

MINUTES OF A MEETING OF THE OVERVIEW AND SCRUTINY
(STEWARDSHIP) COMMITTEE HELD IN THE COUNCIL CHAMBER, COUNCIL
OFFICES, CORKS LANE, HADLEIGH ON TUESDAY, 15 NOVEMBER 2011

PRESENT: Mr D M Busby – Chairman

Mr S R Barrett	Mr J M Nunn
Mr J R B Cave	Mr B Riley
Mr D G Grutchfield	Mr C A Roberts
Miss D Kendall	

Mr R E Kemp was unable to be present.

31 DECLARATION OF INTERESTS

None declared.

32 MINUTES

RESOLVED

That the Minutes of the meeting held on [22 September 2011](#) be confirmed and signed as a correct record.

33 PETITIONS

None received.

34 QUESTIONS FROM MEMBERS

None received.

35 PENSION FUND

The Director of Finance submitted a report ([Paper L100](#)) advising Members on the Pension Fund position in relation to the potential for any savings or reductions in employer contributions over the next 3 years and the impact of reducing staffing levels as part of the integration and transformation programme.

Mr Peter Edwards, Corporate Finance Manager at Suffolk County Council was present at the meeting and together with the Director of Finance answered various questions from Members.

Also in attendance at the meeting was Mr Tom Ost, Chairman of the Babergh Branch of Unison who referred to Unison's statement in relation to the matter as detailed in Appendix A to Paper L100.

During the debate a number of questions and issues were raised including the following:-

- Having already fixed actuarial contributions for the next 3 years, is there any scope to revisit this and therefore reduce Babergh's extra payments into the Pension Fund?
- Investment Strategy, matching liabilities/assets and any cross-subsidy between Councils.
- Differences between the 'FRS17' pension figures in the Statement of Accounts and the actuarial assumptions.
- Statutory requirements regarding the LGPS and funding.
- The current national dispute on pension benefits and employer contributions increasing.

After a lengthy discussion, Members agreed that more information was needed before a decision could be reached in this matter and it was therefore proposed that the Director of Finance arrange a meeting with the Chairman of the Committee, Councillor Dawn Kendall and Peter Edwards to consider the various issues further and report back to the Committee as appropriate.

RESOLVED

- (1) That consideration of the recommendations contained in Paper L100 be deferred to enable clarification on the various issues.**
- (2) That the Director of Finance arrange a meeting with the Chairman of the Committee, Councillor Dawn Kendall and Peter Edwards in relation to the above and report back to the Committee on 13 December 2011.**

Note: In relation to resolution (2) above, it was subsequently agreed by the Chairman of the Committee that a further report was not required based on the briefing note circulated to Committee Members on 1 December by the Interim Joint Chief Financial Officer.

36 MID YEAR TREASURY MANAGEMENT REPORT

The Director of Finance submitted a report ([Paper L101](#)) providing the Committee with a comprehensive assessment of Treasury Management activities for the half-year and reporting on the performance of the Prudential Indicators which were set in the 2011/12 Treasury Management Strategy.

Members noted that the Prudential Indicators and Limits were approved by full Council on 22 February 2011 as part of the Treasury Management Strategy 2011/12 and included a provisional sum for Housing Reform borrowing.

RECOMMENDED TO COUNCIL

That the Treasury Management activity for the half-year as set out in Appendix A to Paper L101 be noted. Further that it be noted that performance is in line with the Prudential Indicators set for 2011/12.

37 INTERIM INTERNAL AUDIT REPORT 2011/12

The Director of Finance submitted a report ([Paper L102](#)) informing the Committee of work undertaken by Internal Audit for the period 1 April to 30 September 2011 and the results from reviews completed to date.

Members noted that the Audit opinion in respect of renovation grants, as detailed in Appendix A of Paper L102 should read “effective”.

RESOLVED

- (1) That the content of the Interim Internal Audit report for the first 6 months of 2011/12 be noted and endorsed.**
- (2) That the position in respect of the officer expenses review (as reported to the Committee last year and again in July 2011) and any issues arising from the procurement card review to be carried out later this year (as detailed in paragraphs 8.13-8.17 of Paper L102) be noted.**

38 FINANCE, RISK AND PERFORMANCE MANAGEMENT – QUARTERLY MONITORING REPORT

The Joint Strategic Director (Corporate) and the Director of Finance submitted a report ([Paper L103](#)) providing the Committee with an exception-based strategic assessment of the Council’s achievements for the second quarter of 2011/12 across a range of areas including finance, risk management and various aspects of performance linked to the Delivery Plan.

Peter Quirk, Corporate Improvement and Information Manager outlined the key information and performance analysis detailed in paragraph 8 and Appendix A of Paper L103 and together with the Director of Finance answered various questions from Members.

It was noted that the average time to re-let Local Authority housing (former BV212) (paragraph 8.7, bullet point 2 refers) should be amended from 36 to 27 days following a review of the data.

During consideration of this matter the following were among the points discussed:-

- Annual review of performance indicators for 2012/13 should consider the relevance of the measures to core activities of the Council and the potential cost implications of increasing performance.
- Planning performance – Development Committee to be requested to provide information to this Committee on management of planning performance.

- A cleaner and greener Babergh – provide a list of which open space sites are failing to meet target.

John Snell, Audit Manager outlined the key messages and issues identified since the last risk review in respect of significant business risks and provided an update on BMI risk management, detailed in Appendices B and C of Paper L103 and answered questions from Members.

It was noted that in Appendix B all references to Appendix Y should be amended to read Appendix C. Members also noted a number of updates in respect of the new risks and concerns detailed in Appendix C.

Sue Smith, Acting Corporate Finance Manager outlined the financial information and capital programme information detailed in Appendices D and E of Paper L103 and answered questions from Members.

RESOLVED

- (1) That the key points relating to performance exceptions against targets/ milestones for the 2011/12 Delivery Plan actions, strategic performance indicators and service standards be noted.**
- (2) That the position on managing the Council's significant business risks and the latest position on Management Action Plans as referred to in paragraph 8.13 and summarised in Appendix B to Paper L71 be noted.**

39 WORK PLAN

The Joint Strategic Director (Corporate) submitted a report ([Paper L104](#)) which provided details of the Committee's anticipated work for the remainder of 2011/12.

RESOLVED

That the Work Plan submitted as Paper L104 be noted.

Note: The meeting adjourned between 11.05 a.m. and 11.25 a.m. for refreshments.

The business of the meeting was concluded at 1.00 p.m.

.....

Chairman