



## Veritau North Yorkshire Limited

### Minutes of the Meeting of the Board of Directors By Video Conference 3.00 pm - 15 December 2022

#### **Attendees**

Anton Hodge (AH) - chair  
Kerry Metcalfe (KM)  
Sian Moore (SM)  
Richard Smith (RS)  
Max Thomas (MT)

- 1 Apologies, preliminaries, introductions and announcements  
Apologies received from Karen Iveson

It was noted that Nick Edwards has resigned as a director. Kerry was welcomed to the Board as his replacement.

Hambleton DC have not yet nominated a new director.

- 2 Declarations of interests  
MT and RS noted an indirect interest in item 6 (professional subscriptions) as employees of Veritau Limited, who will consider the same proposal.

- 3 Minutes of the meeting held on 29 July 2022  
Agreed

- 4 Update on outstanding actions  
MT noted that the 2021/22 accounts have now been filed with Companies House.

SM asked whether any feedback or concerns had been raised by other Veritau clients relating to LGR. MT confirmed that no issues had been raised.

- 5 2022/23 finance and performance update report  
MT introduced the report.

Finance (accounts to the end of November 2022): The accounts currently reflect a small loss. Overall, we expect to make a small

profit across the group as a whole. The main change in income relates to the transfer of information governance services to Veritau by Scarborough Borough Council, in advance of LGR. This is offset by an increase in the cost of sales following the transfer of an employee from SBC. Overall staff costs are higher than budgeted due to the higher than expected pay award.

MT noted that Veritau has recently retained its Investors in People accreditation. It has also gained Good Business Charter accreditation. The charter requirements are around running the business in a sustainable way, and set out expectations such as how we treat employees, customers and suppliers, and ESG requirements.

The Board commended the company on retaining IIP and signing up to the GBC.

The group has been successful in winning new business in recent months.

KM asked about risks around resourcing new work. MT confirmed that recruitment has been a challenge – particularly this year – and we need to continue to take action to address recruitment and retention issues. Work is turned down where we are unable to resource it. We have recently had to reject several offers to quote for work.

SM asked about contracts that had been lost and the reasons for those. We are not losing existing contracts due to price or quality. For schools internal audit and DPO work we get a lot of work following recommendations from existing customers, which is good indicator of satisfaction.

MT noted that we are currently in discussion with two other local authorities who may be interested in joining the Veritau group as members.

SM asked what will happen regarding Harrogate BC and Craven DC employees who undertake internal audit and information governance work. It was confirmed that TUPE will apply and that it is expected that this will result in transfers to Veritau.

AH asked about staff turnover. MT confirmed that turnover is higher than previous years. In nearly every case, the reason for employees leaving is due to pay. Our ability to increase pay is limited due to the position we occupy as a Teckal company and employees are able to obtain better pay in both the public and private sector.

The Board noted report

## 6 Professional subscriptions

Veritau is a group of companies registered in England and Wales. Registered office: West Offices, Station Rise, York, YO1 6GA.

Veritau Limited (06794890) is jointly owned by North Yorkshire County Council and City of York Council. Veritau North Yorkshire Limited (07931990) is jointly owned by Ryedale District Council, Selby District Council, Richmondshire District Council, Hambleton District Council and Scarborough Borough Council. Veritau Tees Valley Limited (123636343) is jointly owned by Middlesbrough Council and Redcar & Cleveland Borough Council. For enquiries contact enquiries@veritau.co.uk

MT introduced the report and explained that the proposal is part of overall plans to address recruitment and retention issues. The costs are relatively modest but the proposal will provide a tangible demonstration of our intention to improve the employment offer. Some current employees have noted that this is something offered (or planned to be offered) by some Veritau member councils, potentially increasing R&R risks. The issue of subscriptions principally affects people working in internal audit. There is scope to offset additional costs by joining a group membership scheme offered by the Institute of Internal Auditors.

SM asked how the proposal compared to the NYC proposal and arrangements at CYC. It was noted that arrangements are yet to be confirmed at NYC but payment of subscriptions appears to be being taken forward. For CYC, there is no corporate approach – it depends on service area. We anticipate that CYC will follow the approach of other councils over time.

AH said that he recognises the capacity issues faced and employment market constraints and feels the proposal would help to address the issues and provide consistency with member councils in future.

The Board agreed the proposal.

7 Any other urgent business

MT noted that First North Law are offering training sessions for directors of NYCC owned companies and related companies. These will cover directors' responsibilities. Sessions will be one to two hours. The Board confirmed they would like to be invited. MT will make arrangements.

**Date of Next Meeting – TBC**