

Report

To: CIPFA LASAAC

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Subject: CIPFA LASAAC Effectiveness Review

Purpose

To present CIPFA LASAAC with an action plan following the Effectiveness Review during 2023, and to update on progress against key actions.

1. Introduction

- 1.1 During 2023 CIPFA LASAAC held two meetings on 15 June and 6 September to look at the effectiveness of the board.
- 1.2 At the first meeting members agreed the operating framework, terms of reference, and the approach to IFRS and IPSAS. Members also agreed questions to include in the effectiveness survey sent to all board members.
- 1.3 At the second meeting board members met to discuss the results of the survey and any action points that arose due to feedback.

2. Action Plan

- 2.1 The Secretariat has captured the key points from the two effectiveness review meetings and translated these into an action plan (see Annex A).
- 2.2 The action plan can help to provide clarity and focus by translating the vision of the board into concrete steps. By breaking down objectives into actionable tasks with assigned owners and deadlines, it could optimise Secretariat resources. An action plan may foster individual and collective accountability and progress reviews could motivate the board to complete all the identified improvements.

The Secretariat seeks CIPFA LASAAC's views on the Action Plan, with the intention of using this as a starting point for improving Board effectiveness.

3. Progress

CIPFA LASAAC webpages

- 3.1 Following a comprehensive content review, the secretariat is refreshing the CIPFA LASAAC webpages. The removal of outdated information is in line with General Data Protection Regulation requirements ([Data Protection Act 2018](#)), while the adoption of the new website template will enhance the user experience with its intuitive navigation and modern visuals. This thorough refresh provides a solid foundation to maintain consistent updates, incorporate board driven initiatives and make the webpages a valuable resource for stakeholders.
- 3.2 Annex B includes information of the changes to be made.

The secretariat welcomes CIPFA LASAAC's views on further updates to the CIPFA LASAAC webpages.

CIPFA LASAAC proposed subgroup structure

- 3.3 Board members were keen to increase strategic thinking and discussions at board meetings. Therefore, the secretariat is proposing the board use subgroups to assist in achieving CIPFA LASAAC's strategic objectives. The aim of using subgroups is to allow the board to delegate the more detailed discussions and workings to a nominated subgroup, providing the board time to focus on forward looking activities and high level review/sense checking of proposals. There is already a draft protocol for CIPFA LASAAC's use of subgroups, so the governance arrangements are already in place to assist the effective use of subgroups. Additionally, the draft protocol will be updated to include the Boards request that a summary of the debate within working groups is presented to the Board. Following this update the draft protocol will be circulated for approval.
- 3.4 Annex C is a proposed subgroup structure which is split into long term financial reporting reforms and the current issues. There is a significant amount of work allocated to the Better Reporting Group, which reflects the interdependencies among the long term reforms. It is considered that a co-ordinated approach could work best, to achieve the most simple and effective solution. The work of the Better Reporting group is also supported by the February 2024 Local Audit Cross System statement, in which it was acknowledged there will be a re-launch of the Better Reporting Group looking at long-term reforms to financial reporting based on the needs of accounts users.

Succession Planning

- 3.5 A robust succession plan allows for a smooth transition when board members leave, minimising disruption and knowledge gaps. By anticipating departures and proactively identifying potential successors the board can maintain stability and continuity.
- 3.6 The skills matrix complements this by providing a visual snapshot of the boards current expertise and can support the identification of knowledge gaps. It maps individual board member's skillsets against the diverse needs of CIPFA LASAAC. This could allow the board to address any areas of weakness strategically, either through targeted recruitments or by encouraging existing members to expand their knowledge.
- 3.7 The secretariat has produced an initial list of skills that it feels CIPFA LASAAC may look for in members. Linking in closely to succession planning was a desire to monitor and increase diversity on the board. Using the [Ethnicity harmonised standard](#) and [Gender identity data harmonised standard](#) produced by the [Government Analysis Function](#) the secretariat has added these to the skills matrix.
- 3.8 The secretariat will circulate the agreed skills matrix to members via email with a request to complete in time for review at the June board meeting.
- 3.9 Annex D sets out a suggested list of skills and diversity characteristics to use for monitoring.

The secretariat seeks CIPFA LASAAC's views on skills to add to the matrix, with the intention to approve the skills matrix for use in succession planning.

Induction Pack for New Members

- 3.10 There was agreement from board members that an induction pack for new members could be useful. It could allow new members to fully participate quicker as they could gain background knowledge of CIPFA LASAAC workings and the governance surrounding the board.
- 3.11 The secretariat has produced a draft induction pack based on suggested contents during the second effectiveness review meeting. The secretariat also looked at the contents of the induction pack as suggested by the [Financial Reporting Advisory Board effectiveness review: October 2020](#) to maintain consistency.
- 3.12 To be circulated for board approval shortly is inclusion of the draft CIPFA LASAAC Protocol on Use of Working Groups, which covers presenting a summary of the debate within work groups to CIPFA LASAAC.
- 3.13 Annex E contains a draft induction pack for members. This would be an internal document just for CIPFA LASAAC members and not made public.

The secretariat seeks CIPFA LASAAC's views on the contents of the induction pack.

4. Next Stages

- 4.1 The action plan can become a standing item on the agenda, with the secretariat providing a progress update to the board each meeting. The secretariat will give a verbal update unless the board needs to review or consider an action.

Recommendations

CIPFA LASAAC is to consider the individual action points brought to its attention above and agree that the effectiveness review action plan becomes a standing item on the agenda.