

## AUDIT AND RISK ASSURANCE COMMITTEE

("the Committee")

### FinCo MINUTES

Meeting held on 7 October 2020  
10:30 – 13:30 | by Video-conference

**Present:** Catharine Seddon                      Chair  
(Members) Catherine Brown  
Marina Gibbs  
Michael Smyth

**In attendance:** Matthew Hill                      Chief Executive and Accounting Officer  
Steph North                                      Corporate Governance Manager (minutes)  
Holly Perry                                      Director, Enabling Services  
Melanie Stewart                              Head, Finance and IT (outgoing)  
Stuart Hamill                                      Head, Finance and IT

#### Item 1

#### AUDIT AND RISK ASSURANCE FINANCE COMMITTEE MEETING

1. Members of the Committee met as a Board budget sub-group to consider the LSB's approach to constructing the budget proposal for 2021/22.
2. Under its Terms of Reference, the Committee considers and scrutinises the draft LSB budget annually on behalf of the Board.
3. Following an introduction by the Head, Finance and IT, members noted that in the last year a different approach to budget-setting had been taken with greater visibility of resourcing challenges and opportunities. The provisional budget would be agreed in tandem with the development of the next three-year strategy. A draft budget had been proposed with the same timetable as last year. A final draft provisional budget including outcomes of budget planning activity would be considered by the Committee at an extraordinary meeting in November 2020 (**action**).
4. The Committee considered the paper and commented that:
  - It was a clear proposal, with a helpful overview of work carried out in the last year
  - The proposal should note that year-on-year expenditure had increased, which was reflected in the budget proposal
  - Any proposal for a budget increase should be supported with a clear rationale
  - It was helpful to include horizon-scanning to provide certainty to the regulators, and it should cover the full period of the three-year strategy
  - Media monitoring costs appeared proportionate, but there was a wider question about the value of the content received, and whether content from other regulators and sectors would add greater value (**action**: schedule session with Board members to consider media monitoring options).

5. The Chair thanked the Head, Finance and IT for the paper. The Committee, subject to comments raised, would consider a further draft of the provisional budget proposal at an extraordinary meeting to be scheduled in November, with a view to recommending the provisional budget to the full Board at its 2 December meeting.

Signed as an accurate record of the meeting

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Date

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SN 14 October 2020