

# Forest Heath District Council

**MINUTES** of the **PERFORMANCE AND AUDIT SCRUTINY COMMITTEE** held at the District Offices, College Heath Road, Mildenhall on Thursday, 28 November 2013 at 6.00 pm.

## **PRESENT:**

Councillors:

A J Wheble (Vice-Chairman)  
M J Anderson  
C J Barker  
D W Bimson

S Cole  
T J Huggan  
G Jaggard  
Mrs C F J Lynch

Also in attendance:

R Almond, Development Manager  
L Barnard, Policy Manager (Job Share)  
K Blazeby, Policy Business Partner  
C Brain, Scrutiny Officer  
B Fiske, Business Partner, Finance and Performance  
P Gudde, Environment Manager  
R Mann, Head of Resources and Performance  
A Oswald, Environment Officer  
S Phelan, Head of Housing  
J Snares, Internal Audit Manager  
A Wilson, Director

## **APOLOGIES**

Apologies for absence were received from Councillor M J Jefferys, C Noble and J W McGhee.

## **SUBSTITUTES**

Councillor S Cole attended the meeting as substitute for Councillor M J Jefferys.

### 803. **PUBLIC PARTICIPATION**

There were no questions/statements from members of the public.

### 804. **CONFIRMATION OF MINUTES**

The minutes of the meeting held on 24 September 2013 were accepted by the Committee as an accurate record and signed by the Chairman.

805. **PRESENTATION BY THE ENVIRONMENT MANAGER ON FUEL POVERTY AND ENERGY EFFICIENCY (VERBAL)**

The Chairman agreed for this item to be brought forward on the agenda.

The Environment Manager and Environment Officer opened the presentation by thanking the Committee for the invitation to attend and give a presentation covering the issue of fuel poverty in the Forest Heath area. Members were provided with an advice and support note on energy efficiency and renewable energy to take away, which contained further detailed key facts and contact numbers/web addresses to compliment the presentation.

Officers then provided an overview, which covered the following areas:

(1) Defining fuel poverty: Government recently changed the definition of fuel poverty to "households were considered fuel poor if":

- They had higher energy costs than those for typical households (i.e. "high cost"); and
- If they were to spend that amount they would be left with a residual income below the official poverty line (i.e. "low income)."

Based on this definition, 2.4 million households were in fuel poverty in the UK. Under previous definition this was much higher.

(2) Determining factors:

- Changes in income, rising fuel prices, heating needs.
- Exacerbated in rural areas due to:
  - Off mains gas
  - high number of solid wall properties
- Solid walls are more difficult and expensive to insulate.
- It could cost 90% more to deal with energy inefficiency in a rural home (internal and external wall insulation).

This could leave households living in cold conditions.

(3) The effects of fuel poverty:

- Around 27,000 more people die in England over the winter months because of cold weather when compared with other times of the year.
- About a fifth of excess winter deaths can be attributed to living in cold homes.
- In cold weather, many more people visit GPs and hospitals with a range of cold weather-related health problems.

(4) The local situation:

- 40% of homes in Suffolk were off the gas main.
- Solid wall properties was an issue.
- All Saints Ward had a high percentage of solid wall properties.

(5) Our response:

- Set out our strategic plans for supporting local energy efficiency action.
- Focus on making improvements to dwellings with lowest energy efficiency.
- Target key sectors of the community
  - Older heads of households
  - Dwellings with benefit recipients
  - Households on low income
  - Households with disabilities
- Winter fuel poverty programme
- Targeted refurbishment programme
- General energy advice and support

There being no decision required, the Committee **noted** the contents of the report.

806. **ERNST YOUNG – PRESENTATION OF ANNUAL AUDIT LETTER 2012-2013 (REPORT NO PAS13/017)**

The Committee received Report No: PAS13/017, which updated Members on the outcome of the annual audit of 2012-2013 financial statements by Ernst and Young (the Council's external auditors) as detailed in their Annual Audit Letter for 2012-2013, attached as Appendix A to the report. The letter attached at Appendix A was for information and confirmed the completion of the audit of the 2012-2013 financial statements. No significant issues were noted by Ernst and Young, therefore the planned audit fee for the year remained unchanged.

There being no decision required, the Committee **noted** the contents of the report.

807. **MID-YEAR INTERNAL AUDIT PROGRESS 2013-2014 (REPORT NO PAS13/018)**

The Committee received Report No: PAS13/018, which advised Members of the work of the Internal Audit Section for the first half of 2013-2014 (Appendix A), which provided Members with a flavour of the variety of projects and corporate activities which were supported through the work of the team. The report also provided an update on progress made against the 2013-2014 internal Audit Plan, attached as Appendix B, previously approved by the Committee and sought approval for changes to the Audit Plan, attached as Annex A, paragraphs 3.1 – 3.4, in order to accommodate additional Internal Audit assistance with various corporate and finance projects.

During the period 14 audit reviews had been completed to final report stage. Audit reports were issued as final when their content had been agreed with management, in particular responsibility for actions and timescales. Appendix A to the report contained a summary of the content of the Internal Audit Reports issued during the current financial year. Each summary provided an indication of the issues arising from the reviews as well as action taken in response to previous audit reports.

