executive  
Mark Bowen (MBo) – Deputy Monitoring Officer  
Luke Tyson (LT) – Chief Intervention Officer  
Amber Robinson (AR) – Executive Assistant, Chief Executive

## 1. Welcome and Introductions

## 2. Matters Arising

2.1. Minutes of the last meeting were agreed. There was an update on the actions, with JK clarifying that the two actions related to comms should cover engagement with both residents and businesses. CH confirmed that the minutes of previous Board meetings had now been published. There was a brief discussion on when an update report on divestments will next be presented to Cabinet, either separately or alongside other budget reports.

## 3. Finance Commissioner Update

3.1. NW noted that there has been good progress on the quality of reporting, reflecting that Cabinet finance reports are clearer which leads to more informed discussions. JK and GC agreed that the quality of papers had improved immeasurably, with JK noting that reports now provide members with the tools they need to challenge and interrogate the Council's financial position. DC thanked the Board for their positive comments.

3.2. NW reflected that the Council was currently in a period of ambiguity, ahead of introductory conversations with the new auditors and in the run up to the Autumn Budget on 30 October. NW noted that it was vital that discussions with the external auditors take place soon.

- **Action: DC to follow up on introductory meeting with auditors**

3.3. There was a discussion on the extent to which the Autumn Budget would impact the Council's financial strategy, and it was suggested that a meeting take place to discuss this if required but that further clarity would be provided by the Settlement in December.

## 4. Leader/Portfolio Holder Update

4.1. JK reflected that members recognise the ongoing financial challenge, although the gravity of the situation may not be understood by all 49 members.

4.2. JK noted concern about discussions on reorganisation, feeling this would be a distraction which creates a lot of uncertainty and could knock them off course. DS reflected that it was vital the interactions and implications of this for Thurrock were understood and that the local leadership were strong, measured and clear in their messaging around what is best for Thurrock.

4.3. SM thanked DC and the team for the recent Member training but reflected that further entry level training sessions on the basics of local government finance would be beneficial to build Members' understanding and support proper scrutiny of financial decisions. GC agreed with the need for further training for all members, with NW noting that any training programme needed to be simple and sustainable.

- **Action: DC to produce a sustainable financial training programme for Members, covering the basics that newer members would need to know.**

4.4. SM reflected that although they were challenging, the savings discussions were progressing well and felt confident that what was being proposed is deliverable. NW

noted that the conversations were moving in the right direction, but raised concerns about the limited flexibility within the proposals, and that any slippage would need to be found and compensated for elsewhere.

- 4.5. There was a discussion on the need for continuity and collective agreement on the approach the Council needs to take towards financial sustainability, particularly as the outcome of the elections was uncertain. DS praised the strong working relationship between officers and members on finance, but noted that the current set up had limited resilience and was too reliant on particular individuals.
- 4.6. JK and SM pressed for further clarity on the long-term solution, since there were limited levers within the Council's control and they wanted a greater understanding of their next steps. CH reassured members that discussions on this with MHCLG were ongoing.
- 4.7. Board members highlighted that they would like to resume discussions about the creative solutions they suggested a year ago. It was agreed they would need to consider the strategy and tactics for engaging with government on this at the appropriate moment, as JK noted it was vital they go into these conversations demonstrating credibility, stability and leadership that they were doing as much as possible to tackle the issues within the organisation first. NW highlighted that it was vital that their narrative brought out clearly to MHCLG the impacts on residents.
- 4.8. NW asked about the content of these meetings, with board members agreeing that they were useful discussions. DF reflected it was important to ensure different meetings were aligned and streamlined to avoid duplication, giving the example that there is overlap between the discussions of the Investment Advisory Panel and the FRB. This would be considered alongside the outstanding action on finance governance.

## **5. Service improvement plan**

- 5.1. DC gave an update on the ongoing work to improve the finance service within the Council. This update outlined the latest progress and ongoing areas for development in six service areas: recruitment, training, Expenditure Control, governance, efficiency of finance processes, and triangulation of financial strategies.
- 5.2. Recruitment had been a significant concern, but the team have recently made some very strong appointments including the recruitment of two experienced Assistant Directors. DC welcomed that new staff had increased the team's capacity but also brought in fresh ideas that had really benefitted the service. Vacancies remain, including two Senior Auditors, but there are recruitment plans in place. There was a discussion around whether capacity was being pooled and sharing these recruitment campaigns across the sector.
- 5.3. There was a successful programme of mandatory budget holder training and there will be a follow up session next year to build in the learning from the 24/25 budget monitoring process. FBPs will also run regular drop-in sessions for budget holders to seek advice or ask questions.
- 5.4. Member training has also been successful, including annual training on Internal Audit with Audit Committee members and regular training for all members on Local Government Finance. DC noted that the aim is to develop a full programme for next

year to build Members' knowledge and understanding. It was agreed that that the training should emphasise the new financial regulations to all staff once they have been updated. Risk management training has also been rolled out for Members and for staff and risk implications have been added to the templates for Cabinet reports.

5.5. The expenditure controls process has been refreshed and strengthened, with approval processes refreshed. There is also regular reporting to SLT on the process and when a breach occurs.

5.6. There was a discussion on how the Finance Procedure rules and the Scheme of Delegations, once updated, are communicated across the organisation so that they are understood and embedded. DF highlighted that they were trying to introduce consistency in the levels of approvals by grade for clarity. DC also noted that they now had stricter processes for funding approvals internally e.g. on the use of the Transformation Fund or the use of reserves.

- **Action: DF to discuss the latest version of the Finance Procedure rules with Finance colleagues before sharing with NW.**

5.7. DC reflected that certain internal financial processes were inefficient and that review work to improve this will be an ongoing process. Responsibilities have been clarified and accountability now sits solely with FBPs to limit confusion or duplication of accountability. Forms are being reviewed to streamline and automate the system, ensuring FBPs get the necessary information from teams earlier in the process. They are also going to review the number of budget holders across the organisation.

5.8. The team's immediate focus is the budget, but they aim to complete an assessment against the CIPFA Financial Management Code early in the new financial year. NW noted that the outcome of this assessment would be key evidence of the Council's progress, informing Commissioners' thinking about progress against the Directions and the timeline for the intervention.

5.9. DC completed her update by referencing the work being done to integrate the Council's financial strategies to ensure they align accurately and explaining how this feeds into the ongoing conversations with MHCLG. It was agreed that there is a real opportunity in the finance reports going to Cabinet in December to explain how this work has progressed and moved on over the past year. Board members agreed it was important for the team to take stock following the budget, reflect on any key learning and feed that into the priorities and plans for next year.

5.10. NW thanked DC for her comprehensive update and noted that there is a question around how work is reported to FRB, given the phasing of the work and to differentiate between the Council's business as usual improvement work, and activity that is critical to the Council's improvement journey.

- **Action: DC and CH to agree a plan for reporting on this service improvement work to FRB.**

## **5. AOB**

5.1. There being no other business, the meeting closed.

## **APPENDIX I: Full Meeting Actions**

- **Action: DC to follow up on introductory meeting with auditors**
- **Action: DC to produce a sustainable financial training programme for Members, covering the basics that newer members would need to know.**
- **Action: DF to discuss the latest version of the Finance Procedure rules with Finance colleagues before sharing with NW.**
- **Action: DC and CH to agree a plan for reporting on this service improvement work to FRB.**