

# Informal Joint Performance and Audit Scrutiny Committee



**Forest Heath**  
District Council

<b>Title:</b>	<b>Agenda</b>								
<b>Date:</b>	<b>Thursday 29 January 2015</b>								
<b>Time:</b>	<b>5.00 pm</b>								
<b>Venue:</b>	<b>Council Chamber District Offices</b> College Heath Road Mildenhall								
<b>Full Members:</b>	<p style="text-align: center;"><b>Chairman</b> Colin Noble <b>Vice Chairman</b> Tony Wheble</p> <p><u>Conservative Members (8)</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Michael Anderson</td> <td style="width: 33%;">John Bloodworth</td> </tr> <tr> <td>Chris Barker</td> <td>Geoffrey Jaggard</td> </tr> <tr> <td>David Bimson</td> <td>John McGhee</td> </tr> </table> <p><u>Opposition Group Members (2)</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Tim Huggan</td> <td style="width: 33%;">Michael Jefferys</td> </tr> </table>	Michael Anderson	John Bloodworth	Chris Barker	Geoffrey Jaggard	David Bimson	John McGhee	Tim Huggan	Michael Jefferys
Michael Anderson	John Bloodworth								
Chris Barker	Geoffrey Jaggard								
David Bimson	John McGhee								
Tim Huggan	Michael Jefferys								
<b>Substitutes:</b>	Named substitutes are not appointed								
<b>Interests – Declaration and Restriction on Participation:</b>	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.								
<b>Quorum:</b>	Three Members								
<b>Committee administrator:</b>	<b>Christine Brain</b> Scrutiny Officer <b>Tel:</b> 01638 719729 <b>Email:</b> <a href="mailto:christine.brain@westsuffolk.gov.uk">christine.brain@westsuffolk.gov.uk</a>								

<b>5.00pm</b>	<p><b>Public Speaking</b></p> <p>Prior to the start of the informal discussions, members of the public are invited to put questions/statements of not more than 3 minutes duration in relation to items to be discussed in Part 1 of the agenda only.</p>
<b>5.00pm</b>	<p>Informal discussions with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee on the three substantive items listed below under Items 5 to 7 inclusive, to be held in the <b><u>Council Chamber</u></b>.</p>
<b>5.30pm</b>	<p>The formal meeting of the Performance and Audit Scrutiny Committee will commence at 5.30pm or immediately following the conclusion of the informal discussions, whichever is the later, in the <b><u>Council Chamber</u></b>.</p>

All Members of St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee have been invited to attend the meeting to enable informal discussions on the reports listed in Items 5 to 7 inclusive below to take place between the two authorities:

**COUNCILLORS**

Conservative Members (7)	Sarah Broughton Karen Richardson Patricia Warby	Paul Farmer Paul Simner	Beccy Hopfensperger Paula Wade
Independent Group (2)	David Nettleton	Derek Redhead	
UKIP Member (1)	Vacancy		

**SUBSTITUTES**

Conservative Members (3)	Jeremy Farthing	Marion Rushbrook	Adam Whittaker
Labour Member (1)	Diane Hind		

On the conclusion of the informal joint discussions, Members of St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee will withdraw from the Council Chamber to the Training Room to hold their meeting and Forest Heath's Performance and Audit Scrutiny Committee will continue as follows:

## Procedural Matters

### Part 1(A) - Public

- 1. Apologies for Absence**
- 2. Substitutes**
- 3. Public Participation**

Members of the public are invited to put questions/statements of not more than 3 minutes duration relating to items to be discussed in Part 1 of the agenda only.
- 4. Minutes** **1 - 12**

To confirm the minutes of the meeting held on 26 November 2014 (copy attached).

*(Following the informal discussions held with St Edmundsbury Borough Council's Performance and Audit and Scrutiny Committee on Items 5 to 7 below, Members are reminded that no further debate shall take place. However, Members are requested to either formally note/resolve Items 5 to 7 below)*
- 5. Key Performance Indicators and Quarter 3 Performance Report 2014-2015** **13 - 22**

Report No: **PAS/FH/15/001**  
*(For reference purposes, St Edmundsbury Borough Council's Report Number is PAS/SE/15/001)*
- 6. West Suffolk Strategic Risk Register Quarterly Monitoring Report - December 2014** **23 - 36**

Report No: **PAS/FH/15/002**  
*(For reference purposes, St Edmundsbury Borough Council's Report Number is PAS/SE/15/002)*
- 7. Work Programme Update** **37 - 42**

Report No: **PAS/FH/15/003**  
*(For reference purposes, St Edmundsbury Borough Council's Report Number is PAS/SE/15/003)*

**Part 1(B) - Public**

**8. Presentation from the Leader of the Council**

The Leader of the Council and Cabinet, has been invited to the meeting to update the Committee on his community leadership role as the political head of the Authority and to provide his assessment of how the Cabinet system was operating.

**9. Financial Performance Report (Revenue and Capital) Quarter 3 (2014-2015)**

**43 - 58**

Report No: **PAS/FH/15/004**

**10. Delivering a Sustainable Budget 2015-16 - Update**

**59 - 62**

Report No: **PAS/FH/15/005**

**11. Urgent Business**

Such other business which, in the opinion of the Chairman should be considered as a matter of urgency to be specified in the minutes.

# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

**Notes of Informal Discussions held on Wednesday 26 November 2014  
at 5.00pm in Conference Room West, West Suffolk House,  
Western Way, Bury St Edmunds**

PRESENT: St Edmundsbury Borough Council (SEBC)

Councillors Sarah Broughton, Paul Farmer, Diane Hind, Beccy Hopfensperger, David Nettleton, Paula Wade, and Patricia Warby

Forest Heath District Council (FHDC)

Councillor Tony Wheble  
(Chairman of the informal discussions)

Councillors John Bloodworth, Simon Cole, Tim Huggan and Bill Sadler

IN ATTENDANCE: SEBC – Councillor David Ray, Portfolio Holder for Performance and Resources  
FHDC – Councillor Stephen Edwards, Portfolio Holder for Resources, Governance and Performance

Prior to the formal meeting, at 5.00pm informal discussions took place on the following seven items:

- (1) Mid-year Internal Audit Progress Report 2014-15;
- (2) Key Performance Indicators and Quarter 2 Performance Report 2014-15;
- (3) West Suffolk Strategic Risk Register Quarterly Monitoring Report – September 2014;
- (4) Biannual Corporate Complaints and Compliments Digest;
- (5) West Suffolk Fees and Charges Policy;
- (6) Accounting for a single West Suffolk staffing structure and the move to a West Suffolk Cost Sharing Model; and
- (7) Work Programme Update

All Members of St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee had been invited to attend West Suffolk House, Bury St Edmunds to enable joint informal discussions on the above reports to take place between the two authorities.

The Chairman of St Edmundsbury's Performance and Audit Scrutiny Committee welcomed all those present to West Suffolk House and advised on the format of the proceedings for the informal joint discussions and subsequent separate meetings of each authority, prior to handing over to the Chairman of Forest Heath's Performance and Audit Scrutiny Committee, who would be chairing the informal joint discussions.

SEBC's Performance and Audit Scrutiny Committee noted that under its Constitution, FHDC permitted public participation at its Performance and Audit Scrutiny meetings. Therefore, for the purpose of facilitating this Constitutional requirement, it was proposed that public speaking should be permitted prior to the start of the informal discussions to enable any questions/statements to be considered by both Performance and Audit Scrutiny Committees. On this occasion however, there were no questions/statements from members of the public.

Each report was then considered in the order listed on each authorities agenda.

1. **Mid-year Internal Audit Progress Report 2014-15**

The Senior Auditor presented the report, which advised Members of the work of the Internal Audit Section for the first half of 2014/2015 (Appendix A), and provided Members with an insight of the variety of corporate projects and activities which were supported through the work of the team. The report also included an update on progress made against the 2014/15 Internal Audit Plan previously approved by the Committee in May 2014. Five full audit reviews had been completed, and no significant risk exposures or control issues had been identified.

Members scrutinised the report in detail and asked questions to which responses were duly provided. It was suggested that future reports should include more detail on fee earning.

2. **Key Performance Indicators and Quarter 2 Performance Report 2014-15**

The Business Partner (Resources and Performance) presented the report, which set out the Key Performance Indicators (KPIs) being used to measure the Council's performance for 2014/2015. The report also included the second quarter indicators covering April to September 2014 for both Forest Heath and St Edmundsbury Borough Council, together with a combined performance for West Suffolk, where relevant.

Appendix A contained all the KPIs for both Councils and West Suffolk. The current quarter two performance summary for Forest Heath showed that of 24 indicators, 8 were green, 3 were amber, 5 were red and 8 were data only indicators. For St Edmundsbury, the current quarter two summary showed that of a total of 24 indicators, 9 were green, 3 were amber, 4 were red and 8 were data only indicators. For West Suffolk there were a total of 21 indicators, of which 7 green, 3 were amber, 4 were red and 7 were data only indicators.

It was reported that the general performance in dealing with the various planning applications was steadily improving. The performance improvement for Major projects was encouraging. The team were now getting to grips with the inherent back-log and the Council would be seeing sustained improvements across all categories of applications during the next two quarters.

Members scrutinised a number of the indicators, with particular emphasis on those showing 'red' under the traffic light system, and asked questions on a number of areas in the report, to which officers duly responded.

Discussions were held on the major and other planning indicators, the percentage of industrial units vacant; and the collection of council tax. In particular detailed discussions were held on:

- (1) **FAC001** - Income generated from leisure service activities which were council controlled. Members suggested that a value on income received from feed-in-tariff could be included.
- (2) **HOU005** - Time taken to make decisions on homelessness applications (days). Officers agreed to provide more detail and information as to why targets were not being met.
- (3) **COR006** - Percentage return on the investment of the council's reserves and balances. The Head of Resources and Performance agreed to discuss with the Head of Operations on how best to include the rate of return being achieved on council assets for 2015/16.

Members again discussed the issue of enforcement and suggested the inclusion of an indicator for monitoring enforcement. This would enable Members to understand how the service area was working and help Members to support officers with improving enforcement performance. The Head of Planning and Growth duly responded and it was agreed that further details on enforcement performance would be provided to Members.

### 3. **West Suffolk Strategic Risk Register Quarterly Monitoring Report – September 2014**

The Head of Resources and Performance presented the second quarterly risk register monitoring report in respect of the West Suffolk Strategic Risk Register. The Register was updated regularly by the Risk Management Group and at its recent meeting the Group reviewed the target risk, the risk level where the Council aimed to be, and agreed a current risk assessment. These assessments formed the revised West Suffolk Risk Register (Appendix 1).

Since the last assessment report presented to the Committee on 31 July 2014, there had been no new risks identified and no risks had been amended or closed. However, some individual controls and actions had been updated and those which were not ongoing and had been completed by September 2014 had been removed from the Register.

Members scrutinised the report and held detailed discussions on the following risks, to which officers duly responded:

- **WS1B** – Financial planning.
- **WS4** - Staff retention (professional staff / technical staff) staff trust and goodwill (morale)
- **WS6** – Managing public / councillor expectations with less resources.
- **WS7a** – ICT integration
- **WS8a** – Delivery of the families and communities agenda.
- **WS8c** – Delivery of the housing agenda.

Members on this occasion did not make any suggestions for amendments to the Risk Register.

*(Councillor Diane Hind arrived during the consideration of this item)*

4. **Biannual Corporate Complaints and Compliments Digest**

The Head of Families and Communities, presented the report which provided an overview of the quantity and range of corporate complaints and compliments received during 1 April to 30 September 2014, which the Committee used to monitor the Council's effectiveness at responding to and learning from any mistakes which had been made. The report included information relating to Forest Heath District Council and St Edmundsbury Borough Council working together across West Suffolk, with data provided for the individual councils as appropriate.

