



St Edmundsbury
BOROUGH COUNCIL

D120

Cabinet

12 September 2012

Report of the Performance and Audit Scrutiny Committee: 30 July 2012

On 30 July 2012, of the Committee also considered the:-

- (a) Annual Governance Statement 2011/12;
- (b) Annual Treasury Management Report 2011/12 and Investment Activity 1 April to 30 June 2012; and
- (c) Whistleblowing Policy,

and reports relating to these items appear separately on this Cabinet agenda.

1. Budget Outturn and Financial Highlights Report: 2011/2012

- 1.1 The Accounts and Audit Regulations 2011 require the Council to submit draft accounts to its external auditors by 30 June each year, with Member scrutiny and approval of the accounts required once the audit has been concluded (normally by 30 September each year). The draft accounts had been prepared, and the Committee considered a report providing Members with an overview of the Council's budget outturn and financial highlights for the 2011/2012 financial year. The audited financial statements will be presented to the Committee on 25 September 2012, for scrutiny prior to approval by full Council on 27 September 2012.
- 1.2 The report included a financial commentary on the year, details of revenue and expenditure including budgeted and actual expenditure and an explanation of the main variances, and details of how services were paid for. Capital income and expenditure was also discussed, as well as reserves and treasury management.
- 1.3 The Committee discussed the information provided within the report, but did not request that any issues be forwarded to Cabinet for consideration.

2. Budget Monitoring Report: 1 April to 30 June 2012

- 2.1 The Committee received the quarterly budget monitoring report which informed Members of the Council's financial position for the first quarter of 2012, and highlighted significant variances. The latest overall position on the General Fund showed an underspend of £251,000. A full analysis of budget variances was provided in the report, together with a summary of the major variances. The report did not include a forecast outturn, as it was a little early in the year for this, however the forecast outturn would be reported to the next meeting of the Committee.

- 2.2 Significant variances included overspend on the Bury St Edmunds Festival of £42,000, which was a timing issue and an estimated year end position was forecast to be £10,000 overspend, and corporate property overspend of £33,000.
- 2.3 In terms of capital spending, £86,000 had been spent up to the end of June 2012. It was projected that the total capital expenditure in 2012/2013 would be £4.9 million. The capital disposals programme showed nil actual value of disposals to 30 June 2012, against a full year disposals estimate of £3,810,000, however, officers were confident that the target disposal would be achieved during the year.

3. Key Performance Indicators: First Quarter 2012/2013

- 3.1 Members considered the first quarterly report for 2012/2013, covering the period April to June 2012. A total of 45 indicators were reported this quarter, of which 18 were green, 6 amber and 3 red. 18 were contextual indicators.
- 3.2 Members discussed a number of the indicators, including percentage of minor and other planning applications determined within 8 weeks, and improved street and environmental cleanliness. They also asked that the appendix on visitor numbers at various leisure venues, which had been requested at the last meeting, be repeated at the next meeting but with information on previous quarters' statistics. A discussion was also held on enforcement action taken on fly tipping.

4. The Apex: Report of the Venues Director

- 4.1 This report, which had been requested by the Committee, identified the current performance of The Apex after a year and a half's operation, and was presented at a time when the outcomes from a two year management review were being considered. The full report to the 25 July 2012 meeting of Cabinet was therefore attached to the report (Report D85 refers), in order to ensure Members had all background information.
- 4.2 The Venues Director had worked closely with the consultants carrying out the review on behalf of the Borough Council, Theatre Royal, Arts Council England and Suffolk County Council, and the initial findings of the review suggested that the management option which would offer the greatest strategic benefits and efficiency savings was likely to be the transfer of the management of The Apex to a wider arts trust which would also manage the Theatre Royal. The Committee was advised that Cabinet had endorsed these findings in principle, and that a detailed business plan would be put together for the consideration of full Council and other partners in the autumn.
- 4.3 The budget outturn for 2011/2012 for The Apex was considered, which showed net expenditure of £736,457 for the year, and the overall overspend of £153,307 was considered in detail in the report. For the current financial year, budget monitoring figures up to June 2012 indicated that The Apex was currently attaining its overall budget target.
- 4.4 A wide ranging discussion was held, and Members asked for a written response in regard to the significant increase in service charge on The Apex, and what had been done to mitigate this, as well as a further breakdown of the summary budget information. Discussions were also held on the outsourcing of the catering

contract, the expected improved signage, and the need for more publicity and marketing of the venue.

- 4.5 The Committee endorsed the conclusion of the report that the staff at The Apex had done a good job in establishing its reputation and role in the region, and a strong foundation from which the business could develop.

5. Corporate Risk Register: Quarterly Monitoring Report

- 5.1 The first quarterly risk register monitoring report for 2012/2013 had been prepared following review by Joint Management Team and Corporate Management Team. No new risks had been added to the register in this quarter, and no risks had been closed. Three residual risk colours had changed, and reasons for the changes were set out in the report.
- 5.2 The Committee discussed some of the risks in this quarter's report, including *'unsustainable workload'* and *'provision of sites for Gypsy and Traveller communities'*, but did not make any suggestions for amendments to the Register on this occasion.

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