TREASURER REPORT- January 2021

Balance as of 18th January 2021

£52,906.01 Account 1

£72,687.16 Account 2, constituting the following:

IT project non-recurrent funding	**£116.80**
Emergency Supply Scheme funding	**£3,164.16**
Minor Ailments Scheme funding	**£37,117.94**
Healthy Living Pharmacy Monies	**£24,280.00**
NHS England EPSRD Networking	**£7,798.92**

Budget performance

We have operated three quarters of the financial year without a Chief Officer during the pandemic, and the balance has had to be dynamically managed via a series of levy holidays. We have now recruited a Chief Officer.

In Q1-Q3, there have been very little of note that deviated from the original budget, barring:

Acct and Professional Fees- these came in under budget at £720, against the £1,087 budgeted
Equipment Costs- on target, but noted that we purchased a new phone for the chief officer, and invested in Zoom for the committee to allow for dynamic meetings with contractors
Insurances and HR Support- These were overspent by £4,489 as there were increased legal fees with regards last years' employment challenges
Pension Costs- These will be zero for the year, as the Chief Officer's pension will not commence until completion of a probationary period
Administration Fees- These are predicted to be £1,800 overspent for the year as we included recruitment costs for the new CO role
Travel- Travel was overspent this year, but the payment of our outgoing Chief Officer's travel as part of his final salary payment terms.
Meeting Expenses- There was a small amount budgeted in case face-to-face meetings returned. This is not likely to occur.

In the next quarter, we should return to seeing a regular, predictable salary going out for Tracey which means that budgeting will be easier to work through.

This has allowed us to be on track to closing with a predicted balance of £58,473.41.

With a view to holding six months' worth of reserves (£56k), we are not that far off this figure, though is reliant on members claiming backfill in a timely manner.

Standing item

We are in a position now where we can decide to close with a lower reserve (£48k) and give a further payment holiday, or to close with a possible excess of around £2k and not offer a payment holiday. This is our final opportunity to vote on this for this financial year.

Our cash flow has been at its lowest £35,521 in June 2020 though this was immediately after a PSNC levy and the outstanding payments involved in the HR support and our former Chief Officer leaving. I don't predict it to be this low in the future as there are no upcoming payments which risk reducing the levy down to levels that risk us going close to a zero balance.

Case for a further levy holiday

If we were to opt for a levy holiday in March 2021, we would hold a predicted £48k going into FY 2021 2022, but we would bring in a further two levies over the months of April and May 2021 which more than covers the basic cost of the committee plus the PSNC levy.

Opting for a holiday gives a small amount back to the contractors, but is this a good approach where contractors may seek to actively lobby for COVID vaccinations, and providing support to Discharge Medicines Service and CPCS?

Is it better to be down on the year end budget rather than holding more reserves than agreed?

Case against

Opting for a holiday closes our committee reserves down on our budget for the first time in a long period of time.

We are looking for a comprehensive zero-based budget to be produced with our new Chief Officer- are there any arguments to hold back more reserves until we have agreed a budget?

Next year

We will be starting a strategic plan for next year's budget and a comprehensive plan for spending the reserves shortly.

We need to be presenting the accounts at the next AGM with some clear deliverables to reduce our balance sheet value- it is something that we are questioned on more and more.