

## LONDON CYCLING CAMPAIGN

### Board Meeting, 12<sup>th</sup> July 2017

LCC Office, 2 Newhams Row, London SE1 3UZ

#### ACTIONS SUMMARY

Item	Who?	Description	Due Date
2.6	Chris	Send May Management Accounts to the auditors	Immediate
3.2	Tony	Approach contacts regarding proposed improvements to dispute resolution procedures (members)	Next Meeting
4.1	Tony & Dan	Define the name/remit of the new business committee, recruit to it, and create steps towards producing a new financial plan	Rolled over
4.1	Ashok	Amend Board Standing Orders to reflect the FAC-IGC merger	Rolled over
4.1	Ashok	Check the constitutional position regarding e-voting on motions and special resolutions, reporting to the AGM-Election Working Group	Rolled over
4.1	All	Actively encourage members to stand in this year's Board election	Ongoing
4.1	Ashok	Check the proposed Special Resolution on the term of office of Board co-optees with LCC specialists; investigate the practicalities of a Special Resolution to make the Articles gender-neutral	Rolled over
4.1	Mustafa	Amend Board Stranding Orders to require that operational policies agreed by the Board be published	Rolled over
4.2	Mustafa	Contact everyone individually about actions	Immediate
5.3	Mustafa/Ashok	Liaise on refining the Staff Report and create a new template for Chair's reports	Next Meeting
7.1	Ashok	Relay the LCC position on dockless hire cycles to activists via the Friday Post	Next Friday Post

#### MINUTES

**Present:** Rachel Aldred, Mustafa Arif (Chair), Daniel Barnes, Tom Harrison, Tony Levene (Treasurer), Terry Patterson (except for item 4), Christian Wolmar (until item 4)

**Apologies:** Amy Foster

**In attendance:** Philip Clark (Moore Stephens, for item 2), Chris Evans (for item 2), Ashok Sinha

#### 1. Minutes of the 8<sup>th</sup> May 2017 Meeting (Approved by Email)

1.1 There were no matters arising not already covered by the agenda.

#### 2. 2016-2017 Audit

2.1 The Board considered the final draft of the audited accounts, Trustees' Report and other narratives, and the management letter from the auditors.

- 2.2 Philip Clark, of LCC auditors Moore Stephens, reported that:
- a. The audit was clean, and all minor housekeeping points previously raised had been addressed this year. No new housekeeping issues had arisen.
  - b. The auditors were satisfied that the necessary financial controls were in place to manage risks.
  - c. LCC's work to stay abreast of the financial situation of its borough groups was as good as it has ever been.
  - d. The auditors were happy with the way that the consolidated accounts (i.e. of both the charity and its wholly-owned trading subsidiary) had been prepared.
  - e. They had been aware of the deficit for the year right from the planning stages; they were satisfied that the risks that arose from the significant drop in income had been properly managed.
- 2.3 There were two particular matters on which Mr Clark wished to comment, the first being recognition of revenue. Regarding this he said:
- a. He was satisfied that proper accounting periods had been adopted for upfront income for activities that crossed the year end (and upfront income from the previous financial year covering activities that crossed the beginning of the year).
  - b. He wished to check that the Board remained happy with the way membership income was described in the accounts, e.g. in relation to Gift Aid now that the charity had increased its member benefits.
- 2.4 Regarding point b (above): the Board agreed that, although the financial value of the benefits claimed by any given member may exceed the maximum permitted to claim Gift Aid on that membership in any given financial year, the general description of memberships in the accounts as being donations remains appropriate. Mr Clark was satisfied with this position.
- 2.5 The second matter upon which Mr Clark wished to comment was the statement regarding Going Concern. He said:
- a. The loss of around £190k of income during the year was a worry, but he was satisfied that proper and orderly action to mitigate the impact this had been undertaken.
  - b. He had seen the Management Accounts for April and the budget for the current financial year (2017-2018) and was satisfied that a proper process was in place to manage future risks.
  - c. Regarding the budget in particular: he said a sensible approach had been adopted but that performance would have to be closely monitored.
  - d. In signing the accounts he needs to be satisfied that the statement on Going Concern was valid for 12 months after signing; he asked if anything had arisen since April to change that statement.
  - e. The fact that a the biggest share of LCC's total income comes from memberships, of which renewals form the greater part, gives protection to the charity: renewals (collected monthly) are unlikely to fall off a cliff edge under normal circumstances.
- 2.6 Ashok confirmed that no material changes to income had occurred to date that would suggest that the Going Concern statement should be changed. Mr Clark was satisfied with this answer and asked to be sent the May Management Accounts for his records.
- Action:** Chris to send Mr Clark the May Management Accounts.
- 2.7 Tom asked if it was sensible to plan for a small deficit in the present financial year. Mr Clark said that this was essentially a balanced budget which took into account the difficult financial situation.
- 2.8 Mustafa noted that LCC does not have a systematic, automated way of making cash flow projections (over 12 months, say) and asked Mr Clark if this is a concern. Mr Clark said that this was quite common for comparable charities and noted that LCC does pay close attention to its cash position and looks ahead to try to anticipate any "nasty shocks"; in the end it is up to the trustees to satisfy themselves on the level of the reserves.
- 2.9 Chris noted that he and Ashok treated £100k in cash as being the "worry level", but that over the past couple of years cash had been in the range £130k-£180k and was about £150k at the moment. Ashok monitors this weekly and looks ahead, for example to anticipate the effect of large service contracts not being renewed.

