



Veritau Limited

**Minutes of the Meeting of the Board of Directors  
By Video Conference  
1.00 pm - 28 July 2022**

**Attendees**

Gary Fielding  
Debbie Mitchell - chair  
Richard Smith  
Max Thomas  
Cllr Andrew Waller

**Observers**

Cllr Katie Lomas (CYC)  
Jonathan Verrier (BHP LLP)

- 1 Apologies, preliminaries, introductions, and announcements  
Apologies received from Cllr Gareth Dadd and Cllr Cliff Lunn

Debbie Mitchell has taken over as chair from 1 July 2022, for the next two-yearly rotation.

- 2 Declarations of interests  
MT & RS declared an interest in item 13 on the agenda and will leave the meeting at that point.

- 3 Minutes of the meeting held on 10 February 2022  
Agreed

- 4 Update on outstanding actions  
None

- 5 2021/22 letter of representation  
This is the letter the board is asked to prepare for the external auditor each year. The content is essentially the same as in previous years and there is nothing specific to draw the board's attention to. It was noted that the bank account referred to is an account Veritau administers on behalf of LACAN.

The board approved the letter for signing.

- 6 2021/22 BHP LLP audit findings report / data analytics report  
JV from BHP presented the report to the board. BHP have drawn satisfactory conclusions on the key audit risks. JV highlighted a number of control issues including authorisation of payroll and the need to update contracts with member councils at a convenient point, to reflect the nature of actual work delivered (as ongoing services).

JV presented the profit reconciliation and summarised non-material unadjusted misstatements (no adjustments are required to the accounts). AW asked about the issue regarding the PACE machine; MT explained that this should have been treated as capital rather than revenue expenditure.

The board confirmed that they were not aware of any post balance sheet events that they needed to raise with the external auditor.

The board agreed the profit reconciliation for signing.

JV introduced the data analytics report, resulting from electronic interrogation of financial transactions. There were no issues highlighted by any of the analytic procedures conducted.

AW queried the purpose of the analytics work. JV clarified that this does not replace sampling of transactions. It is an additional tool used in addition to required audit testing procedures. It could, for example, help to identify management override of controls.

#### 7 2021/22 statement of accounts

MT introduced the accounts. The underlying financial information is taken from the Xero accounting system. BHP convert this into the statutory accounts. They take the operating profit, apply adjustments such as for the pension fund and corporation tax, to prepare accounts that meet the Companies Act requirements.

Two amendments to the accounts presented are needed. The first is to correct the chair of the board shown on page 47 of the agenda pack. The second is on page 49 (in the notes) – the last paragraph under turnover needs updating to reflect current practice.

The board approved the accounts subject to the changes noted being made.

#### 8 2021/22 annual report

MT introduced the report. Overall profit was a little over £200k, although this includes a one-off accounting adjustment. The group has exceeded its budgeted profit excluding this adjustment. Fee income increased by approximately 9%. MT summarised the remainder of the report including employee data, client satisfaction and service developments and growth.

Following discussion the board noted the report.

#### 9 Staff survey

The overall results are broadly in line with previous years although there has been a slight increase in satisfaction from last year (up from 80% to 83 %).

It was noted that some employees have found remote working more difficult and we are undertaking further work to improve arrangements to ensure everyone stays in touch. Last week we held our first in person training and development day for all employees. We've also given employees the option of working in the office where they want or need to.

10 Client satisfaction survey

There are two main surveys – one to principal clients (to senior managers and leaders) and the second to clients who receive the DPO service (mainly schools). Response rates were low (similarly to previous years) but those received tended to be positive (good or excellent). Overall satisfaction was 94% for the survey to principal clients and 97% for DPO clients – both figures are slightly up on last year. While response rates are low, client retention rates and the numbers of new clients we get through recommendations are high, indicating a general satisfaction with services.

11 2022/23 finance and performance update report

No significant financial variances have been identified in the year to date. An interim pay award of 3% has been agreed with Unison. This has already been applied. However, it was agreed that we would revisit this once NJC agreement is reached. Sickness has been higher than normal – mainly due to a few cases of long-term sickness. Veritau has also recently been reassessed by Investors in People and has been re-awarded IIP accreditation.

GF recognised the success Veritau has had in steadily gaining new work but queried whether we will be able to sustain this given recruitment and retention issues. MT said that the aim has always been to grow Veritau in a sustainable way (c10% a year TO/client base). Up to now we have been able to grow employee numbers at around the same rate although this has been more of a challenge recently. But we are conscious of the budget pressures faced by the member councils which could lead to reductions in levels of service required – which we must offset by expanding external work.

12 Proposed changes to PRP scheme

The current process for assessing PRP (through annual appraisals) has continued largely unchanged since 2009. We wish to improve the current arrangements to streamline processes, improve decision making, encourage better management of performance on an ongoing basis, and ensure PRP is awarded for activity that reflects up to date priorities. The proposal being put forward has been discussed at length with employees and Unison, and is now agreed, subject to board approval.

The board approved the proposal.

MT and RS left the meeting at the end of item 12

13 Executive PRP (2021/22)

The board considered a paper recommending the level of executive PRP payable for 2021/22.

- 14 Any other urgent business  
None

**Date of Next Meeting: TBC**