

Thurrock Council

Finance Recovery Board

Minutes – 12pm, Thursday 12 September

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
Luke Tyson (LT) – Chief Intervention Officer
Mark Bowen (MBo) – Deputy Monitoring Officer
Cristina Hall (CH) – Chief of Staff to the Commissioners
Amber Robinson (AR) – Executive Assistant, Chief Executive (Minutes)

Guests:

Rob Large (RL) – Programme Director – Asset Disposal
Caroline May (CM) - Assistant Director Strategic and Corporate Finance

Apologies:

Cllr Lynn Worrall (LW) - Deputy Leader
Alex Powell (AP) – Assistant Chief Executive
Daniel Fenwick (DF) – Executive Director of Corporate Services
Cllr Andrew Jefferies (AJ) – Opposition Group Leader

1. Welcome and Introductions

1.1. NW welcomed board members to the meeting.

2. Matters Arising

2.1. Minutes of the last meeting were agreed.

3. Future FRB meetings, ways of working and review of Terms of Reference

3.1. CH advised the board that the Terms of Reference are being refreshed. The main changes are to the membership and the frequency, with meetings moving from monthly to bi-monthly. In GRB, there was a discussion around promoting the actions and the workings of the Board outside of meetings, including previous minutes being published.

3.2. For FRB, alongside considering how to promote the board, the Council also needs to review the internal governance to ensure FRB sits alongside existing meetings and avoids duplication of reporting. FRB approved the changes to the Terms of Reference. LT advised that they are looking at the reporting processes and will provide an update at a future meeting.

- **Action: LT and CH to work together to map out the reporting processes.**

4. Period 4 Update

4.1. DC presented the item; it was noted that the Council's position has improved from P3. The Council are forecasting a pressure of £2.5m, which has come down by £0.5m this month. There are some one-off benefits being added to the budget this year, which will bring the forecast pressure down, although there was a discussion that these one-off benefits won't help for subsequent years, so it was vital that to reduce the overspend.

5. Thematic updates:

a) Advisors' fees and divestments

5.1. DC introduced the item. It was noted that a report will be going to Cabinet soon which will follow up to the report that went to Cabinet in March. It will provide an update on the advisors' fees and confirm that the Council is still forecasting within its funding envelope. The council is reviewing its strategy towards its tail-end investments and MB provided an update on a particular investment.

5.2. DC continues to monitor fees while ensuring the Council continues to have the necessary assurance and support on the divestments and their values. DC agreed to circulate headlines from the report.

- **Action: DC circulate headlines from the Divestments report to Board members.**

b) MTFs Model

5.3. DC went through the summary of savings. It was noted that the Council have a 4-year MTFs which includes savings targets for future years. DC advised that the focus across the directorates has been delivering next year's savings target of £18.2m.

5.4. The Council has identified £15m of savings for 25/26 so far. Final checks will be done at the end of September, and DC is optimistic about reaching £18.2m. A robust draft budget will be taken to December Cabinet followed by final budget in February.

c) Capital Programme

5.5. CM provided this update and noted that a report will be going to December Cabinet. The report will show the essentials and how they will be delivered.

5.6. NW asked how confident CM is that we have covered the minimum on what is statutorily required. CM advised that this will be considered during the engagement process to ensure everything is captured. JK asked for details on how the Council will be funding capital programme, CM advised that this will be mainly from capital receipts.

6. Status of Audit and Accounts

6.1. CM introduced this item and noted that the legislation on the audit backstop dates has now been tabled to go through Parliament. All accounts up to 2022/23 will need to be signed off by the new backstop date of 13 December.

6.2. The accounts for 21/22 still need to be completed. Work with external auditors is progressing well but the Council is expecting a qualified opinion. Lots of work is taking place to meet the deadline, but it was noted that there does need to be an inspection period during this time and they need to be clear on when these will run. VfM work is also underway. NW asked about capacity and if there were any areas where further support is needed, but CM advised that some new starters begin next week.

6.3. CM advised that for the 23/24 accounts, Thurrock will be moving to a new auditor (EY) and but will still be expecting a modified opinion.

7. Asset Disposals

7.1. RL presented the item, referencing that the meeting paper highlights progress against the 24/25 forecast. RL flagged the extent to which the target is at risk and that some disposals could move to a subsequent year, but they will be in a position to confirm this in a month. RL confirmed he has met with the portfolio holder to explain the position.

8. Updates on Preparations for Future Budget

8.1. DC covered this within the previous MTFS item. NW touched on engagement with MHCLG and DC confirmed that the MHCLG model is as up to date as possible. NW requested a deep dive in the next update around high need deficits.

8.2. CH advised that Parliamentary recess ended last week and so will bring back an item on discussions with the department once there is an update. Ministers have outlined their priority to reset the relationship between local and central government.

9. Investment Recovery and Litigation Update

9.1. MB introduced this item and gave updates to the Board on various litigation matters.

10. AOB

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

APPENDIX I: Full Meeting Actions

- **Action: LT and CH to work together to map out the reporting processes.**
- **Action: DC circulate headlines from the Divestments report to Board members.**