

**Minutes of the Socitm Board of Directors Meeting held 04 February 2010
at Baker Tilly, London**

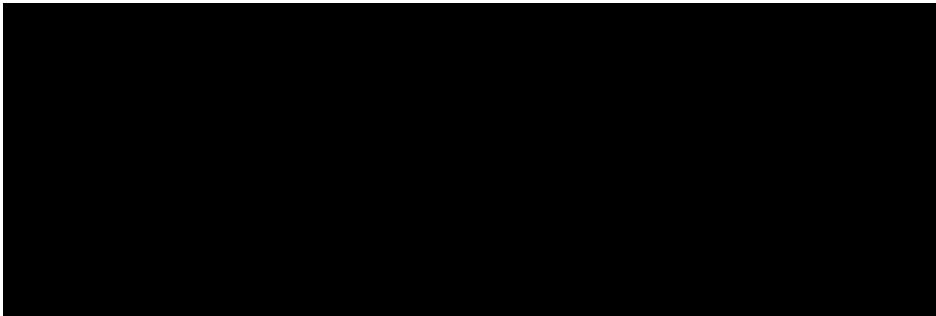
In Attendance:

Steve Palmer	Socitm President, Chair of SBD (noon onwards)
Richard Steel	Immediate Past President
Jos Creese	Vice President (Chair of this meeting)
Rose Crozier	Vice President
Peter Gallon	Vice President
Adrian Hancock	Socitm Managing Director
David Houston	Socitm Strategic Finance Director
Melanie Smith	Socitm Finance Director
David Bryant	Non Executive Director
David Clayden	Non Executive Director
Pamela Larsen	Secretary

Apologies were received from:

Steve Hopson	Non Executive Director
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1	Appointments and Resignations	Action
	The Board were advised of the resignation of Non Executive Director Steve Jones with effect from 31 December 2009.	
2	Declarations of Interest	
	None were declared	
3	Declarations of hospitality/gifts	
	None were declared	
4	Previous minutes and actions	
	The minutes were accepted as a true record	
5	Financial Report	
	DH gave a presentation outlining Socitm Ltd Financial Status 2009 latest estimate and proposed budget for 2010. The presentation covered: -	
	<ul style="list-style-type: none"> • 2009 Outturn – Latest estimate • Socitm Ltd Reserves position • Review of Socitm Consulting returns • Draft budget for 2010 	

	<ul style="list-style-type: none">• Financial & budget objectives <p>The development plan had earmarked £144k of reserves but as Insight had produced a much higher than expected return this call on reserves is now expected to be approx £44k.</p>  <p>Provision for 'bad debts' had been set at £9k.</p> <p>2010 Draft Budget</p> <p>The draft budget had been prepared on the assumption that SBD would accept option 2 of the proposed changes to Socitm Consulting.</p> <p>The overall figure indicated a managed loss of £245k.</p> <p>The board queried the budget figure for Commercial New Income. After some discussion this was reduced by £50k and a balancing reduction of £50k was also applied to Contingency.</p> <p>The board accepted the budget but indicated that the three year picture would be needed to reassure members.</p> <p><i>Action SBD 04/02/01: DH/MS to provide draft 3 year budget for April board meeting</i></p> <p>Audit Process</p> <p>DH advised the board that this would be the first year using new auditors Wright Vigar Ltd. It was decided there would not be a need for the auditors to present the accounts to the board unless there were significant issues which needed to be brought to attention.</p> <p>Cash Monitoring</p> <p>MS advised the board that the flow of funds was mainly from reserves to current account. This was primarily due to the employment of additional staff.</p> <p>MS reminded the board that access to the fixed rate bond would not be until</p>	<p>DH/MS</p>
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	<p>June 2010.</p> <p>HMRC Vat inspection report</p> <p>MS had circulated a paper re the VAT compliance visit of 20 January 2010.</p> <p>As the last visit was in Spring 2006 this inspection covered the period from then to date. A query arose regarding the provision of hospitality i.e. the provision of free accommodation, meals and drinks to anyone who was not either an employee or a Director of the company. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>Apart from the potential liability for arrears the cost of places at future conferences and events will have to be included gross and thus affect Events budgets.</p> <p>SPIN Donation</p> <p>Following the winding up of SPIN a donation of £27k had been received by Socitm Insight to be used in an appropriate way and at Socitm’s discretion to encourage the professional development of the web community in the public sector.</p> <p>After some discussion it was agreed that this money be made available to the Membership Board to use in an appropriate manner.</p>	
<p>6</p>	<p>Policy</p> <p>AH reported that Martin Ferguson had been very active and was about to present Socitm’s initial response to the Government IT Policy.</p> <p>Board members need to advise MF of forthcoming policy areas in order that Socitm can prepare a response in a timely manner.</p> <p>It was agreed that Socitm Futures would be the forum to consider & approve policy.</p> <p>Action SBD 04/02/02: AH to progress.</p>	<p>AH</p>
<p>7</p>	<p>Governance</p> <p>Commercial Structures & Governance</p> <p>AH reported that advice had been sought on the best way to structure the society.</p> <ul style="list-style-type: none"> • A new company, Socitm Commercial Ltd, had been set up (wholly owned by Socitm Ltd) with the aim of running the commercial activities of the 	