For the first half of this financial year, across both councils, 26 corporate complaints and 59 compliments had been received, and data for the individual councils was provided.

The report provided a breakdown of the corporate complaints, including outcomes and lessons learned and also highlighted the compliments that had been received across the authority during the reporting period and outlined the Service or individuals who received them.

Members considered the digest in detail and asked questions to which responses were duly provided. In particular discussions were held on self-service and questioned how easy was it to register a complaint; the customer services team and the number of calls they handled and suggested the council should be providing training courses for other councils.

Members expressed their delight in the number of compliments received in the reporting period to date and commended the customer services team.

5. **West Suffolk Fees and Charges Policy**

The Head of Resources and Performance, presented the report which informed Members of a Draft West Suffolk Fees and Charges Policy, attached as Appendix B, to create a single, clear and consistent approach to formulating, agreeing and reviewing the fees and charges set by the West Suffolk councils.

In the summer 2014, a review of the West Suffolk councils' fees and charges was carried out by the councils' Senior Auditors. The review examined the ways in which fees and charges were currently set by West Suffolk, when charging for the provision of a service. The review work only covered those fees and charges where the councils had control over their setting and excluded Council Tax and Business Rates. The report include at Appendix A the outcomes from the review.

It was reported that the West Suffolk fees and charges were agreed annually through the budget setting process for both councils. Recommendations made in the annual process came from officers, working with portfolio holders and within the councils' governance framework who undertook work to set fees and charges



at an appropriate level. In order to improve the process a West Suffolk Fees and Charges Policy had been drafted.

Members scrutinised the Draft West Suffolk Fees and Charges Policy attached at Appendix B in detail and asked a number of questions, to which officers duly responded. In particular, discussions were held on the split of income generated from waste management and property and who reviewed the overall fees and charges.

6. **Accounting for a single West Suffolk staffing structure and the move to a West Suffolk Cost Sharing Model**

The Head of Resources and Performance, presented the report which informed Members that the allocation of the single staffing structure across the West Suffolk partnership between Forest Heath District Council and St Edmundsbury Borough Council had to date been driven by the level of savings generated from the baseline position back in 2012.

To date, the sharing of the savings had been deemed to be balanced across the two councils and acceptable to external auditors. However, recharging each council for the savings from shared services was a very labour intensive and retrospective process which, once completed each quarter, typically resulted in an overall sharing of costs that could have been achieved more simply from cost sharing the operational costs (of salaries for example) at the outset. Also, the current process caused some confusion for members and officers when managing and monitoring budgets and considering future costs and savings for the partnership as information was not live.

Therefore, a new approach to cost sharing for West Suffolk was required that both recognised the shared nature of much of West Suffolk's service delivery and recognised that the councils remained separate legal entities. The West Suffolk cost sharing model must therefore be transparent and comply with external audit requirements.

The report included a proposed cost sharing model for income and employee costs as detailed in Table 2 and 3 and at paragraph 2.17 of reports PAS/SE/14/006 and PAS/FH/14/006. It was also proposed that the model should be reviewed annually as part of the budget setting process with any necessary amendments to the model (in order to secure delivery against the principles set out in paragraph 2.12 of the report) be reported to the Performance and Audit Scrutiny Committee in the Autumn.

Members scrutinised the report in detail and asked a number of questions, to which officers duly responded. In particular, discussions were held on the income from assets, which would be retained by the individual council. Members supported the report, which they felt was a very practical and could be reviewed, as necessary.

*(Councillor Beccy Hopfensperger arrived during the consideration of this item).*

7. **Work Programme Update**

The Head of Resources and Performance presented the report, which provided information on the current status of each Committee's Work Programme for 2015.

On the conclusion of the informal joint discussions at 6.20 pm, Members of Forest Heath District Council's Performance and Audit Scrutiny Committee withdrew from Conference Chamber West to Conference Chamber (East) to hold their formal meeting.

The Chairman then formally opened the Forest Heath District Council's Performance and Audit Scrutiny Committee in Conference Chamber (East) at 6.25 pm.

# Performance and Audit Scrutiny Committee



Forest Heath  
District Council

**Minutes** of a meeting of the **Performance and Audit Scrutiny Committee** held on **Wednesday 26 November 2014** at **6.25 pm** at the **Conference Chamber (East), West Suffolk House**, Western Way, Bury St Edmunds, IP33 3YU

Present: **Councillors**

**Chairman** Tony Wheble

John Bloodworth  
Simon Cole

Tim Huggan  
Bill Sadler

In Attendance: Councillor Stephen Edwards, Portfolio Holder for Resources, Governance and Performance

## 1. **Apologies for Absence**

Apologies for absence were received from Councillors Michael Anderson, Chris Barker, David Bimson, Geoffrey Jaggard, Michael Jefferys, Colin Noble and John McGhee.

## 2. **Substitutes**

The following substitutions were declared:

Councillor Bill Sadler substituting for Councillor David Bimson and Councillor Simon Cole substituting for Councillor Michael Jefferys.

## 3. **Public Participation**

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

## 4. **Minutes**

The minutes of the meeting held on 25 September 2014, were accepted by the Committee as an accurate record, with 2 voting for the motion and with 3 abstentions and, signed by the Chairman.

5. **Mid-Year Internal Audit Progress Report 2014/15 (Report No: PAS/FH/14/001)**

Further to the joint informal discussions held prior to the meeting with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No PAS/FH/14/001.

Members had scrutinised the report in detail and had asked a number of questions to which responses were duly provided.

There being no decision required, the Committee **noted** the contents of the report and the progress made against the 2014/15 Internal Audit Plan.

6. **Key Performance Indicators and Quarter Two Performance Report (2014-2015) (Report No: PAS/FH/14/002)**

Further to the joint informal discussions held prior to the meeting with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No PAS/FH/14/002.

