



Veritau Tees Valley Limited

Minutes of the Meeting of the Board of Directors By Video Conference 1.00 pm - 13 July 2022

Attendees

Richard Smith (RS)

Max Thomas (MT)

Ian Wright (IW)

- 1 Apologies, preliminaries, introductions, and announcements
Apologies received from Phil Winstanley (PW)

The board nominated IW as chair for the meeting.

IW noted that this would be his last board meeting. He will be resigning as a director on 31 July. The board thanked Ian for his support during his time as a director.

- 2 Declarations of interests
None

- 3 Minutes of the meeting held on 11 February 2022
Approved.

- 4 Update on outstanding actions
None

- 5 2021/22 letter of representation
Following discussion, the board agree the letter for signing.

- 6 2021/22 BHP LLP audit findings report / data analytics report
MT presented BHP's audit findings report, drawing attention to the internal control matters.

In relation to the issue with Companies House, it was confirmed that contact had been made with them regarding correcting any potential error. No response has been received.

The auditors highlighted a lack of pre-payment authorisation of the payroll. This is not felt to be a significant issue. VTV payroll is relatively simple, with few changes from month to month. Post

payment checks are carried out from time to time and errors are low.

The auditors also highlighted a technical issue regarding differences between the VAT returns and figures in the accounting system. It appears that correct VAT is being paid. And, as the accounting system produces the VAT returns, the reason for the differences is unclear. There is potentially an issue with coding of transactions in the system – this is being looked into.

The board discussed the profit reconciliation including the impact of pension fund adjustments. It was noted that contribution rates are likely to increase over the next few years.

The board agreed to approve the profit reconciliation for signing.

Following review, the board noted the data analytics report.

7 2021/22 statement of accounts

MT introduced the report. It was noted that the overall loss is primarily due to pension fund adjustments; however, the underlying financial position is sound. The net assets excluding pension liability provides the best indicator.

The board approved the directors' report and accounts.

8 2021/22 annual report

MT outlined key group results. Fee income increased by close to 9%. FTE staff numbers increased from 68 to 73. Staff turnover remains reasonable at 9.8% although it has increased slightly over the year. Sickness absence figures are higher than usual for the year – this is primarily a result of a number of long-term absences; these have largely now resolved. Customer satisfaction has also improved during the year and client retention has been good. The company has provided equipment to support all employees to work from home.

IW queried whether resignation levels had risen significantly as part of the post pandemic "great resignation". It was confirmed that there had been some leavers, but the increase had not been significant.

The report was noted.

9 Staff survey

The overall response rate had been good (77%), and satisfaction levels have remained high. Although we recognise the need to continue to prioritise issues in areas including communications, feedback, pay, and workload.

The report was noted.

10 Client satisfaction survey

Overall response rates remain low, as in previous years. The responses received indicate continued satisfaction with services provided. There was one negative survey response – the respondent has been approached and the issue raised has been addressed.

The report was noted.

11 2022/23 finance and performance update report

MT introduced the report. No significant financial variances to date. The group continues to face recruitment and retention pressures – particularly information governance; there is significant competition for employees with the private sector where pay rates are higher. We have agreed a local pay award of 3% this year; this will be revisited if the national NJC agreement is significantly different. We are currently consulting with Unison on changes to the PRP scheme; a proposal will shortly be taken to the Veritau board.

IW queried levels of staff recharges. It was confirmed that further work was needed to correctly adjust the level of recharge over the remainder of the year.

12 Any other urgent business

None

Date of Next Meeting date TBC