

## **FINANCE AND SCRUTINY COMMITTEE | DRAFT MINUTES**

**27 June 2023**

Venue: NALC offices,  
The Bloomsbury Building, 10 Bloomsbury Way, Holborn, London, WC1A 2SL.

**Present:** Cllr Peter Davey, vice chair (finance); Cllr Duncan Wright, Cllr Ian Cowling.

**In Attendance:** Jonathan Owen chief executive; Steve Walker head of finance & administration; Charlotte Eisenhart head of member services; Farhana Miah executive officer; Lisa Stockdale project manager (part); Stephen Sampson, Milton Avis (part).

### **1. Apologies:**

Apologies were received from Cllr Tony Howard, Cllr John Plant.

### **2. Minutes of previous meeting**

It was noted that the Cllr Davey was appointed chair at the March meeting. There has been an expression of interest to fill the vacancy on the committee, this will be reported to the next national assembly.

**Resolved:** That the minutes of the meeting held on 20 March 2023 be agreed.

### **3. Accounts**

The meeting welcomed Stephen Sampson from Auditors, Milton Avis. He summarised main points of interest in the accounts and the progress made on the audit. Testing has been completed with no issues found, some disclosure and reporting matters still to complete and auditors will liaise with officers to complete this information.

He noted that this was a significant year of change to IT systems but the transition has been handled well. There was discussion about accounting principles used for the investment in systems and some project work which was acceptable. A clean audit report is anticipated

#### Financial strategy

The chief executive presented an initial report for financial strategy. He explained that there are a number of principles being used and planned and that it is time to record these.

The management accounts show show an overspend of £16234 after transfers of £38922 back from reserves for projects. This is an unfavourable variance of £10599 to budget. These accounts formed the basis for the audit which may have some small final adjustments still to come.

The activity in Q4 incurred a number of costs relating to the sale and move from 109 Great Russell Street. Where appropriate these have been carried forward to match the sale , and receipt of funds in April. These include legal fees, clearance and other moving expenses. This principle has also been used for systems development where the investment is creating an asset to capitalise once complete in 2023.

**Resolved:** Reports be noted and received

#### **4. Budget**

The 2023 budget is being redrawn to reflect the new costs structure following the move, and the meeting saw the first draft with the revisions and appropriate new budget headings. Together with financial strategy policies this will be extended to future periods for budget setting.

Scrutiny. There was extensive discussion about what the scrutiny function of the committee is and how it should be undertaken. Views considered whether scrutiny should be a separate function in the committee structure , who it should report to and extent of scope.

**Resolved:** reports be received

#### **5. Bank matters**

Balances at 16 June 2023

Coop £335874

CCLA £2722885

Total £3058759

£2705903 Less the net receipts from building sale

Total £352856 to compare with last year £411,854

It was noted that without the building sale monies this is lower than at the same time last year. This is largely due to the Reserves being spent on planned projects

and costs for office move. However compared to the cash flow forecast the bank was £14k favourable at 31 May without affiliations.

**Resolved:** Report be received

## **6. County Association debtors**

It was noted that, generally, more affiliations were received in April and May (36%) than in the previous year (19%) which helped cash flow, although the deadline for the first instalment had not been reached yet (30 June)

**Resolved:** Report be received

## **7. GDPR**

No issues to report

**Resolved:** Report be received

## **8. IT & website review**

Charlotte Eisenhart and Lisa Stockdale spoke to a report summarising the IT & Website projects. This covered the migration to office 365, changes to telcoms, IT support and project management. For website development the summary recognised that some costs are being carried forward to treat as a capital investment. On current plans 2023/24 is expected to breakeven on budget with small gains in the following 2 years. It was also noted that the extent of the features being developed to the website is a significant change to operations and should be considered to be a wider system change than simply a website.

**Resolved:** Report be received

## **9. Risk register**

The risk register is under review

**Resolved:** Noted

## **10. Date of time of next meeting**

The committee agreed to postpone the governance review meeting on 27 July, dates for this meeting will be circulated shortly.

The next meeting of the committee is on 5 September at 10.00 via Zoom.

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