Members had scrutinised the report in detail and had asked a number of questions to which responses were duly provided.

There being no decision required, the Committee **noted** the performance against the Key Performance Indicators for Quarter 2, 2014-15.

7. **West Suffolk Strategic Risk Register Quarterly Monitoring Report - September 2014 (Report No: PAS/FH/14/003)**

Further to the joint informal discussions held prior to the meeting with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No PAS/FH/14/003.

Members had scrutinised the report in detail and had asked a number of questions to which responses were duly provided.

There being no decision required, the Committee **noted** the contents of the West Suffolk Strategy Risk Register Quarterly Monitoring Report for September 2014.

8. **Biannual Corporate Complaints and Compliments Digest (Report No: PAS/FH/14/004)**

Further to the joint informal discussions held prior to the meeting with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No PAS/FH/14/004.

Members had scrutinised the report in detail and had asked a number of questions to which responses were duly provided.

There being no decision required, the Committee **noted** the contents of the Biannual Corporate Complaints and Compliments Digest.

9. **West Suffolk Fees and Charges Policy (Report No: PAS/FH/14/005)**

Further to the joint informal discussions held prior to the meeting with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No PAS/FH/14/005.

Members had scrutinised the report in detail and had asked a number of questions to which responses were duly provided.

With the vote being unanimous, it was

**RECOMMENDED:**

That the West Suffolk Fees and Charges Policy, attached as Appendix B to Report PAS/FH/14/005 be approved.

10. **Accounting for a Single West Suffolk Staffing Structure and the Move to a West Suffolk Cost Sharing Model (Report No: PAS/FH/14/006)**

Further to the joint informal discussions held prior to the meeting with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No PAS/FH/14/006.

Members had scrutinised the report in detail and had asked a number of questions to which responses were duly provided.

With the vote being unanimous, it was

**RECOMMENDED:**

That:-

- (1) Subject to the approval of full Council, as part of the 2015/16 budget setting process and subject to external audit support, the proposed cost sharing model for income and employee costs as detailed in Table 2 and 3 and at paragraph 2.17 of Report PAS/FH/14/006, be approved.
- (2) The proposed model, as detailed in Table 2 and 3 and at paragraph 2.17 of Report PAS/FH/14/006, be reviewed annually as part of the budget setting process with any necessary amendments to the model (in order to secure delivery against the principles set out in paragraph 2.12 of Report PAS/FH/14/006), be reported through the Performance and Audit Scrutiny Committee in the Autumn.

11. **Work Programme Update (Report No: PAS/FH/14/007)**

Further to the joint informal discussions held prior to the meeting with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No PAS/FH/14/007.

Members had scrutinised the report in detail and had asked a number of questions to which responses were duly provided.

There being no decision required, the Committee **noted** the contents of the work programme for 2015.

12. **Delivering a Sustainable Budget 2015-16 and Budget Consultation Results (Report No: PAS/FH/14/008)**

The Committee received Report No PAS/FH/14/008, which set out the context of the 2015/16 budget process, including a summary of the budget consultation focus group results and the proposed saving and income generation items for delivering a balanced budget for 2015/16.

The budget gap for the years 2015/16 to 2017/18 were projected in Table 1 of the report. The current budget assumptions for the 2015/16 and for the period of the Medium Term Financial Strategy were also detailed in Appendix B. The key budget assumptions continued to be reviewed as more accurate information became available.

Attached as Appendix A to the report, was the initial results of the budget consultation exercise which was carried out over the summer in order to inform the budget setting process and help councillors to make decisions about the 2015/16 budget. The purpose of the consultation was to gauge public opinion on the main savings/income generating options and to test views on a range of issues relating to council priorities and themes in the Medium Term Financial Strategy, such as channel shift, families and communities and our commercial approach.

The Performance and Audit Scrutiny Committee was asked to support the inclusion of a number of budget proposals set out in Table 2 of the report, taking into account the public consultation results outlined in Appendix A, in order to progress securing a balanced budget for 2015/16.

The Committee was further asked to support the removal of a number of proposals from the 2015/16 budget, set out in paragraph 1.5.2 of the report, following the public consultation exercise.

Members scrutinised the report in detail, particularly paragraphs 1.5.2 and 1.5.3, in relation to the potential savings/income generation options which had been explored as part of the budget consultation exercise and asked a number of questions to which Officers duly responded.

Members **noted** the progress made on delivering a balanced budget for 2015/16, and with 4 voting for the motion and with 1 abstention, it was

**RECOMMENDED:**

That taking into account the public consultation results outlined in Appendix A to Report No PAS/FH/14/008, the Cabinet:

- (1) includes the proposals, as detailed in Table 2 at paragraph 1.5.1 of Report No PAS/FH/14/008; and

(2) removes the proposals, as detailed in paragraph 1.5.2 of Report No PAS/FH/14/008.

13. **Financial Performance Report (Revenue and Capital) Quarter 2 - 2014-15 (Report No: PAS/FH/14/009)**

The Committee received Report No PAS/FH/14/009, which updated Members on the current position with regard to the 2014-15 year-end forecast financial position.

The latest Revenue Budget Summary for the year-to-date position after six months currently showed an underspend of £116,000 with a forecast position for the year end showing an underspend of £190,000 (and not £143,000 as stated within the report). In terms of the Council's capital financial position, the first six months of 2014/15 showed an expenditure of £2,524,000, and the revenue reserves summary showed an opening balance of £6,369,214 with a forecast closing balance of £8,064,640.

Members scrutinised the report in detail and asked a number of questions in relation to the report to which responses were provided.

There being no decision required, the Committee **noted** the year end forecast financial position.

