



**LEADING TREASURY
PROFESSIONALS**

STRICTLY PRIVATE & CONFIDENTIAL

**MINUTES OF THE COUNCIL MEETING
HELD AT 14.30 ON THURSDAY 13 DECEMBER 2018 AT
CBI, CANNON PLACE, 78 CANNON STREET, LONDON, EC4N 6HN**

Present: Rob Alexander (item 5 onwards) Paul Reynolds
Kerry Attwell Thomas (by phone) Caroline Stockmann
David Brent (by phone) Peter Walker-Smith
Ian Chisholm (Chair) Paul Wilde
Agnes Favillier
Peter Goshawk
Charlotte Morgan
Dino Nicolaides

In attendance: **ACT:**
Russell Akester (minutes)
Natalie Eggins, Director of Learning
Dean Cassar, Chief Financial Officer
Ria Robinson, Director of Membership &
Governance

Underlined sections to be removed and marked 'confidential' before posting on website (member access only)

1.	Apologies for absence Joe Peka, Neil Wadey
2.	Potential conflicts of interest None
3.	Minutes i) Council meeting 17 September 2018 – approved. KAT questioned the wording at 7(v)(a) and felt that his comments had been taken out of context. KAT clarified that he was recognising that the ACT has a lot of bank members, especially AMCTs, but that ACT was primarily a body for corporate treasurers (and he would include bank treasurers in that). He asked for a correction to be made and RR agreed to re-look at the wording. IC said that we do not have constituencies, but it was important to note that two-thirds of our members are not corporate treasurers and that they should be represented. Post meeting note: suggested re-wording of the September minutes, item 7(v)(a): “He also didn’t think it was necessary for Council to reflect the number of bankers in membership as we are <u>primarily</u> a body for corporate treasurers (<u>which would include bank treasurers</u>) and banks give us money to subsidise corporate activity. This view was not supported by some other Council members and RR pointed out that bank members are individually very engaged and active in supporting ACT activities. PG felt that we should recognise that two-thirds of our members are not corporates and they do not have a lesser form of membership.”

	<p>ii) Planning Day 6 November 2018: Notes and Actions – noted.</p> <p>iii) Committee meeting minutes: East Africa Treasury Network (19 Nov 2018), Membership Advisory Panel (5 Sept 2018), Middle East (17 October 2018), Policy & Technical (12 Sept 2018) – all noted.</p>
4.	<p>Matters arising (RR) Noted</p> <p>Apprenticeships – RR updated Council on progress made to date to have ACT qualifications added to the financial service professional standard. The Institute for Apprenticeships had been very positive and the trailblazer (employer) group for the standard was due to meet at the end of January and would consider our case. In the meantime, we were gathering support from our contacts at the banks and asking them to submit supportive emails to the trailblazer lead.</p> <p>ACTION: Council to be kept informed of progress (RR)</p>
5.	<p>Chief Executive’s report (CAS)</p> <ul style="list-style-type: none"> • PW has stepped down as chair of the Membership Advisory Panel (MAP) to focus on his Officer role and his Presidency from 1 May. PW has been a member of the panel for fifteen years and chair for the last couple of years. Council thanked PW for his contribution to the work of MAP. CAS noted that MAP represented a good touchpoint with members and the treasury networks, with network ambassadors included on the panel. Catherine Porter, EMEA Treasury Director, CBRE, had now taken on the chair of MAP. • Assessment: December sitting – although a smaller sitting, this had included an ALMA CertBARM student cohort, some of whom were taking their exams overseas so in the early hours for the UK. CAS reported that it had been a successful sitting, all students had signed-on and, there had been no student calls whatsoever reporting issues during or after the sitting. The challenge will be when we get to the bigger exams in April. IC thanked the assessment team for their efforts. • B2B – <u>Confidential</u> • Sponsorship - <u>Confidential</u> • Brexit – DN asked if there had been any impact on student numbers as a result of the uncertainty around Brexit? CAS: Can’t really assess but no anecdotal evidence to support this. <u>Confidential</u>
6.	<p>Strategic update: Learning (NE)</p> <ul style="list-style-type: none"> • <u>Confidential</u> • Looking to find out more detail about why students stop studying, through work carried out by team and student calling scheme using volunteers. • <u>Confidential</u> • <u>Confidential</u> • DN: At <u>Confidential</u>, someone coming in to explain the qualifications provided a boost, also formulation of supportive L&D policy. CPD employer accreditation scheme helpful as gives opportunity to help employers with policy and provide more information on qualifications. • CAS: <u>Confidential</u>. The team is working hard to ensure we have a good sitting in April. • <u>PW: Confidential</u> • KAT: All qualifications aimed at treasurers, are we missing a trick with banks? CAS: Discussed previously and agreed not a focus but could possibly repurpose something for the risk community. KAT: An asset and liability module in CertT would make it more attractive to financial institutions. CAS: Don’t want to compete with ALMA but could look at risk. Would need to be manageable and, if there is a need, ensure not cannibalising from existing qualifications. • CM: it’s more complicated as there is a bigger range of qualifications out there and people are more specialised. Risk qualifications exist already plus CFA, CISI etc. What about accountants who want to be CFOs of mid-sized companies and will need some treasury skills? Don’t get anything on, for example, capital raising from ICAEW. Consider talking to another body? CAS: Already talking to HKICPA, <u>Confidential</u>. In previous discussions at Council, agreed this would need to be done through a partner as engaging FTSE350 is difficult with team of our size. KAT: Make use of successful students – better placed to do this than an ACT person. CAS: we do engage volunteers, but we don’t ask them to do active marketing. IC: Could we use FLIT? AF: looked at this but younger members don’t have big networks. IC and AF: Both agreed accounting bodies are a better link.

