

MINUTES OF A MEETING OF THE  
CORPORATE BUSINESS SCRUTINY  
COMMITTEE HELD IN THE COUNCIL  
CHAMBER, WALLFIELDS, HERTFORD ON  
TUESDAY 11 MAY 2010, AT 5.00 PM

---

PRESENT: Councillor D Andrews (Chairman)  
Councillors R Beeching, R N Copping,  
R Gilbert, J Hedley, G E Lawrence, J Mayes,  
J O Ranger, J P Warren and M Wood

ALSO PRESENT:

Councillors M G Carver, D Clark, N P Clark,  
Mrs M H Goldspink, A M Graham,  
L O Haysey, A P Jackson, P A Ruffles,  
S Rutland-Barsby and M J Tindale

OFFICERS IN ATTENDANCE:

|                  |   |
|------------------|---|
| Anne Freimanis   | - Chief Executive                                     |
| Eoin Baird       | - Castle Hall<br>General Manager                      |
| Philip Hamberger | - Programme<br>Director of Change                     |
| Martin Ibrahim   | - Senior Democratic<br>Services Officer               |
| Marian Langley   | - Scrutiny Officer                                    |
| Will O'Neill     | - Head of<br>Community and<br>Cultural Services       |
| Emma Parlow      | - Marketing and<br>Audience<br>Development<br>Manager |
| Rhys Thomas      | - Arts and<br>Entertainment<br>Programme<br>Director  |
| John Woodham     | - Deputy Section<br>151 Officer                       |

680 CHAIRMAN'S ANNOUNCEMENT

The Chairman welcomed Members of the other Scrutiny Committees to the meeting.

RESOLVED ITEMS

681 MINUTES

RESOLVED – that the Minutes of the meeting of the Committee held on 16 February 2010 be confirmed as a correct record and signed by the Chairman.

682 CHANGING THE WAY WE WORK (C3W) PROGRAMME - GRANT THORNTON AUDIT REPORT - MARCH 2010

The Programme Director of Change submitted a report from Grant Thornton (the Council's external auditors) on the Council's approach to its decision to implement the C3W programme.

Grant Thornton had carried out this work as part of the examination of Use of Resources and had presented their report to the Audit Committee in March 2010. The primary purpose of the report had been to identify any lessons learnt from the implementation of the overall approach to the programme and the property deal for the Causeway offices.

Grant Thornton had made a number of recommendations on how the Council could manage programme risk and improve the management of future major transactions.

It had been found that the programme management and governance arrangements had been generally in line with expected good practice. Recommendations regarding the virtual programme team, business change and programme office resource, development of additional strategies and methods to strengthen management of future transactions were being progressed by the Programme Director of

Change.

A recommendation that reports be amended to be more explicit about links to Corporate Objectives would be considered by the Committee at a future meeting.

In response to Members' questions, the Programme Director clarified that the Committee had received the latest version of the report provided by Grant Thornton following the Audit Committee's consideration of the report. He could not comment on Grant Thornton's views on the ongoing dialogue between Officers and Members. He stated that recommendation 11 had been accepted and would be taken on board as and when new projects were initiated.

He further advised that the Corporate Risk Management Group would take on board Grant Thornton's views on risk management. In respect of recommendations designed to strengthen the management of future transactions, these had been taken on board by CMT.

In response to a question on how the Council intended to adopt the HM Treasury Green Book approach when undertaking financial modeling of future capital projects, the Programme Director undertook to provide Councillor D Clark with a written response.

The Committee agreed to receive the report and noted that the Audit Committee would monitor the implementation of Grant Thornton's recommendations.

RESOLVED – that (A) the report from Grant Thornton be received; and

(B) it be noted that in line with usual practice, the Audit Committee would monitor implementation of Grant Thornton's recommendations.

683 INVESTMENT PROPOSALS FOR CASTLE HALL

The Executive Member for Community Development, Leisure and Culture submitted a report on an invest-to-save capital investment proposal for the regeneration of Castle Hall, Hertford.

The Executive had considered the future of Castle Hall on September 2009. The report gave an update on progress on recommendations from that meeting. The report suggested new programmes to attract more diverse audiences at Castle Hall, in particular artistic programmes, an annual pantomime and programmes that would appeal to both young and old.

It was proposed that Castle Hall would be refurbished and rebranded. A ten year business plan was considered together with proposals for a new staff structure, relaunch and suggestions for film showings and a hydro-power installation. Details of the sums needed for the developments were given.

The Committee also received a detailed presentation from Officers. Following this, Officers answered a number of Members' questions relating to the tenders received and the wider procurement process, the assumptions made on capacity and income projections, future usage by community groups, access for the disabled, and the rebranding proposals. A couple of Members lamented the loss of "Castle" in the proposed new name "Hertford Theatre".

Some Members referred to the experience of the Rhodes Centre redevelopment and suggested that, given the tight build time, a joint member/officer group should be set up to monitor progress during the construction phase. It was suggested that such meetings should involve the architects and developers.

Concern was expressed that the timeframes used for the business plan and the payback period were not consistent, the estimated costs of the project had risen greatly since the report to the Executive in September 2009, the risks associated with the tight build time and other inconsistencies

within the papers.

The Deputy Section 151 Officer accepted that there were some minor inconsistencies which he had raised with colleagues but that these were not material. He undertook to review the inconsistent timeframes used for the business plan and the payback period. He confirmed that the financial modeling was in line with the latest Grant Thornton advice. In respect of managing risk, the Council's Risk Management Strategy was in place for dealing with such issues. Finally, he commented that he believed the proposals were robust.

The Committee agreed to make the recommendations now detailed to the Executive.

RESOLVED – that the Executive be informed that the Corporate Business Scrutiny Committee considers that: DIS

- (A) the business plan presented at Essential Reference Paper 'C' of the report now submitted should be approved;
- (B) capital of up to £978,536 should be made available for major redevelopment work and associated fixtures and fittings;
- (C) capital of up to £114,000 should be made available for the supply and fit of digital film, screen and associated audio equipment;
- (D) Castle Hall should be renamed Hertford Theatre in accordance with the marketing and re-branding proposals presented in Essential Reference Paper 'M' of the report now submitted;
- (E) a business plan for the hydro electric power installation should be referred to the Environmental Scrutiny Committee for consideration; and
- (F) a joint member/officer group should be established to monitor the progress of the project

during the construction phase.

684 SCRUTINY WORK PROGRAMME 2010/11

The Chairman of the Corporate Business Scrutiny Committee submitted a report inviting the Committee to review its work programme.

The Scrutiny Officer provided an update on the calendar of meetings and drew attention to the scheduled meeting on 1 June 2010, which would now be a joint meeting of Scrutiny Committees. The November meeting of Corporate Business Scrutiny Committee would now be on 30 November instead of 16 November.

She asked Members to consider how they would like to scrutinise the budget in 2010/11 and whether a task and finish group should be set up.

Members expressed a wish for the capital programme item previously requested to be considered as soon as possible.

A non-Member of the Committee expressed the view that the next C3W update scheduled for the July 2010 meeting was too late.

The Committee decided to approve the work programme subject to the comments now detailed.

RESOLVED – that the work programme now submitted be approved subject to the comments now detailed.

The meeting closed at 6.37 pm

|          |       |
|----------|-------|
| Chairman | ..... |
| Date     | ..... |