*(Councillor Edwards left the meeting at 6.55 pm, following the conclusion of this item)*

14. **Ernst and Young Presentation of Annual Audit Letter 2013-14 (Report No: PAS/FH/14/010)**

The Committee received Report No PAS/FH/14/010, as presented by Melanie Richardson, from Ernst and Young, which updated Members on the outcome of the annual audit of the 2013/2014 financial statements by Ernst and Young (the Council's external auditors) as detailed in their Annual Audit Letter for 2013/2014, attached as Appendix 1 to the report. The letter was for information and confirmed the completion of the audit of the 2013/2014 financial statements.

It was reported that the final fee of £64,745 for work carried out, included two small additional sums totalling £2,900. The first additional sum of £2,000 reflected work undertaken by Ernst and Young over and above that planned due to extra time spent in undertaking the audit trail which supported the financial statements. Details of the work were included in the Annual Audit Letter at Appendix 1.

The second sum of £900 was an Audit Commission variation to the base scale fee to reflect the extra audit procedures required nationally, and further details were attached at Appendix 2.

Both of these additional fees had been agreed by the Section 151 Officer.

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

15. **Local Government Ombudsman Complaint Upheld - October 2014 (Report No: PAS/FH/14/011)**

The Committee received Report No PAS/FH/14/011 which set out a complaint which had been referred to the Local Government Ombudsman (LGO) and who had upheld part of the complaint. The Ombudsman's final decision was set out in Appendix 1 of the report.

There being no decision required, the Committee **noted** the Local Government Ombudsman (LGO) decision of maladministration and injustice and the payment of the recommended compensation of £150.

16. **Urgent Business**

There were no items of Urgent Business raised.

The Meeting concluded at 7.00 pm

**Signed by:**

**Chairman**

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# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath

District Council





<b>Title of Report:</b>	<b>Key Performance Indicators and Quarter 3 Performance report 2014-15</b>	
<b>Report No:</b>	<b>PAS/FH/15/001</b>	
<b>Report to and date:</b>	<b>Performance and Audit Scrutiny Committee</b>	29 January 2015
<b>Portfolio holder:</b>	Stephen Edwards Portfolio Holder for Resources, Governance and Performance <b>Tel:</b> 01638 660518 <b>Email:</b> <a href="mailto:Stephen.edwards@forest-heath.gov.uk">Stephen.edwards@forest-heath.gov.uk</a>	
<b>Lead officer:</b>	Rachael Mann Head of Resources and Performance <b>Tel:</b> 01638 719245 <b>Email:</b> <a href="mailto:rachael.mann@westsuffolk.gov.uk">rachael.mann@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	This report sets out the Key Performance Indicators being used to measure the Council's performance for 2014-15 and an overview of performance against those indicators for the third quarter of 2014-15.	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>Members are requested to Review the Council's performance against the Key Performance Indicators for Quarter 3, 2014-15 and identify any further information required or make recommendations where remedial action or attention is required to address the Council's performance.</b>	

<b>Key Decision:</b> (Check the appropriate box and delete all those that <b>do not</b> apply.)	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>		
<b>Consultation:</b>	This report has been prepared in consultation with all relevant staff and Leadership Team.		
<b>Alternative option(s):</b>	The option of doing nothing may result in poor performance, monitoring performance can highlight where remedial action may be needed		
<b>Implications:</b>			
<i>Are there any <b>financial</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> While there are no direct financial or budget implications arising from this report, it is possible that any recommendations of the Committee may have some resource implications. For example, resources may need to be reallocated to improve performance in a future period.		
<i>Are there any <b>staffing</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •		
<i>Are there any <b>ICT</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •		
<i>Are there any <b>legal and/or policy</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> • There are no legal implications from this report. Poor performance levels may impact on the Council's ability to implement its policies or high-level strategies.		
<i>Are there any <b>equality</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •		
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
	Low/Medium/ High*		Low/Medium/ High*
Failure to achieve optimum or target performance which may impact on resources	High	Regular reporting of performance to Joint Leadership Team, Portfolio Holders and to PASC can highlight where remedial action may be needed.	Medium
<b>Ward(s) affected:</b>		All Ward	
<b>Background papers:</b>		None	
<b>Documents attached:</b>		Appendix A – Forest Heath, St Edmundsbury and West Suffolk Key Performance Indicators 2014-15 – Quarter 3 Results	

## 1. Key issues and reasons for recommendation(s)

### 1.1 Key Issues

- 1.1.1 The report at **Appendix A** presents performance against Quarter 3 2014-15 for both Forest Heath and St Edmundsbury, together with a combined performance for West Suffolk where this is relevant.
- 1.1.2 Forest Heath KPIs are denoted with a FH/ prefix, St Edmundsbury KPIs are denoted with a SE/ prefix and those for West Suffolk with a WS/ prefix.
- 1.1.3 The information included in the report has been provided by Heads of Service and service management. Most indicators report performance against an agreed target using a traffic light system with additional commentary provided for performance indicators below optimum performance. Other KPIs report a data value only (e.g. no target performance) in order to track performance over time.
- 1.1.4 The following table shows the status of the current performance for all indicators:

<b>Quarter 3 2014-15</b>	PI on or exceeded target 	PI below target within tolerance 	PI significantly below target 	Data only Indicators 
<b>Forest Heath KPIs</b>	12	4	0	10
<b>St Edmundsbury KPIs</b>	11	4	2	10
<b>West Suffolk KPIs</b>	7	4	1	7

- 1.1.5 Where performance is below target the data is supported by notes and explanations from services.
- 1.1.6 An indicator for return on our investments was suggested by the committee and work continues on pulling together some proposed indicators for the 2015/16 KPI discussions.
- ### 1.2 Planning Performance
- 1.2.1 Generally performance in dealing with the various planning applications is steadily improving. Performance on both minor and other applications has improved significantly since quarter two, with both of these indicators either on or exceeding their targets. The team are now getting to grips with the inherent back log and we should see this improvement being sustained across all categories of applications.
- 1.2.2 As requested at the November committee meeting, there have been some indicators added in relation to planning enforcement. These indicators give details of the number of enforcement cases both opened and closed in the past quarter. They can be found in **Appendix A**, indicator numbers 59 to 62.
- 1.2.3 These figures give a snapshot of complaints over the last quarter and details of the work being carried out by consultants appointed by the Council to address the backlog and resource issues in enforcement. A new enforcement team will soon be in place with a Principal Enforcement Officer due to take up their post on 2 February 2015.