Members were reassured that staffing was currently considered to be adequate to fulfil audit responsibilities for 2013-2014 but that due to the recent loss of two staff members the Internal Audit Manager, in conjunction with the Head of Resources and Performance, would be assessing staff resource requirements for 2014-2015 and beyond.

Members scrutinised the report and with the vote being unanimous, it was

**RESOLVED:**

That, the amendments as set out in Annex A to Report E173 to reflect changes in priority and service needs be approved.

808. **KEY PERFORMANCE INDICATORS AND QUARTER TWO PERFORMANCE REPORT 2013-2014 (REPORT NO PAS13/019)**

The Committee received PAS13/019, which set out the Key Performance Indicators being used to measure the Council's performance for 2013-2014 and provided an overview of performance against those indicators for the second quarter of 2013-2014. Appendix A included performance against Quarter two 2013-2014 for Forest Heath together with a combined performance for West Suffolk, where relevant. A colour coded "traffic light" system was used to indicate levels of performance against agreed targets: Green for on or exceeding target; Amber for below target within tolerance and Red for significantly below target. Where performance was below target the data was supported by notes and explanations from service areas.

The current quarter two performance summary for Forest Heath showed that of a total of 37 indicators, 16 were green, 7 were amber, 4 were red and 10 were data only indicators. For West Suffolk, the current quarter two performance summary showed that of a total of 35 indicators, 15 were green, 2 were amber, 8 were red and 10 were data only indicators.

The Committee discussed a number of the indicators in detail, with particular emphasis on those showing red and amber under the traffic light system, and asked questions to which officers provided comprehensive responses. In particular, discussions were held on:

(a) FH/EDG003 – New and existing businesses benefiting from the Council's Business Grant schemes

Members suggested that for economic development that there should be a measurable indicator showing what the Council was aiming to achieve; such as an indicator, setting a target of overall turnover or the value of grants given. The Director agreed to take the suggestion back to the Economic Development Team to explore further.

(b) Homelessness indicators

Members were advised that following the shared services restructure of the Housing Service, additional focus had been provided through dedicated staff resources for the assessment of homeless applications, and Housing Options staff were in place, who were responsible for a specific

geographical area. It was reported that the indicators should improve during quarter three, onwards.

(c) FH/HOU009 – Private sector tenancies made available through West Suffolk Lettings Partnership

Members were advised that the Rent Guarantee offered a service to the landlord. West Suffolk was the only two authorities across Suffolk which had such a scheme in place. Local authorities were contacting the Council for advice to help them develop the scheme in their areas. The Council was looking at the potential to sell the service which would also generate an income.

(d) FH/LDS002 and WS/LDS002– Percentage of benefit fraud prosecutions which were successful

Members noted that the indicator was contextual but felt it was meaningless as no notes were provided. It was suggested that instead of being a percentage a more meaningful target could be to reflect the number of cases prosecuted or the number of cases investigated. The Director agreed that the notes column should be better utilised and information on number of cases etc. could be provided in the notes column in future monitoring reports.

(e) Planning indicators

In response to a question raised, Members were advised that the Council had to balance the right planning judgement with getting an efficient and speedy decision within the Government targets. The Planning Section was currently working through the backlog of planning applications (minor and major) and the increases in applications had also impacted on workloads. The planning service had recently gone through shared services, which had seen a number of staff changes, and a new Principal Planning Officer would be joining the authorities in the New Year. Due to the time between applications being registered and determined, it would take several months before the indicators moved from "red" to "amber", but the trend in performance was already positive.

Members suggested that in future monitoring reports planning indicators FH/PRS002, WS/PRS002, FH/PRS003 and WS/PRS003 should include information on the number of majors, number of appeals, number of awards against the Council and how much in costs, which would provide members with a better understanding and the context behind the indicators. The Development Manager advised Members that the new single way of working which was currently being introduced in the Planning Service would include quarterly performance reports to the Development Control Committee, which would include the detail behind the KPI's and a summary of appeals and performance information on enforcement.

(f) FH/WPM007 – Percentage of household waste recycled and composted

Members were advised that a target had been set for the above indicator which was a proxy for the remaining waste performance indicators, some of which were contextual. Members suggested that it would be helpful to also understand per-capita figures. The Director agreed to take the suggestion back to the Waste Management Team to explore further.

With the vote being unanimous, it was

**RESOLVED:**

That the Council's performance against the Key Performance Indicators for Quarter 2, 2013-2014 be noted.

809. **BIANNUAL CORPORATE COMPLAINTS AND COMPLIMENTS REPORT (REPORT NO PAS13/020)**

The Policy Business Partner presented Report No: PAS13/020, which was the Biannual Corporate Complaints and Compliments Digest covering the period 1 April to 30 September 2013.

The aim of the digest was to provide an overview of the number and range of corporate complaints (complaints monitored by the Policy Team) that the Council had received, as well as monitoring effectiveness at responding and learning from any mistakes that had been made. A total of 18 complaints had been received between April and September 2013, compared to 21 during the same period last year. No comparable data was available as this was the first full year of reporting using this system. This process was introduced in November 2012.

