



Chair's Annual Report 2016 - 2017

Overview

In my first year as chair of ACE, the Board has examined the organisation's objectives and considered what it can offer members that others do not. ACE exists to improve the delivery and effectiveness of public services in the United Kingdom. Our members are leaders of a broad range of public bodies from across government and by delivering a programme of events and research with key partners, we seek to meet our objectives through the provision of with three key goals, by giving:

- Insight into central government's latest thinking from senior representatives in the Civil Service and ministers;
- Influence, taking specific issues and using members' experience to have an impact; and
- Development, with workshops and events that advance skills and knowledge, plus have the opportunity to network with peers.

With this in mind, I have been delighted to see ACE deliver a strong programme of events, providing members with opportunities to share experiences and knowledge, to take back to their organisations.

Engagement with stakeholders

We were delighted to participate in the launch of Cabinet Office's Code of Good Practice for relationships between departments and arm's-length bodies (ALBs). A re-examination of the sponsorship arrangement, we welcomed the Code's four Principals and drive to bring greater consistency to the relationship. This led to ACE, working with our sister organisation the Public Chairs' Forum, (PCF) and the Institute for Government, sending out a survey to more than 400 ALBs, with support from Cabinet Office. The results of the survey have helped set a benchmark for what relationships between ALBs and departments were like at the inception of the Code. We will be repeating this in spring 2018, to assess the Code's impact.

We have also been working with the PCF and the Institute for Government surveying ALB's on their preparation, planning and engagement in the process of leaving the European Union, and its impact. This produced some fascinating and unexpected responses. We are now preparing a workshop with senior representatives from across departments and ALBs that responded to the survey to identify current gaps and potential actions to address them.

Sir Jeremy Heywood, Head of the Civil Service, John Manzoni, Chief Executive of the Civil Service, and our sponsor Sue Owen, DCMS Permanent Secretary have continued to provide support to ACE.

Membership

Membership of ACE continues to be strong, with 92 corporate members, representing 247 individuals signed up to ACE. With membership including not only the CEO but also up to six direct reports at no extra cost, organisations continue to be able to send more than one person to an event, and increase the likelihood of their organisation being represented. We believe that by providing executive directors with the opportunity to liaise with a range of Chief Executives, it provides a great development opportunity. We feel that our events continue to provide a level of openness and intimacy, with respect that comes from peers being able to meet in a safe space to share their knowledge and experience.

Changes to the Executive Board

This year sees long-serving members of the board stepping down. I would like to acknowledge the excellent support and input Claire Bassett, Sheenagh Adams and Ian Gamble have given to ACE.

Looking forward

With Brexit approaching, the coming year looks set to be a busy time for government and public bodies. With events planned looking at how to develop deliverable policy; the Cabinet Office review process; an examination of the role of good customer service; a seminar with the Information Commissioner about the forthcoming General Data Protection Regulations; plus how to protect oneself from judicial review, ACE will continue to ensure we provide opportunities and support for our members.

Current Board: November 2016 – October 2017

Graham Farrant, Chair
Chief Executive and Chief Land Registrar, HM Land Registry

Claire Bassett, Vice-Chair
Chief Executive, Electoral Commission

Ian Gambles, Outgoing Honorary Treasurer & Head of Governance
Director, Forestry Commission England

Sheenagh Adams, Outgoing Board Member
Keeper & Chief Executive Registers of Scotland

Anne Sharp, Board Member
Chief Executive, ACAS

Dame Glenys Stacey, Board Member
HM Chief Inspector of Probation

Events 2017

Diversity and Inclusion, 30 January 2016

A roundtable event with Paralympian Anna Turney; DCMS Permanent Secretary and Civil Service Diversity and Inclusion Champion Sue Owen; and CEO of the Independent Police Complaints Commission, Lesley Longstone.

Being in the Eye of the Media Storm, 28 March 2016

A panel session with five experts in their field, providing members with the opportunity to hear from those with experience of either being in the eye of a media furor, or providing advice and support to organisations that have been in this situation. With Danny Shaw, BBC Home Affairs correspondent; Amanda Spielman, Ofsted Chief Inspector and previously Chair of Ofqual; Dame Glenys Stacey, HM Inspector of Probation and previously CEO of Ofqual; Lord David Gold, founder of Strategic Consultancy, David Gold and Associates LLP; and Peter Wilson-Smith, founder of Meritus Consultants, providers of strategy communications and reputation management advice. This was a joint event with the PCF.

General election 2017 & beyond, 22 May 2017

In advance of the snap general election, a panel of experts gave their view on its potential impact on public services, Brexit, and the political landscape. With Economist Vicky Pryce; PwC's Head of Reputational Strategy Neil Sherlock CBE; and UKIP MEP William Dartmouth. This was a joint event with the PCF.

