

ST EDMUNDSBURY BOROUGH COUNCIL

PERFORMANCE AND AUDIT SCRUTINY COMMITTEE

**Minutes of a meeting held on Monday 28 November 2011 at 4.30 pm
in the Conference Chamber West (F1R09), West Suffolk House, Western Way,
Bury St Edmunds**

PRESENT: Councillor J R Hale (Chairman)
Councillors Mrs Broughton, Cox, Farmer, Mrs Hind,
Mrs R V Hopfensperger, Redhead, Mrs Richardson, Simner and
Spicer

BY INVITATION: Councillor Ray, Portfolio Holder for Performance and Resources
and Councillor Nettleton.

35. Apologies for Absence

There were no apologies for absence.

36. Substitutions

No substitutions were declared.

37. Minutes

The minutes of the meeting held on 31 October 2011 were confirmed as a correct record and signed by the Chairman.

38. Declarations of Interest

Members' declarations of interest are recorded under the item to which the declaration relates.

39. Delivering a Sustainable Budget 2012/2013

(Councillor Cox declared a personal interest as a football referee affiliated to Suffolk County and Cambridgeshire Football Associations and remained in the meeting for the discussion on this item.)

The Committee considered Report C244 (previously circulated) which provided an update on progress made towards setting the 2012/2013 budget, and sought recommendations to Cabinet regarding savings and capital growth.

To date the 'banked' savings had delivered approximately £800,000 of the overall target of £4.1m across the three financial years to 2014/2015.

On 25 October 2011 full Council approved to progress with shared services with Forest Heath District Council, including joint management arrangements, and as a consequence, work had been undertaken to estimate the savings that would be delivered. Table 2 in the report set out the savings, analysed between:-

- (a) those areas where full business cases had been completed, for which reasonably accurate savings could be estimated; and
- (b) those which were still in progress, or where considerably more work needed to be undertaken, for which the figures could more reasonably be described as targets rather than estimates.

Table 2 showed that savings in respect of shared services in 2012/2013 totalled £670,500 and in 2013/2014 £458,000. It was emphasised that none of the savings included the cost of change, such as redundancy costs. These could not be accurately estimated until appointments to each new shared service were made, and so while business cases included possible sums on a 'worst case scenario', they were not included anywhere in this report. It was proposed that the funding of these costs would be from an earmarked reserve, established as part of the 2010/2011 budget process. The Committee noted that the current governance structure around shared services was such that this Committee was not required to recommend the savings to Cabinet, since that was the role of the Shared Services Steering Group. However, since they formed a significant element of the budget savings, Members were asked to note the savings potential.

A number of other saving areas had been progressed since the last meeting of the Committee and these were presented in Table 3 for the Committee to consider and, if agreed, recommend to Cabinet. The total savings proposed were £247,000 in 2012/2013, £88,000 in 2013/2014 and £24,000 in 2014/2015. Table 4 showed the budget gap if all the savings were recommended and approved by the Cabinet. The new gaps were 2012/2013 £482,500, 2013/2014 £554,000 and £736,000 in 2014/2015. The Committee noted that work would continue over the next two months to close the gaps and the final set of savings proposals would be brought to the Committee in January 2012.

In order to deliver some of the savings areas identified in Table 3 it was necessary for a limited amount of capital investment to be made. Four items for investment totalling £180,000 were included in the report for consideration.

Detailed discussions were held on the items listed in Table 3 in respect of other savings areas. Councillor Cox wished it be recorded that he was against the proposal to seek to transfer the Chalkstone Community Centre to a community organisation. He also stated that he was against the current proposals regarding car parking charges at both Hardwick Heath and Nowton Country Park. He considered that the users of these facilities should be consulted and the proposals would penalise the users of the football pitches and may lead to a reduction in income as the football clubs may seek alternative venues. Further details were also requested as to the detail of the works to be undertaken both at Hardwick Heath and Nowton Park car parks. Details were also requested regarding the operation of the Heritage Service to reduce the cost of outreach and the collection budgets. In addition, it was clarified that the item referred to in the report as investing in new exhibits did not actually relate to new exhibits but to investment in new facilities and attractions to promote the existing collections and assist with event income.

In response to a question, the Committee was informed that the budget savings in connection with the CCTV team involved changing the staff rotas which at certain times would mean a reduction in staffing levels with a consequential reduction in the

overtime budget. However, it was emphasised that the actual operational hours of CCTV would not change from that currently being delivered.

The Committee noted that the possible transfer of the Community Centres to Community Associations was dependant upon factors beyond the total control of the Council as it was necessary for the community group to want to take on the management of the Community Centre and also have the necessary funding and administrative arrangements in place.

In response to a question, the Committee was informed that the reduction in the staffing budget at the Athenaeum was attributable to staff moving their base from the Athenaeum to The Apex and that appropriate arrangements were being made with the Athenaeum Club. It was emphasised that the Athenaeum was still being actively promoted as a venue for events.