Forthcoming reports will contain more measureable indicators of enforcement performance. In addition, the Development Manager will be writing a monitoring report for the Council's Development Control Committee which will include key performance and outcomes for planning applications, appeals and enforcement.



No:	Code and Short Name	13/14 Actual	Target	Performance						Quarterly Traffic Light Icon	Short Term Trend Arrow	Target	Latest Note
			Annual Target 2014/15	Q1 2014/15		Q2 2014/15		Q3 2014/15				Cumulative or Quarter	
				Value	Target	Value	Target	Value	Target				
14	FH/FAC004* Percentage of household waste recycled and composted	46.00%	49.00%	48.28%	49.00%	46.00%	49.00%	50.00%	49.00%		↑	Quarter	Estimate for quarter based on average data from October and November as no data for December available at present. The annual target of 49% recycling and composting should be achievable given our performance for the first half of the year and our new contract for recyclables accepts more materials.
15	SE/FAC004* Percentage of household waste recycled and composted	50.00%	53.00%	55.06%	53.00%	54.00%	53.00%	55.00%	53.00%		↑	Quarter	Estimate for quarter based on average data from October and November as no data for December available at present. The annual target of 53% recycling and composting should be achievable given our performance for the first half of the year and our new contract for recyclables accepts more materials.
16	WS/FAC004* Percentage of household waste recycled and composted	49.00%	51.00%	51.67%	51.00%	51.00%	52.00%	52.00%	51.00%		↑	Quarter	Estimate for quarter based on average data from October and November as no data for December available at present. The annual target of 51% recycling and composting should be achievable given our performance for the first half of the year and our new contract for recyclables accepts more materials.
17	FH/FAC005* Number of fly tipping incidents	289		58		104		149			↑	Cumulative	There were a total of 149 incidents of flytipping recorded over the first three quarters, which is significantly lower than the 217 incidents recorded over the same period last year. This decrease is largely attributed to continued targeted enforcement in hot spot areas.
18	SE/FAC005* Number of fly tipping incidents	206		47		107		161			↑	Cumulative	There were a total of 161 incidents of flytipping recorded over the first three quarters, which is slightly higher than the 153 incidents recorded over the same period last year
19	WS/FAC005* Number of fly tipping incidents	495		105		211		310			↑	Cumulative	
20	FH/SE/FAC006* Number of fly tipping interventions	937		222		469		624			↑	Cumulative	In quarters 1,2 and 3 there were 624 enforcement interventions taken to combat flytipping. This is around four times the number of actual incidents because many of the actions are proactively taken such as the majority of 'duty of care' inspections. Out of these interventions there were 212 investigations, 151 warning letters, 251 'duty of care inspections' 3 fixed penalty notice, 5 cautions and 2 successful prosecutions.
21	SE/FAC006* Number of fly tipping interventions	129		153		302		411			↑	Cumulative	In quarters 1,2 and 3 there were 411 enforcement interventions taken to combat flytipping. This is around three times the number of actual incidents because many of the actions are proactively taken such as the majority of 'duty of care' inspections. Out of these interventions there were 59 investigations, 28 warning letters, 320 'duty of care inspections', stop and search operations and 2 successful prosecutions.
22	WS/FAC006* Number of fly tipping interventions	1,066		375		771		1,035			↑	Cumulative	

**Priority: Homes for our communities**

23	FH/HOU001* Average stay in temporary accommodation (all provisions) in weeks	7	16	12	16	8	16	10	16		↓	Quarter	
24	SE/HOU001* Average stay in temporary accommodation (all provisions) in weeks	13	16	9	16	12	16	8	16		↑	Quarter	
25	WS/HOU001* Average stay in temporary accommodation (all provisions) in weeks	10	16	10	16	11	16	9	16		↑	Quarter	
26	FH/HOU003* Total number of empty properties (empty for a period of 12 months or longer) brought back into use for West Suffolk through Council intervention	Changed from 13/14 indicator	50	65	12		25		37		—	Cumulative	Verbal update to be provided at the meeting