The latest thinking in commissioning public services, 30 June 2017

In partnership with ACE, the Public Service Transformation Academy hosted a seminar considering the latest thinking and best practice in commissioning public service, allowing members to share their experiences and to consider future challenges.

How to work effectively with your board, 17 July 2017

A seminar with Board Intelligence, which provided advice and prompted discussion about what good governance and good boardroom information looks like and practical steps to take to get a clear mandate from a board.

Cyber security: are you managing the risks? 11 September 2017

Considering the threats to operational delivery from cyber-attack, members heard from those with experience of managing cyber-attacks, plus hear the latest thinking from central government. With Claire Bassett, CEO, Electoral Commission; Professor Eerke Boiten, De Montfort University; Emma Green, Head of Wider Economy and Society Engagement, DCMS; and the National Cyber Security Centre. This was a joint event with the PCF.

Transformation in arm's-length bodies, 25 September 2017

Organisation Development practice OE Cam examined with members the change in transformation fads over time, the levers of change available to CEO's and ways of transforming one's business model.

Financial Report, April 2016 – March 2017

The Association's income for 2016-17 has shown modest growth, so that while expenditure was higher than anticipated due to an increase in the management charge, we have still achieved a very small surplus.

The balance sheet and cash position remain secure.

Following discussions with PCF in relation to their management charge, we have established that it would be in our financial interests to register for VAT. This has been successfully completed with retrospective effect from February 2016 and will enable us to recover VAT

paid for services, without any requirement to charge VAT on membership subscriptions, which are exempt. We will be obliged to charge VAT on other services such as conference fees, which is likely to increase the total cost to members. ACE will absorb the cost of VAT on last year's conference fees as it would not be appropriate to have recourse to members retrospectively.

ACE is seeking to increase its membership, not only to strengthen its network but also to cover the additional expenditure. We will also be seeking opportunities for financial sponsorship where appropriate and consistent with our objectives. Given that there are inevitably some risks on the expenditure side, maintaining and growing membership numbers through an attractive membership offer is essential to protect financial stability in the medium and longer term.

Ian Gambles, ACE Honorary Treasurer

The Association of Chief Executives

Accounts

For the year ended

31 March 2017

The Association of Chief Executives
2 Carlton Gardens
London
SW1Y 5AA

The Association of Chief Executives

Income and Expenditure account

For the year ended

31 March 2017

	2017	2016
	£	£
Income		
Subscriptions from members	59,382	52,968
Other sources	-	7,200
Subscriptions from PCF	180	-
Conference fees	5,820	-
Total income	<u>65,382</u>	<u>60,168</u>
Expenditure		
Management charges	57,284	50,000
Administrative expenses	1,578	1,048
Conference fees	3,042	2,563
Non conference events	384	-
Website costs	2,705	-
Total expenditure	<u>64,993</u>	<u>53,611</u>
Excess of income over expenditure	<u>389</u>	<u>6,557</u>

The Association of Chief Executives

Balance sheet

As at

31 March 2017

	2017 £	2016 £
Current assets		
Debtors	31,900	591
Bank account	84,745	64,744
VAT recoverable	11,528	-
PCF expenses due	-	32,784
Total current assets	<u>128,173</u>	<u>98,119</u>
Current liabilities		
Deferred subscriptions	59,005	13,125
PCF expenses payable	13,105	30,670
Accrued expenses	1,350	-
	<u>73,460</u>	<u>43,795</u>
Net current assets	<u>54,713</u>	<u>54,324</u>
Retained reserves		
Retained reserves brought forward	54,324	47,767
Excess of income over expenditure	389	6,557
Retained reserves carried forward	<u>54,713</u>	<u>54,324</u>

Signed by the Chairman of the Management Committee as approved on behalf of all the Committee


 Mr G. Farrant
 Date 16 October 2017

The Association of Chief Executives

Independent examiner's report on the accounts

Report to the Management Committee of the The Association of Chief Executives

On accounts for the year ended 31 March 2017 set out on pages 1 and 2.

Respective responsibilities of the Management Committee and examiner

The Management Committee are responsible for the preparation of the accounts. The Management Committee consider that an audit is not required for this year and that an independent examination is needed.

It is my responsibility to:

- examine the accounts in accordance with the constitution of the The Association of Chief Executives,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Management Committee. An examination includes a review of the accounting records kept by the The Association of Chief Executives and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the Management Committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention;

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with the constitution of the The Association of Chief Executives; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the constitution of the The Association of Chief Executives have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed  Date: 16/10/17

C.L. Batsford – FCA
Chartered Accountant

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