

LCC Board Meeting

9th February 2014

LCC Office, 2 Newhams Row, London SE1 3UZ

Actions summary

Action	Who?	Item
TL/FAC to look into figures/illustration of different % increases for staff	TL	Staff Payrises
MA/HRC to review/look into comparables and suggested % for staff.	CL	Staff Payrises
DB to update board on membership review for next board meeting. IGC to look at proposed £40 membership increase.	DB	Membership income
Request from AS/AK for an update to the board as to membership figures/data for each board meeting	MA	Membership
TL to request staff to consolidate IT expenditure into a single line item for budgeting purposes	TL	2015 Budget

Present: Mustafa Arif (MA), Rachel Aldred (RA), Oliver Schick (OS), Daniel Barnes (DB), Anne Kenrick (AK) (for later items), Tony Levene (TL), George Coulouris (GC), Alex Dillistone (AD)

Apologies: Gareth Redmond, Ashok Sinha (AS)

Absent: Hannah Roberts

Minutes: Daniel

Minutes of last meeting – Approved. No corrections

1. Matters arising: None

2. 2015-16 First-Pass Budget. TL presented first-pass budget as prepared by FAC and highlighted two issues, both currently under discussion- Staff pay increases & LCC reserve policy.

Staff Payrises: TL re-capped on historical payrises and background to current suggested increase. TL recalled that in his first year as treasurer (~3 years ago), all staff received a flat £500 increase. The current proposal from FAC is for a 1% 'cost of living' increase, equivalent to £6k on the staff wage bill.

DB queried whether this was an accurate % increase to offer, and whether this would sit as a high/low/average figure. TL suggested that if we passed on 1% as an initial increase, LCC would always have the option to follow-up with another increase later in the year if appropriate.

The board felt that HRC needed to respond to the 1% recommendation before finalising the budget. GC proposed that the board ask HRC to consider a 2% increase. MA requested FAC try and find some data or comparables as a point of reference for the proposed 1%; TL discussed that a 1% rise will effectively prevent wages falling behind in real terms.

MA/OS suggested that the board need HRC to review the proposed 1% increase before the proposed figure can be agreed. MA suggested that the board need to see illustrations of potential increase %, and comparable sector data for reference.

TL questioned whether finding out other charities pay more than the proposed 1% would affect our decision (being based on affordability).

Reserves Policy: TL recapped and explained the current LCC reserves policy. This years reserves are around £130-£135k. If the current policy is maintained, next years contribution to reserves would be around £165k. Current LCC income is less grant-funded than previous years- and as such is less certain over the course of the financial year.

TL discussed that we will need to find ~£30k if we are to maintain the current reserves policy; this effective increase being roughly equivalent to 1 member of staff.

TL discussed concept of charities holding reserves; that some charities such as Barnardos (for example) need to offer a *continuous* service, and reserves funds exist to ensure this service can continue. The LCC's operations do not depend upon a continuous provision of service in the same sense.

DB questioned how many times the LCC had ever had cause to draw down upon its reserves. TL thought this was about twice in ten years (most recent being the gift aid, the other being a legal action).

TL advised that as a point of consideration, FAC were preparing a paper to discuss the reserves policy and revised guidance on reserve levels.

RA agreed that it seemed sensible to reduce reserve levels as suggested to TL. The board agreed to await the incoming paper from FAC before making a decision on this point.

TL discussed that our current reserves levels were set to allow the LCC to continue functioning for 3 months in order to wind up the organisation. MA suggested that if the reserves were reduced we would need reassurances that the organisation could downsize in an orderly way. TL discussed that we could consider 'default' as an exit strategy if all income ceased.

TL summarised that the board had a choice to decide upon; continue with current policy and find £30k saving, or reduce reserves.

MA raised the issue of local groups and their reserves. DB queried whether we could count this as part of our central reserves as previously discussed. MA clarified that in a default situation, all LCC bank accounts would be frozen and assets considered- including the local groups. GC/OS suggested this situation should be clarified with the local groups to avoid any issues down the line. OS noted that Hackney cyclists generate and hold funds generated outside of 'normal' LCC activities- such as their recent Burns night event (raising ~2k).