	<ul style="list-style-type: none"> • <u>Confidential</u>. Re-articulate at events etc. Opportunity for Council members and others to go out and speak, put in a plug for ACT. PW: gave guest lecture at Hertfordshire Business School, one of our accredited universities. Others could do similar, including FLiT members. <p>IC: Good suggestions. This is a critical area. Exemptions now sorted and more focus on bank relationships. Council want to see and track numbers going forward so we can try to understand the drivers, progression and whether marketing is working etc.</p> <p>ACTION: Numbers to be provided in KPIs (DC/NE)</p>
7.	<p>Chief Financial officer's report (DC)</p> <p>(i) Management accounts</p> <ul style="list-style-type: none"> • <u>Confidential</u> <p>(ii) Follow-up on Planning Day (CAS/DC)</p> <p>Item 1 (student numbers) and item 2 (key milestones and optionality around cost) – details provided in email to Council on 4/12/18.</p> <p>Item 3 (KPIs) – in progress. IC: Detailed student numbers provided in email noted. Council would like to see this sort of data going forward to monitor progress.</p> <p>Item 4 (CRM) – agenda item 8.</p> <p>Item 5 (Consider if there is anything we should stop):</p> <ul style="list-style-type: none"> • CAS: Council needs to be more specific. • <u>Confidential</u> • <u>Confidential</u> • CAS: Executive team know we have to work hard and put best effort in. <u>Confidential</u>. Seeing real positive signs in many areas but it takes time to get momentum. We are working to agreed strategy. • IC: There are some fairly aggressive assumptions in the budget but, as CAS says, there is a lot in train eg. marketing, B2B, exemptions etc. <u>Confidential</u>. • <u>Confidential</u>
8.	<p>CRM proposal (CAS)</p> <ul style="list-style-type: none"> • For due diligence, IC had reviewed the more detailed paper prepared by Charles Cresswell, Head of ICT. • <u>Confidential</u> • No other objections. • IC: Acknowledge concerns but decision is to go ahead now.
9.	<p>ARAC's report to Council (PG with support as noted below)</p> <p>ARAC met on 4 December.</p> <p>(i) Top risks dashboard (DC)</p> <p>ARAC had reviewed the updated dashboard and were supportive.</p> <p>Risk 4 (Decrease in quality of exams) – <u>Confidential</u>. ARAC wanted to see it reduce to amber in the future. The smaller sitting in December has set us on the right path.</p> <p>Risk 8 – discussed at SLT and ARAC and agreed to remove risk of reputational incident due to member behaviour as a top risk and replace with no investment in CRM and website.</p> <p>Risk 1 (Changes in banking world...) – RA asked if we expect to be entering a steady state now? DC – based on evidence we are seeing, appropriate to reduce overall net risk from high (red) to (amber).</p> <p>(ii) IT infrastructure test 2018 (DC)</p> <p>Taken as read. No critical or high risks. Implementations independently reviewed and all in progress or complete.</p> <p>(iii) Audit planning (DC)</p> <p>Audit partner and Manager met with ARAC. Standard audit planning for a new audit. Interim audit took place last week and went smoothly.</p> <p><u>Confidential</u></p>

