

**Southend-on-Sea Borough Council**

**Report of the Executive Director of Finance and  
Resources**

**To**

**Stakeholder Board**

**On**

**26 February 2020**

Report prepared by: Scott Dolling  
Director of Culture & Tourism

**Agenda  
Item No.**

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**Southend on Sea Forum Management Ltd: Receipt of Accounts  
for year ending 31 July 2019**

**Cabinet Member - Councillor Kevin Robinson  
Part 1 (Public Agenda Item)**

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**1. Purpose of Report**

To provide some background information and present to the Shareholder Board the financial statements of Southend on Sea Forum Management Board Ltd for year ending 31 July 2019, together with the report of their auditors.

**2 Recommendations**

That the Shareholder Board receives the financial statements of Southend on Sea Forum Management Board Ltd for year ending 31 July 2019, together with the report of their auditors.

**3 Background**

- 3.1 The Forum was the country's first combined public and academic library where a local authority and higher education providers joined resources.
- 3.2 The building opened on time and on budget in Elmer Square in 2013 following a £28M capital project managed by Southend On Sea Borough Council's property team.
- 3.3 In addition to the combined library, the space also houses Focal Point Gallery, a contemporary arts venue funded by SBC and the Arts Council as one of their National Portfolio Organisations.
- 3.4 Southend-on-Sea Forum Management Ltd (SoSFML) is a zero profit joint venture between the University of Essex, Southend-on-Sea Borough Council (SBC) and South Essex College (SEC). It was set up to manage the property of The Forum, allowing mutual benefit through sharing of resources.

- 3.5 SoSFML functions by charging the partners three times a year in advance for expected costs, it then makes adjustments in the following invoice for any differences between expected costs and actual costs, thus at the end of the year SoSFML will always net to zero profit.
- 3.6 The financial year of SoSFML runs from August to July.
- 3.7 Two Southend Borough councillors are appointed to the board through the annual appointments committee. For the current municipal year, the representatives are Cllr George and Cllr Thompson.
- 3.8 The Council has the largest stake in the company and costs are attributed proportionately based on space utilisation.
- 3.9 The board meets quarterly to agree strategic activity that involves all partners. Shared operations where representatives from each organisation contribute include an SLA for the library management, a user group and the big screen management group.

#### **4. Other Options**

- 4.1 The current arrangements have been in practice for six years and work effectively for managing the various stakeholders. An informal partnership was proposed as an alternative but not agreed by the University of Essex.

#### **5. Corporate Implications**

- 5.1 Contribution to Council's Vision & Critical Priorities

The ongoing development of the Forum supports Southend 2050 objectives particularly concerning Opportunity and Prosperity and Pride and Joy outcomes for outstanding cultural offer and skills development.

In 2021 the Forum offer develops into a further building which South Essex College and the Borough Council (through Focal Point Gallery) expand into. It has been proposed to use SoSFML vehicle to manage the governance for the new operation rather than develop a separate model.

- 5.2 Financial Implications

The Statement of Accounts is required to present a true and fair picture of the Company's financial position at 31 July 2019.

Costs to the Council and the other partners for the last financial year reduced due to the move from the University's Facility Management provider and is now managed by Southend Borough Council through South Essex Property Services. No changes are anticipated that will result in the company requiring additional costs in the next financial year.

### 5.3 Legal Implications

The financial statements of Southend on Sea Forum Management Board Ltd are governed by the Companies Act 2006.

### 5.4 People Implications

There are no people implications arising from this report.

### 5.5 Property Implications

There are no property implications arising from this report.

### 5.6 Consultation

There are no consultation implications arising from this report.

### 5.7 Equalities and Diversity Implications

There are no equality implications arising from this report.

### 5.8 Risk Assessment

There are no risk implications arising from this report.

### 5.9 Value for Money

There are no value for money implications arising from this report.

### 5.10 Community Safety Implications

There are no community safety implications arising from this report.

### 5.11 Environmental Impact

There are no environmental implications arising from this report.

## 6. Background Papers

Detailed working papers are held by Southend on Sea Forum Management Board Ltd.

## 7. Appendices

**Financial Statements and Auditors report of Southend on Sea Forum Management Board Ltd for year ending 31 July 2019.**