The report set out the number of corporate complaints received, details of response times to those complaints, a breakdown of the complaints by Service and also details of the complaints received. In addition, the report highlighted 19 compliments which had been received across the authority during the reporting period.

The Committee discussed the report and asked a number of questions to which officers duly responded. In particular discussions were held on how complaints were responded too and initial response times.

The Committee expressed pleasure in the number of compliments received in the reporting period to date and wished to congratulate staff.

There being no decision required, the Committee **noted** the contents of the report.

810. **FINANCIAL PERFORMANCE REPORT (REVENUE AND CAPITAL) (APRIL – SEPTEMBER 2013) (REPORT NO PAS13/021)**

The Committee received Report No: PAS13/021 which provided information on the financial position for the first six months of the financial year 2013-2014. Attached to the report at Appendix A was the year end forecast outturn which showed an underspend of £53,000. Appendix B detailed the Council's capital financial position for the first six months 2013-2014, showing expenditure of £1,030,000. Earmarked reserves showed a projected year end balance of £4,432,000.

Members were requested to note the position to September 2013 and the significant variances as outlined in the report at paragraph 4.3.1. Budget Holders would continue to work with the Resources Business Partners and

Business Support Advisors for the remainder of the financial year in order to monitor the forecast position and an updated position would continue to be presented to the Committee on a quarterly basis.

Initial reporting was showing that the overall business rate yield anticipated for 2013-2014 was below that forecasted as part of the NNDR1 return in January 2013. Work would continue with the Anglia Revenue Partnership team to understand the variances within the overall yield, and a further update would be provided in the next quarters monitoring report. In the meantime the additional revenue assumed in the 2013-2014 budget of £93k remained an area of risk to the Council.

There being no decision required, the Committee **noted** the contents of the report.

811. **DELIVERING A SUSTAINABLE BUDGET 2014-2015 (REPORT NO PAS13/022)**

The Committee received Report No: PAS13/022, which updated Members on progress made towards delivering a balanced budget for 2014-2015, following its last update on 24 September 2013, were the Committee received Report PAS13/015, setting out the context for the 2014-2015 budget, including details of savings targets and known pressures for 2014-2015 and future years.

The budget gaps for the years 2014-2015 to 2016-2017 were projected in Table 2 of the report. The current budget assumptions for 2014-2015 and for the period of the Medium Term Financial Strategy were also detailed in the report. The latest budget projections, additional pressures and the progress made to date in achieving the 2014-2015 savings target were set out in Table 1. It was reported that shared services had gone a long way in balancing the budget. However, there was still a small budget gap of £85K, and Head of Resources and Performance was confident at this stage in the budget process, in being able to present a balanced budget for 2014-2015 in February 2014.

Members were advised that the comprehensive spending round, combined with other pressures was continuing to have a direct and significant effect on the Council's budget.

Members asked a number of questions in relation to the report. In particular discussions were held on the employer's pension contributions and the impact of the pension auto-enrolment to which the Head of Resources and Performance duly responded.

There being no decision required, the Committee **noted** the contents of the report.

812. **STRATEGIC RISK REGISTER QUARTERLY MONITORING REPORT – SEPTEMBER 2012 (REPORT NO PAS13/023)**

The Committee received Report No: PAS13/023, which was the quarterly monitoring report in respect of the Council's Strategic Risk Register. This was regularly updated by the Risk Management Group and at its recent assessment in September 2013, the Group reviewed the target risk, the risk level where the

Council aimed to be and agreed a current risk assessment. The latest copy of the revised strategic risk register was attached as Appendix 1 to the report.

Since the last assessment report was presented to the Committee on 1 August 2013, there had been no new risks identified and no risks had been amended or closed. However, some controls or actions had been updated and those which were not ongoing and had been completed by September 2013 had been removed from the register.

It was reported that whilst a single risk register for West Suffolk had not yet been compiled, the development of a single management and service structure across Forest Heath and St Edmundsbury had seen considerable similarity between the risk registers of the respective councils.

A Member of the Committee provided an example of where he felt there might be an issue around failing to engage with all sections of the community with regards to a current consultation where a parish council had potentially not been consulted and suggested that (RSK STR 003 "community engagement and communities") should include parish councils. The Head of Resources and Performance agreed to look into the issue and report back to the Member.

There being no decision required, the Committee **noted** the contents of the report.

813. **PERFORMANCE AND AUDIT SCRUTINY WORK PROGRAMME UPDATE (REPORT NO PAS13/024)**

The Committee received Report No: PAS13/024 which provided information on the current status of the Committee's Work Programme. Attached as Appendix 1 to the report were details of items scheduled to be presented to the Committee during 2013-2014. The Head of Resources and Performance advised Members that:

- 1) The Joint Risk Management Strategy currently scheduled for 30 January 2014 to be rescheduled to 29 May 2014.

There being no decision required, the Committee **noted** the contents of the report.

The meeting closed at 7.28pm.