No:	Code and Short Name	13/14 Actual	Target	Performance						Quarterly Traffic Light Icon	Short Term Trend Arrow	Target	Latest Note
			Annual Target 2014/15	Q1 2014/15		Q2 2014/15		Q3 2014/15				Cumulative or Quarter	
				Value	Target	Value	Target	Value	Target				
27	SE/HOU003* Total number of empty properties (empty for a period of 12 months or longer) brought back into use for West Suffolk through Council intervention	Changed from 13/14 indicator	50	73	12		25		37		—	Cumulative	Verbal update to be provided at the meeting
28	WS/HOU003* Total number of empty properties (empty for a period of 12 months or longer) brought back into use for West Suffolk through Council intervention	Changed from 13/14 indicator	100	138	25		50		74		—	Cumulative	Verbal update to be provided at the meeting
29	FH/SE/HOU004* The number of applicants on the housing register	1,153		1,153		1,260		1,301			↓	Cumulative	
30	SE/HOU004* The number of applicants on the housing register	1,661		1,661		1,881		2,014			↓	Cumulative	
31	WS/HOU004 The number of applicants on the housing register	2,814		2,814		3,141		3,315			↓	Cumulative	
32	FH/SE/HOU005* Time taken to make decisions on homelessness applications (Days)	21	14	16	14	18	14	15	14		↑	Quarter	Improved performance is as a result of implementation of revised working practices. Performance is expected to meet target next quarter
33	SE/HOU005* Time taken to make decisions on homelessness applications (Days)	22	14	15	14	19	14	15	14		↑	Quarter	Improved performance is as a result of implementation of revised working practices. Performance is expected to meet target next quarter
34	WS/HOU005* Time taken to make decisions on homelessness applications (Days)	22	14	15	14	18	14	15	14		↑	Quarter	Improved performance is as a result of implementation of revised working practices. Performance is expected to meet target next quarter
35	FH/HOU006* Number of households where homelessness prevented	127	150	35	37	93	75	136	112		↑	Cumulative	The emphasis on homeless prevention has resulted in improved performance against this indicator and will maintained moving forward.
36	SE/HOU006* Number of households where homelessness prevented	146	180	46	45	90	90	135	135		↓	Cumulative	The emphasis on homeless prevention has resulted in improved performance against this indicator and will maintained moving forward.
37	WS/HOU006* Number of households where homelessness prevented	273	330	81	82	183	165	271	247		↓	Cumulative	The emphasis on homeless prevention has resulted in improved performance against this indicator and will maintained moving forward.
38	FH/HOU007* Number of people accepted as homeless	72		18		37		49			↑	Cumulative	
39	SE/HOU007* Number of people accepted as homeless	198		63		115		150			↑	Cumulative	
40	WS/HOU007* Number of people accepted as homeless	270		81		152		199			↑	Cumulative	
41	FH/HOU008* Number of households living in temporary accommodation	45		8		8		10			↓	Quarter	
42	SE/HOU008* Number of households living in temporary accommodation	130		37		30		28			↑	Quarter	
43	WS/HOU008* Number of households living in temporary accommodation	175		45		38		38			—	Quarter	
44	FH/HOU009* Private sector tenancies made available through West Suffolk Lettings Partnership	19	40	12	10	20	20	31	30		↑	Cumulative	
45	SE/HOU009* Private sector tenancies made available through West Suffolk Lettings Partnership	60	90	7	22	15	45	28	67		↑	Cumulative	The reduction of available properties in the market continues to be a problem. We are therefore looking at alternative approaches.
46	WS/HOU009* Private sector tenancies made available through West Suffolk Lettings Partnership	79	130	19	32	35	65	59	97		↑	Cumulative	See above comments
47	FH/HOU010* Number of private rented properties brought up to standard	38		6		12		22			↑	Cumulative	
48	SE/HOU010* Number of private rented properties brought up to standard	13		6		18		28			↑	Cumulative	
49	WS/HOU010* Number of private rented properties brought up to standard	51		12		30		50			↑	Cumulative	

No:	Code and Short Name	13/14 Actual	Target	Performance						Quarterly Traffic Light Icon	Short Term Trend Arrow	Cumulative or Quarter	Latest Note
			Annual Target 2014/15	Q1 2014/15		Q2 2014/15		Q3 2014/15					
				Value	Target	Value	Target	Value	Target				
50	FH/HOU011* Percentage of major planning applications determined within 13 weeks	28.60%	60.00%	50.00%	60.00%	66.67%	60.00%	55.56%	60.00%		↓	Quarter	9 major applications were determined in the quarter, with 5 being within the agreed timescales.
51	SE/HOU011* Percentage of major planning applications determined within 13 weeks	23.10%	60.00%	22.22%	60.00%	75.00%	60.00%	57.14%	60.00%		↓	Quarter	7 major applications were determined in the quarter, with 4 being within the agreed timescales.
52	WS/HOU011* Percentage of major planning applications determined within 13 weeks	25.53%	60.00%	30.77%	60.00%	72.73%	60.00%	56.25%	60.00%		↓	Quarter	
53	FH/HOU012* Percentage of minor planning applications determined within 8 weeks	52.70%	65.00%	23.08%	65.00%	46.15%	65.00%	71.43%	65.00%		↑	Quarter	42 minor applications were determined in the quarter, with 30 being within 8 weeks.
54	SE/HOU012* Percentage of minor planning applications determined within 8 weeks	39.30%	65.00%	54.10%	65.00%	40.43%	65.00%	59.38%	65.00%		↑	Quarter	64 minor applications were determined in the quarter, with 38 being within 8 weeks.
55	WS/HOU012* Percentage of minor planning applications determined within 8 weeks	43.37%	65.00%	44.83%	65.00%	43.02%	65.00%	64.15%	65.00%		↑	Quarter	
56	FH/HOU013* Percentage of other planning applications determined within 8 weeks	70.00%	80.00%	71.93%	80.00%	66.04%	80.00%	80.00%	80.00%		↑	Quarter	60 other applications were determined in the quarter, with 48 being within 8 weeks.
57	SE/HOU013* Percentage of other planning applications determined within 8 weeks	54.60%	80.00%	81.29%	80.00%	70.76%	80.00%	81.40%	80.00%		↑	Quarter	172 other applications were determined in the quarter, with 140 being within 8 weeks.
58	WS/HOU013* Percentage of other planning applications determined within 8 weeks	58.12%	80.00%	78.95%	80.00%	69.64%	80.00%	81.03%	80.00%		↑	Quarter	
59	FH/HOU014* Number of planning enforcement cases opened	New indicator for 14/15						21				Quarter	During 2014/15, the Council has used external consultants to help address the backlog of enforcement cases. Since June, these consultants have had 147 cases passed to them, with 103 of these cases having been investigated, dealt with and closed.
60	SE/HOU014* Number of planning enforcement cases opened	New indicator for 14/15						38				Quarter	During 2014/15, the Council has used external consultants to help address the backlog of enforcement cases. These consultants have had 79 cases passed to them, with 23 of these cases having been investigated, dealt with and closed.
61	FH/HOU015* Number of planning enforcement cases closed	New indicator for 14/15						40				Quarter	
62	SE/HOU015* Number of planning enforcement cases closed	New indicator for 14/15						31				Quarter	

