



Extract from the Minutes of a meeting of the ESPO Finance and Audit Subcommittee held at County Hall, Glenfield, Leicestershire on Monday, 18 February 2013.

PRESENT

Cambridgeshire County Council

Cllr. J. Reynolds (in the Chair)

Leicestershire County Council

Mr. M.B. Page CC

Lincolnshire County Council

Cllr. S. Rawlins

Peterborough City Council

Cllr. D. Seaton

43. Exclusion of the Public.

RESOLVED:

That under Section 100(A)(iv) of the Local Government Act 1972 the public be excluded from the meeting on the grounds that it will involve the likely disclosure of exempt information during consideration of the following item of business entitled:

'Forecast Outturn 2012/13 and Draft Medium Term Financial Strategy 2013/14 - 2016/17' (Paper 'E') as defined in paragraphs 3 and 10 of Schedule 12A of the Act; and, in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

44. Forecast Outturn 2012/13 and Draft Medium Term Financial Strategy 2013/14 - 2016/17.

The Subcommittee received an exempt joint report of the Consortium Treasurer and Director which presented the Forecast Outturn 2012/13 and Draft Medium Term Financial Strategy 2013/14 - 2016/17. A copy of the exempt report, marked 'E', is filed with these minutes.

The exempt report was not for publication by virtue of paragraphs, 3 and 10 of Section 12A of the Local Government Act 1972.

Arising from discussion the following points were noted:

- (i) The Subcommittee indicated its satisfaction at the level of information provided in the report and in particular the detailed scenario analysis

which had been prepared;

- (ii) The Subcommittee was pleased to note the projected performance summarised within the forecast outturn 2012/13;
- (iii) Building knowledge and awareness of the market was a key part of the role of ESPO's Director. He had made recent visits to each of the Consortium Authorities with the exception of Leicester City Council and Lincolnshire County Council, but would be visiting these Consortium Authorities shortly;
- (iv) Competition would be a key challenge for ESPO over the coming years and there was a need for the Organisation to develop its approach in this regard;
- (v) In the future ESPO would need to develop its marketing practices, and would undertake reviews of its category management to ensure that customer requirements continued to be met;
- (vi) It was intended for provision to be made for ESPO to react more quickly to customer requests, e.g. utilizing e-communications. This was to support ESPO's growing number of customers;
- (vii) The Indigo warehouse project had been put on hold because further training on the new system for staff was required. Adjustments to the software to improve its accessibility by users were also being discussed with the developer. Re-implementation of the Indigo system was expected prior to the end of the current financial year, at an appropriate time at which demand for ESPO services was at a lull;
- (viii) The Servicing Authority's Internal Audit Service, as part of its remit, would review ESPO's existing warehouse processes;
- (ix) In respect of consulting services offered by ESPO a more robust time capture cost recovery system needed to be developed. It was suggested that it was important for client contracts to clearly state all charging arrangements.

RESOLVED:

- (a) That the forecast outturn for 2012/13, and draft four year medium term financial strategy 2013/14-2016/17, be noted;
- (b) That the Management Committee be recommended to note the forecast outturn and approve the draft MTFs 2013/14-2016/17, on 7 March 2013.