

East Lancs Area Local Optical Committee AGM – 17/05/17
Treasurer's Annual Report

I am pleased to report that this year's accounts show a much better position than the previous year principally due to lower meeting expenses and training costs.

In 2015/16 we were in the midst of setting up the Integrated Eye Service (IES) which required regular meetings with ELHT and the frequency of those meetings meant that there was a significant demand on our financial resources. Once this service was launched (which incidentally has proved extremely successful in managing the demand for eyecare services in our area), the IES project group moved from service development to monitoring which meant that fewer meetings were necessary. This reduced activity is reflected in our accounts for 2016/17 which show a dramatic reduction in member expenses. Also in 2015/16 we had a large bill for training principally due to getting everyone IES accredited and registered with Optomanager.

Going forward now that the IES service has 'bedded in' there will be fewer costs attributable to the LOC for the management of the Service. The majority of these operating expenses will be met by our sister organisation Primary Eyecare Lancashire (PEL) and consequently in our 2017/18 budget we have set a figure for member's expenses which is in line with our more traditional duties.

Your LOC recognises the need for ongoing accreditation and training. Last year we had low training expenses because, as explained above, the cost of start-up training for IES participants fell in the 2015/16 financial year. However, with the possibility of new services being commissioned and the ongoing need for optom accreditation we need to budget for the cost of running a number of training sessions. This is why in this year's budget we have proposed a sum of £4.5k to cover training costs. It may be possible to offset some of these costs by having PEL finance training directly attributable to PEL services but this has yet to be negotiated.

Last year the LOC had serious concerns that our reserves were being depleted and therefore at last year's AGM your committee asked you to agree to raise the GOS levy to 1.4% of GOS Sight test fees in order to stabilise our finances.

From the accounts for 2016/17 you will see that the levy increase, along with cost savings, meant we were able to post a modest surplus. Your Committee felt it fair to make use of that surplus rather than burden the membership. Consequently, the Committee proposes that for the coming year we lower the levy to 1.3% and continue to pay LOCSU 0.5% which leaves us with 0.8%. If this proposal is passed then it means that we have again set a negative budget but with a relatively healthy balance at the bank and foreseeing no significant expenditure the Committee was happy to do so. A word of caution though. In the unlikely event that we do get hit with unexpected costs it may be necessary to again raise the levy so as not to deplete reserves to an unacceptable level.

With an aging population there is going to be an ever-increasing demand on eyecare services and the optometric profession will be increasingly called upon to play its part in relieving the demand on secondary care by way of shared care schemes.

Through the continuing efforts of your Committee acting on your behalf we will ensure that when it comes to managing services our voice is heard, and in tandem with PEL we will aim to get the best outcome for both our membership and our patients.