	<p>society.</p> <ul style="list-style-type: none"> • Current business streams will operate through Socitm Ltd until tax advantages, generated from previous losses, had been exhausted. • New business generated will operate through Socitm Commercial Ltd. • Current directors of Socitm Commercial Ltd are core members of the current commercial board. <p>It was agreed that a press release would be forthcoming when plans are finalised.</p> <p>Action SBD 04/02/03: AH to arrange press release when appropriate</p> <p>Non-Executive Director agreement</p> <p>AH had circulated a version of the contract. It was agreed that this needed to be simplified with a separate document outlining duties & commitments for non-executive directors. This needs to be circulated for signing at the next board meeting (01 April 2010).</p> <p>Action SBD 04/02/04: AH to refine contract</p> <p>Policy Code of Conduct</p> <p>The document was accepted subject to further clarity on how comments, verbal or published made by members would need be attributed either to the Society or made clear that is a personal view.</p> <p>Action SBD 04/02/05: AH to update document</p> <p>AGM & VP elections</p> <p>As PG will be relinquishing his VP role at the end of March, due to early retirement there is now a need to elect three new VP's at the next AGM, one of whom will progress to President after one year. The notice for nominations will be broadcast via e-mail with web notification by the end of February 2010. It was noted that under the current Articles of Association VP's need to be in full-time employment within local government. There will be a proposal at the AGM to widen the selection of public sector, third sector and secondees to central government.</p> <p>The board recommended that Jos Creese, senior VP, be elected president 2010-2011.</p> <p>Action SBD 04/02/06: PL to broadcast request for VP nominations</p> <p>Governance Review</p> <p>DH advised that Phil Watts of Anthony Collins Solicitors had given free advice on the possibility of Socitm obtaining charitable status. This was deemed, in the short term, not to be practical.</p> <p>DH advocated a review of the whole of Socitm governance and company structure by a suitably qualified legal person. It was decided that this type of review was premature before current changes are finalised. It was also suggested that this type of review could be undertaken free-of-charge by PARN with scrutiny by NAC.</p>	<p>AH/VS</p> <p>AH/DB</p> <p>AH</p> <p>PL</p>
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	<p>Changes of Articles of Association</p> <p>DH advised the board that the current articles of association had evolved from those defined when Socitm was set up. They need to be modernised to align with the 2006 Companies Act.</p> <p>Action SBD 04/02/07: DH to liaise with solicitors to produce new Articles of Association</p>	<p>DH</p>
<p>8</p>	<p>NAC</p> <p>RC reported that the last NAC meeting was the most helpful meeting to date in that the group were now becoming pro-active and assuming an assurance and advisory role.</p> <p>It was acknowledged that the original terms of reference are in urgent need of review.</p>	<p>AH</p>
<p>9</p>	<p>Commercial Board</p> <p>Consulting update</p> <p>AH had circulated a Consulting briefing paper outlining the background, current status and recommendations for the future of the business. Proposed options were: -</p> <div data-bbox="256 1016 1246 1518" style="background-color: black; width: 100%; height: 100%;"></div> <p>Following discussion the board agreed</p> <ul style="list-style-type: none"> • There would be no further extension of the MoU beyond 1 July 2010 • To adopt the plan outlined in option 2 and the timescales for transition of the Consulting business. <p>AH advised that a meeting with Consulting representatives was to take place on 8 February 2010. Depending on the outcome of this meeting [REDACTED]</p> <div data-bbox="256 1839 1198 1883" style="background-color: black; width: 100%; height: 100%;"></div> <p>Action SBD 04/02/08: AH to meet with representatives of Socitm Consulting and report outcome</p>	<p>AH</p>