On discussion of whether there were any further issues with this item, GC noted that there was no provision for IT as a line item within the budget. TL clarified that currently IT is spread within each operational area, but had been factored in. GC requested that this could perhaps be accounted as a centralised item to better monitor the budget. TL suggested this would be up to the individual staff members responsible, but should be discussed.

OS noted that he was concerned to see membership income down on target from the previous year. TL reaffirmed that the income target was approximately level, but the reduction in gift aid had reduced the target. OS requested that the board be updated on membership numbers in time for each board meeting.

The board discussed the current membership price level, and a move to £40. GC discussed that he would be concerned if this was the case. OC/DB agreed, and expressed concern over the psychological barrier this might breach. DB agreed to an action for IGC to update the board with regard to the membership review and pricing for the next financial year before the passing of the full budget.

3. IT Working Group (MA & GC). MA discussed with GC that a paper is being prepared to discuss further the IT requirements for the organisation. TL again reaffirmed that budget for IT does exist, but is held within core funds for each area of the business. GC argued for not 'burying' IT, and for creating a single holding place for all IT expenditure. GC conceded it would be easier to discuss this once the *IT working group* prepare their paper.

TL expressed that FAC/the board need to understand what the paper will require if it is to be considered in the budget. MA requested that all IT items be consolidated into a single line item- TL advised this request would be made with the staff team. TL agreed to an action on this item.

4. Ratifying CAM Amendments (MA). MA talked the board through the highlighted amendments to the current strategy document, as previously discussed during the away day.

OS suggested he could not accept the last bullet point. RA felt that maintaining a *minimum* standard was useful, OS countered that he contested the overall point and concept not just the wording. MA explained the benefit of maintaining minimum standard or benchmark that could be used to reference any plans or work. RA followed by explaining the current standards assessment spread sheet tallies a score from a range of possible values, but does not rate or review a scheme beyond this. There are no suggested minimum accepted values.

OS discussed how setting minimum standards could act against us with TFL. TL countered that having minimum standards helps members better engage with consultations and councils when evaluating proposals. Discussed the importance of having a quantified minimum. GC supported this point, but expressed the view that the LCC should have its own independent set of standards, potentially borrowing from the LCDS.

RA explained the usefulness of working with the TFL LCDS. OS raised the view that more training was required for local groups, not standards. MA discussed the need to quantify what an 'acceptable' standard was when engaging with TFL. AK asked what alternative OS would suggest? MA discussed that under the current assessment, a 0 score is still possible (and acceptable) to TFL for an evaluation. The LCC just need to be able to say what an *acceptable* score should be.

AK asked whether OS would be happy to go with a majority view on this point. OS replied that he would not be. GC proposed an amendment "Develop a policy on minimum standards (both qualitative and quantitative...)".

For Noting: OC concerned about the wording of this point. Also for noting, the requirement for more training to help groups better respond to reviews.

5. Campaigning Policy (RA & MA)

The board discussed the proposed paper from RA & MA ; MA took the board through the scope and aims of the paper.

GC questioned how the paper related to the IRG terms of reference. MA clarified that IRG terms of reference were being redrafted at present, and will set out which consultations are responded to by local groups and which through IRG. RA added that some consultancy responses may also fall under IRG.

GC questioned whether IRG was the only committee able to make policy, or whether other committees could also do so. Was the ability to pass policy just dependant upon the members present at any vote (ie, whoever turned up)?

MA clarified that other committees can make recommendations, and staff will then consider whether these should become policy. RA added that due procedure will always be applied to any new policy.

The board discussed potential amendments to the wording of the paper. MA suggested an amendment "reviewed by staff under the guidance of the board". MA asserted that the LCC needed to have a statement of 'binding policy' and other non-binding policies that the staff should abide by.

MA agreed to survey local groups about awareness and adherence with LCC policy. OS asked whether the paper had been circulated to local groups in its current form?

RA requested to add in "start of process... policy compendium?". OS requested to delete 'binding' and add in a statement about local groups; "this is intended to be supportive of local groups...". Adjusted to "Policies are intended to be..". MA suggested "policy is intended to be supportive..".

Further amendments can be seen on the draft adjusted and circulated by MA subsequent to the Board meeting.

AOB:

For Noting: AK- 23/2/2015 has been set as the mediation date for the case with Camden Cyclists.