- 2.10 Dan asked if routinely reforecasting the budget is sensible. Chris and Ashok explained how LCC's reforecasting is done and Mr Clark said it was a sensible thing to do i.e. so that the charity can get the best understanding possible of how the bottom line at year end may change due to higher or lower than expected income or expenditure, and trigger mitigation of risks as needed. The Board agreed that provided the original budget continues to be reported in the Management Accounts then assessment of performance against original targets (e.g. business or membership income) can still be made. When asked by Tony how often reviews (which may lead to reforecasts) should occur Mr Clark said at least quarterly – which is the case with LCC.
- 2.12 Mr Clark confirmed that he was happy with the accounts, and that testing had showed that LCC's accounting systems are "robust" and that numbers "stack up"; he did not need any further information.
- 2.13 He congratulated and thanked Chris for his work on them.
- 2.14 The Board thanked Mr Clark and his team, and also Chris Evans, for their work on the audit.

### 3. Complaints Procedure (Members)

- 3.1 Mustafa introduced this item, saying that the application of the Complaints Procedure last year threw up a couple of issues to be addressed. The first was how to revise the procedure based on the reasonable and constructive comments received; the second was whether we also need a disciplinary procedure to cover volunteer post-holders. (This should not be confused with the existing procedures that cover situations where staff are involved.)
- 3.2 After discussing this matter the Board agreed to:
- Improve the Complaints Procedure (members).
  - Consider creating a Code of Conduct for non-Board posts held by volunteers (most notably in LCC borough groups).
  - Create a dispute resolution process for members/activists.
- Action:** Tony to approach his LCC contacts with legal expertise to ask if they can offer any guidance on the above.
- 3.2 Christian agreed to gather people's views on running dispute resolution processes; and it was agreed that Amy would be asked to co-ordinate any consultation/drafting work required under item 3.2 (above)

### 4. Actions

- 4.1 Given patchy use of Trello it was agreed that actions would not be tracked at this meeting.
- 4.2 Tom asked that people use more descriptive text in Trello notifications so that the nature of the action was easier to recall.
- Action:** Mustafa to contact everyone individually regarding their actions as soon as possible.

### 5. Reports to the Board

- 5.1 Mustafa noted that, prior to the current format for Board meetings being adopted, the Board had previously required the following: that committee minutes be routinely tabled at Board meetings for noting; that Chairs should report back from their committees; and that the Staff Report should be structured around progress towards strategic and financial objectives.
- 5.2 He said the current system is not proving satisfactory and asked trustees what sort of reporting they felt was needed in future at Board meetings.

5.3 The Board agreed that committee chairs should provide short reports from their committees to highlight particular matters for the Board’s attention. It agreed that C&AM and the new business committee are the ones most likely to bring matters to the Board, and their meetings should be diarised so as to enable them to do so in a timely manner. The new sequence for meetings and paperwork should be as follows (based on Board meetings being held on Mondays):

- Two Mondays before the Board: Staff Report circulated to all committees.
- That same week: C&AM and the new business committees to meet.
- One Monday before the Board: all committee chairs to submit reports for the Board mailing that day.

**Action:** Mustafa to and Ashok to liaise on any further revisions needed to the format of the Staff report and to create a template for Chair’s reports.

## 6. Support for/Recruitment to the Board

6.1 Dan and Mustafa updated the Board on the candidate for co-option to the Board who had been recommended to us.

6.2 After a discussion on the general issue the Board agreed that Board membership – with its prime objective being governance - is not always the best way to involve qualified and enthusiastic people with an interest in supporting LCC at a high level. It agreed that:

- It should continue to seek specialist help on an ad hoc basis for specific tasks.
- It should continue to encourage suitable people to stand for election to the Board and use the ability to co-opt to fill skills or other gaps on the Board.
- Where people come to us unsolicited with a view to joining the Board, we should look at the best way in which they can contribute and match that to the opportunities available - for example using their specialist skills to support staff directly or joining committees – rather than assume that the best role for them is as a trustee (which it may nonetheless of course be).

## 7. AOB

7.1 The Board discussed the recent appearance of dockless hire cycles in London. Ashok informed the Board that he had already taken a general, public position and instructed staff to reflect this in media interviews, namely that (a) LCC wishes to see affordable, safe and convenient cycles on demand (of whatever type) available throughout London and (b) it is up to the authorities to regulate this emerging market to best serve the public and meet transport policy objectives.

**Action:** Ashok to disseminate the LCC position via the Friday Post.

Signed as a true and accurate record by:

(Chair).....

On.....