<p>Insight Update</p> <p>[REDACTED]</p> <p>Martin Greenwood is currently producing the strategy and business plan. JC stated that there should only be one Socitm Strategy document of which Insight is a part of.</p> <p>Board Briefing</p> <p>Karl Grundy had circulated a briefing paper summarising his first four weeks in post. He had highlighted a number of areas where efficiency could be improved and revenue increased. KG to be invited to attend the next board meeting to present proposals. Action SBD 04/02/09: AH invite KG to board meeting 01 April 2010</p> <p>Membership Board</p> <p>Ellen Jessett had circulated a first draft of the Strategy for Membership. The board were asked to consider proposals for: -</p> <ul style="list-style-type: none"> • Membership development • A new membership model • Corporate and Group Membership Schemes <p>The board supported the strategy although concern was expressed as to whether there was sufficient time to finalise membership and professionalism schemes in time for the April AGM.</p> <p>RC advised that personalised membership cards would be available in time for the Spring Conference. Relationships need to be established with other professional bodies which could lead to differentiation in the offerings to members between Socitm and BCS.</p> <p>SP requested a draft of the proposed corporate membership scheme be available for the next SBD meeting. Action SBD 04/02/10: EJ to prepare draft of proposed corporate membership scheme</p> <p>RC reported that agreement had been reached with the Cabinet Office on Benchmarking IT. A pilot scheme involving eight authorities will be launched w/c 8 February 2010.</p> <p>RC reported that the Mentoring Scheme was progressing well with every indication that this will expand.</p> <p>Events Update</p> <p>AH had circulated a paper outlining the proposed review process for the Events business stream. The board were comfortable with the proposals but continuity needed to be maintained during any transition period.</p>	<p>AH</p> <p>AH/EJ</p>
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Staff and Commercial in Confidence

	<p>SP expressed concern over the lack of information re programme content for the Spring Conference.</p> <p>JC reminded the board that there was still a slot available for Government IT Strategy and that a second approach be made to the Cabinet Office for representation.</p> <p>Action SBD 04/02/11: AH /MF to approach Cabinet Office for a speaker on Government IT Strategy at Spring conference</p>	AH/MF
10	<p>Corporate Services Team</p> <p>AH requested a letter from the board thanking the CST for their efforts over the past year.</p> <p>Action SBD 04/02/12: SP to write to CST or if convenient to attend the next CST meeting</p>	SP
11	<p>Systems & Resources</p> <p>AH reported that the new website was now live. There are teething problems primarily due to out of date information. There are issues with on-line purchasing and events booking caused by the complicated pricing structure.</p>	
12	<p>Status of strategy development</p> <p>AH suggested that many people were uncomfortable with the concept of 'Council of the future'. This needs to be addressed by Socitm Futures and Martin Ferguson.</p> <p>JC recommended that this project be handed over to Martin Greenwood.</p> <p>SP reported feedback from Socitm Scotland that Socitm's strategic development was primarily focussed on England. The society needs to be pro-active in Scotland and Wales.</p>	
13	<p>International</p> <p>SP advised that, in future, Socitm would only offer one free place to International guests at the Autumn Conference except when the LOLA conference is in the UK when two places will be offered.</p>	