RECOMMENDED:- That

- (1) the proposals for savings and additional income, as set out in Table 3 at Section 2.2 of Report C244, be included in the 2012/2013 budget and, where indicated, subsequent years; and**
- (2) the proposed areas of growth, as set out in Section 2.3 of Report C244, be included in the 2012/2013 budget.**

(Councillor Cox wished it be recorded that he voted against the recommendations.)

40. Review of the Capital Programme

The Committee received and noted Report C245 (previously circulated) which provided the updated and rescheduled capital programme, attached as Appendix 1 to the report.

A formal review of the Council's five year capital programme was undertaken annually as part of the budget setting process. The capital programme at Appendix 1 had been updated in consultation with the relevant Corporate Directors and Heads of Service, and took into account approved changes to the programme as well as latest estimates on the timing and scheduling of projects. This was required for budget planning and monitoring purposes, and it also formed a key element of the annual budget paper that was submitted to Council for approval in February each year.

The report detailed a number of income generating ideas proposed for 2012/2013 that would require some capital investment. These were:-

- (1) car park improvements at Nowton Park;
- (2) creation of additional car parking spaces at Hardwick Heath; and
- (3) procurement of new exhibits to help generate additional income from the New Heritage initiative.

In addition to the above proposed capital investments, the capital programme also included an annual net capital expenditure allocation of £250,000 for each year up to 2014/2015 to fund the Council's contribution to the Mandatory Disabled Facilities Grant scheme. An updated programme would be used within the forthcoming budget

setting cycle not only as the basis for determining future capital expenditure plans, but also to help determine the extent and timing of associated revenue implications and the directly linked impact on the requirement for savings.

The Chief Finance Officer informed the Committee that the extensive review into the Capital Programme was still being conducted to ensure that implications in respect of timing and scheduling of projects as well as latest estimates could be incorporated into the Capital Programme. Consequently, a revised Capital Programme would be presented to the Committee at its next meeting scheduled for 30 January 2012.

Following on from discussions on the previous paper, Minute 39 above, the Committee again emphasised that it wished to receive details of the car park improvements at both Nowton Park and Hardwick Heath and also details of the Acquisitions and Disposal Policy for the museums. It was again emphasised that the proposed capital investment of £25,000 mentioned in the report was not for the purchase of new exhibits but in respect of providing new facilities to increase visitor numbers at both Moyses Hall Museum and West Stow. In respect of West Stow, it was considered advisable to try and increase the number of family attractions.

Councillor Cox drew to the attention of the Committee the inadequate changing facilities at Gainsborough Road Playing Field in Bury St Edmunds, where there was only one changing room and players were having to change in public and sometimes with children in attendance.

In response to a question regarding the budget in respect of the Unallocated Capital Programme provision, the Committee was informed that it was the Council's current policy to allocate £2m each year to capital investment and that this was allocated after an assessment of the revenue costs and approval of the scheme. In response to a further question, the Committee was informed that the Government Grant in respect of the proposed Gypsy and Traveller Site had been included as the result of the appeal lodged regarding planning permission was still awaited.

Councillor Ray understood that £5,000 had been allocated for welcome signs for Haverhill, whereas the draft Capital Programme showed that only £1,000 had been allocated.

41. Capital Programme Audited Accounts

The Committee received and noted Report C246 (previously circulated) which notified it of variations in cost between approved contract sums and completed schemes.

The report contained the results of key projects, contract sum over £25,000, undertaken by Property Services for which the accounts had been audited during the financial years 2010/2011 and the first half of 2011/2012.

Appendix A to the report contained financial statements for six schemes split between the two reporting years with a total approved budget of £8,174,687. The six schemes reported varied in size and complexity. Schemes were reconciled against a total budget approval and reported only when the final phase had been completed and audited. Analysis of the figures provided in Appendix A showed that the total expenditure on the projects had a variation of £438,879 below budget or 5.37%.

Of the six schemes being reported, two projects varied significantly from the budget allocation. Expenditure on the resurfacing of footpaths in the Abbey Gardens showed a saving of approximately 28% on the approved budget of £130,000. Expenditure on the refurbishment of the West Suffolk Athletics Track also showed a saving of approximately 28% on the original approved budget £250,000.

A discussion was held on the works undertaken within the Abbey Gardens and the plans and proposals for its future development. The Committee was advised that these would be the subject of an exhibition and public consultation and also the subject of a Heritage Lottery Fund Bid. There had been an article in the Members' Bulletin regarding the consultation process. However, it was agreed that all Members would be provided with details.

A discussion was also held regarding the refurbishment and usage of the West Suffolk Athletics Track and it was agreed that comments made would be forwarded to Abbeycroft Leisure who managed the facility on behalf of the Borough Council.

The meeting concluded at 5.29 pm.

**J R HALE
CHAIRMAN**