	<p>(iv) Staff bonus scheme 2019 (CAS) ARAC had approved the 2019 staff bonus scheme which was unchanged from last year. CAS clarified that the scheme was discretionary and everyone was clear about that. No decision regarding paying a bonus in 2019 was made. PG noted that there had been times when no bonus was paid.</p> <p>(v) Governance:</p> <p>a. Appointment of next VP (IC) – DN left the room for this item ARAC recommended and Council approved the appointment of DN as the next VP from 1 May 2019.</p> <p>b. Council election planning (RR) Council noted the election timetable.</p>
10.	<p>Governance (RR)</p> <p>(i) Council performance evaluation and skills gap analysis Paper attached for discussion</p> <p>IC thanked RR for the extensive survey. He noted three themes from the survey:</p> <p>1. Council composition and skills</p> <ul style="list-style-type: none"> • Some of the comments can be fed into upcoming election process, both in the background information and the discussions with candidates. Can then consider further for any additional co-option. • Areas highlighted as most light on skills – education and technology / digital. <p>2. Council processes</p> <ul style="list-style-type: none"> • Need to get pre-read out consistently – this works well for Council and ARAC but for Planning Day should have pre-read, especially for budget. • KPIs needed – will focus Council on key metrics and what we need to be doing about them. • Council meetings need to keep to time. Action for the President! • Need to get balance right between strategy and operational / financials – but views expressed were diverse. • Planning Day was useful – need to think about topics for next year with PW. • We should do more socially – perhaps after Christmas and Summer meetings. Drinks after this meeting. <p>3. Priorities</p> <ul style="list-style-type: none"> • All aligned that financial sustainability and qualifications are top priorities. • Diversity of views around Council table – need to build consensus between meetings which Officers can help with by bringing Council more up to speed when needed. <p>PG: Useful at a later time to convert results of the questionnaire into an actions list.</p> <p>ACTIONS:</p> <ul style="list-style-type: none"> • Pre-read to be produced for Planning Day (CAS) • IC and CAS to develop action list from questionnaire results (IC/CAS) <p>(ii) Updated Council Terms of Reference (RR) RR noted:</p> <ul style="list-style-type: none"> • Draft reflects governance review and consistent with the ARAC Terms of Reference approved in September. • Will provide better background information for members and potential Council candidates. • Previous authority limits for Chief Executive did not work. Revised with input from DC. Also, now includes delegated authority to RR. <p>PR: very little reference to Treasury Networks. ACTION: Add in paragraph on Treasury Networks (RR) <i>Post-meeting note – paragraph added and includes link to the guidelines for network ambassadors.</i></p> <p>Council approved the Council Terms of Reference.</p>
11.	<p>Any other business</p> <p>(i) Public benefit strategy (CAS)</p> <ul style="list-style-type: none"> • In CAS objectives for 2018 to develop strategy for public benefit and communicate.

	<ul style="list-style-type: none"> • ACT Charter has object to promote the public interest. • Looking for Council consensus on approach. • PWS: questioned the broader public benefit aim of “delivering events which do not bring us income but are clearly in the public interest” – felt we needed to be more hard-nosed. • CAS: All our member events are free but are hosted by supporting organisations. For Diversity & Inclusion events, CAS delivers / facilitates the event and the costs are covered by a sponsor. However, happy to tweak the wording. • CM: we are not a charity but recognise that these events strengthen our provision of services to members. PR agreed that they supported the value proposition of membership. <p>ACTION: CAS to review wording in light of PWS comments (CAS)</p> <p>(ii) Any other items</p> <p>CM: At a future meeting would like Council to consider qualification names (and membership designations) and how they affect our branding. Has had feedback that some people are baffled by the number of qualifications and the terminology. IC: Links to future discussion about Chartered Treasurer status.</p> <p>ACTION: For discussion at Council later in 2019 (CAS/RR)</p>
12.	<p>Next Meeting:</p> <ul style="list-style-type: none"> i) Council call: 09.00 Wednesday 30 January 2019 ii) Council meeting: 14.30 Thursday 19 March 2019, CBI, Cannon Place, 78 Cannon Street, London, EC4N 6HN
13.	<p>Closed sessions:</p> <ul style="list-style-type: none"> (i) Council and Chief Executive only – not minuted (ii) Council only – not minuted (iii) Council and Chief Executive but excluding any conflicted members of Council (if any) – not needed – no conflicted members.