

Cabinet

10 September 2013

Report of the Performance and Audit Scrutiny Committee held on 31 July 2013

On 31 July 2013 the Committee also considered the Annual Treasury Management Report 2012/2013 and Investment Activity 1 April to 30 June 2013, and also reviewed the Council's Treasury Management Strategy. These topics are the subject of a separate report which appears as Report E101 on this Cabinet agenda.

1. Presentation by Councillor Ray, Portfolio Holder for Resources and Performance

1.1 Councillor Ray, Portfolio Holder for Resources and Performance had been invited to the meeting to discuss his portfolio and performance issues. The presentation gave an overview of his portfolio activities in relation to the work of the Performance and Audit Scrutiny Committee. In particular, discussions were held on shared services savings, business rates, on-line customer access and the expansion of the Anglia Revenues and Benefits Partnership. The Portfolio Holder and officers provided comprehensive responses to questions raised.

2. Key Performance Indicators and Quarter 1 Performance Report 2013-2014

2.1 This report set out the Key Performance Indicators (KPIs) used to measure the Council's performance for 2013/2014. The report included the first quarter indicators covering April to June 2013 for St Edmundsbury together with a combined performance for West Suffolk, where relevant. A total of 37 indicators for St Edmundsbury were reported this quarter, of which 17 were green, 6 were amber and 5 red. 9 were data only indicators. For West Suffolk there were a total of 35 indicators, of which 14 were green, 6 were amber and 5 red. 10 were data only indicators.

2.2 Members discussed a number of the indicators, including the number of households where homelessness prevented and the speed of determination of planning applications.

3. Budget Outturn and Financial Highlights Report (2012-2013)

3.1 The Accounts and Audit Regulations 2011 required the Council to submit draft accounts to its external auditors (currently Ernst and Young) by 30 June each year, with Member scrutiny and approval of

the accounts required once the audit had been concluded (normally by 30 September each year).

- 3.2 The draft accounts had been prepared, and the Committee considered a report providing Members with an overview of the Council's budget outturn and financial highlights for the 2012/2013 financial year. The audited financial statements would be presented to the Committee at its meeting on 26 September 2013, for scrutiny prior to approval in accordance with the powers delegated to it under the Council's Constitution.
- 3.3 The report included a financial commentary on the year, details of revenue and expenditure including budgeted and actual expenditure and an explanation of the main variances, details of how services were paid for, capital income expenditure as well as reserves and treasury management.
- 3.4 The Committee discussed the information provided within the report, but did not request that any issues be forwarded to Cabinet for consideration.

4. Budget Monitoring Report: 1 April to 30 June 2013

- 4.1 The Committee received and noted the quarterly budget monitoring report which informed Members of the Council's financial position for the first quarter of 2013 and highlighted significant variances. The latest overall position on the General Fund showed a current underspend of £123,000. A summary of major variances over £50,000 was provided in the report, together with information on capital receipts received in the period to 30 June 2013.
- 4.2 Significant variances include the unbudgeted purchase of hardware including servers of £71,000 for Information and Communications Technology (ICT) and E-Services, which will be funded from earmarked reserves; and a refuse operational cost underspend of £60,000 due partly to favourable fuel prices, which will be monitored throughout the year.
- 4.3 In terms of the Capital Programme, a review has taken place as part of the budget and council tax setting process. This has involved rescheduling budgets to take into account timing differences between planned and actual capital expenditure.

5. Corporate Risk Register Quarterly Monitoring Report: June 2013

- 5.1 The Committee received and noted the first quarterly risk register monitoring report for 2013/2014 in respect of the Corporate Risk Register. The Register is updated regularly by the Risk Management Group and at its recent meeting the Group reviewed the inherent risks, (the risk level prior to any mitigating actions being taken) and the residual risk following actions being put in place to reduce the risk.
- 5.2 No new risk had been identified and no risk had been amended or closed. However, some controls and actions had been updated and these were reflected in the individual risk record.
- 5.3 The Committee discussed some of the risks in this quarter's report, including 'provision of affordable housing' and suggested reference to

the Council's Vision 2031 documents should be included, which might help mitigate the residual risk. Officers duly responded to this suggestion.

6. Work Programme Update

- 6.1 The Committee received and noted a report which provided information on the current status of the Committee's Work Programme and items scheduled to be presented to the Committee during 2013/2014.

7. Recommendation

- 7.1 The Cabinet is requested to **NOTE** the contents of this report.

Contacts:

Christopher Spicer, Vice-Chairman of Performance and Audit Scrutiny Committee (01359-230800)

Rachael Mann, Head of Resources and Performance (01638-719245)

Christine Brain, Scrutiny Officer (01638-719729)

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