#### Corporate indicators

63	WS/COR002* Working days/shifts lost due to sickness absence - all	5.67	6.50	5.67	6.50	6.12	6.50	6.95	6.50		↓	Quarter	
64	FH/COR004* Percentage of benefit fraud prosecutions which were successful	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		100.00%		—	Quarter	
65	SE/COR004* Percentage of benefit fraud prosecutions which were successful	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%		100.00%		—	Quarter	
66	WS/COR005* % of non-disputed invoices paid within 30 days of receipt	SE - 96.50% FH - 97.67%	98.00%	Not available	98.00%	Not available	98.00%	Not available	98.00%			Quarter	
67	FH/COR006* Percentage return on the investment of the council's reserves and balances	2.10%	1.90%	1.82%	1.90%	1.69%	1.90%	1.67%	1.90%		↓	Quarter	The falling rate is due to the continuing low bank base rate and not being able to replace the high interest rates on maturing investments. Expected to be on budget for actual interest income received due to higher investment balances available.
68	SE/COR006* Percentage return on the investment of the council's reserves and balances	1.31%	1.50%	0.85%	1.50%	0.83%	1.50%	0.80%	1.50%		↓	Quarter	The reduction in the average interest rate is primarily due to the continued fall in rates being offered on both call accounts, and fixed term investments. Please see report <b>XX</b> for further details.
69	FH/COR007* Collection of Council Tax	97.12%	98.00%	29.73%	29.55%	58.09%	57.39%	83.45%	83.22%		↑	Cumulative	
70	SE/COR007* Collection of Council Tax	98.40%	98.00%	30.07%	29.86%	59.38%	59.01%	86.55%	87.34%		↓	Cumulative	
71	FH/COR008* Collection of Business Rates	98.51%	99.00%	28.39%	28.60%	56.38%	58.50%	82.63%	82.65%		↓	Cumulative	
72	SE/COR008* Collection of Business Rates	98.27%	99.00%	30.21%	28.60%	58.82%	58.50%	84.49%	84.00%		↓	Cumulative	



No:	Code and Short Name	13/14 Actual	Target	Performance						Quarterly Traffic Light Icon	Short Term Trend Arrow	Target	Latest Note
			Annual Target 2014/15	Q1 2014/15		Q2 2014/15		Q3 2014/15				Cumulative or Quarter	
				Value	Target	Value	Target	Value	Target				
73	WS/COR009* Percentage of answered calls	New indicator for 14/15	90.00%	95.00%	90.00%	91.00%	90.00%	94.00%	90.00%		↑	Quarter	
74	FH/COR010* Number of face to face contacts (not including visitor management)	New indicator for 14/15		14,846		13,364		11,143			↑	Quarter	
75	SE/COR010* Number of face to face contacts (not including visitor management)	New indicator for 14/15		17,949		15,315		21,741			↓	Quarter	
76	WS/COR010* Number of face to face contacts (not including visitor management)	New indicator for 14/15		32,795		28,679		32,884			↓	Quarter	

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# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>West Suffolk Strategic Risk Register Quarterly Monitoring Report – December 2014</b>	
<b>Report No:</b>	<b>PAS/FH/15/002</b>	
<b>Decisions plan reference:</b>	Not applicable	
<b>Report to and date:</b>	<b>Performance and Audit Scrutiny Committee</b>	29 January 2015
<b>Portfolio holder:</b>	Steven Edwards Portfolio Holder for Resources, Governance and Performance <b>Tel:</b> 01638 660158 <b>Email:</b> <a href="mailto:steven.edwards@forest-heath.gov.uk">steven.edwards@forest-heath.gov.uk</a>	
<b>Lead officer:</b>	Rachael Mann Head of Resources and Performance <b>Tel:</b> 01638 719245 <b>Email:</b> <a href="mailto:rachael.mann@westsuffolk.gov.uk">rachael.mann@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	To review the West Suffolk Strategic Risk Register Quarterly Monitoring Report.	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>It is <u>RECOMMENDED</u> that Members scrutinise the updated West Suffolk Strategic Risk Register at Appendix 1 and refer any major issues requiring attention to Cabinet.</b>	
<b>Key Decision:</b>  <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
<b>Consultation:</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>	
<b>Alternative option(s):</b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>	

<b>Implications:</b>			
Are there any <b>financial</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li>There are no direct financial or budget implications arising from this report. Specific risks associated with finance and resources are included in the West Suffolk Strategic Risk Register at Appendix 1.</li> </ul>	
Are there any <b>staffing</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
Are there any <b>ICT</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
Are there any <b>legal and/or policy</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
Are there any <b>equality</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
See individual assessments against each risk as detailed in Appendix 1			
<b>Ward(s) affected:</b>		All Wards	
<b>Background papers:</b>		None	
<b>Documents attached:</b>		Appendix 1 – West Suffolk Strategic Risk Register 2014/2015.	

## **1. Key issues and reasons for recommendation**

### **1.1 Key Issues and Summary**

- 1.1.1 The West Suffolk Strategic Risk Register is updated regularly by the Risk Management Group. The Group is comprised of service representatives, including Health and Safety, supported by a Director and the Portfolio Holder for Resources, Governance and Performance. Heads of Service may be required to provide further information as requested by the Group.
- 1.1.2 At its most recent assessment in January 2015 the Group reviewed the Target Risk, the risk level where the Council aims to be, and agreed a Current Risk assessment. These assessments form the revised West Suffolk Strategic Risk Register at **Appendix 1**.
- 1.1.3 Part of this assessment included the consideration of the controls and actions in place to address the individual risks. Where Target Risk levels are lower than the Current Risk assessment, further action is either being taken or planned in order to treat the risk and meet the target.
- 1.1.4 Since the last assessment reported to the Committee on 26 November 2014, there have been no new risks identified and no risks have been amended or closed. Some individual controls or actions have been updated and those that were not ongoing and had been completed by December 2014 have been removed from the register.

### **1.2 New or Amended Risks**

- 1.2.1 There have been no new risks identified in the period.
- 1.2.2 Following the December review, the probability of the Inherent Risk of WS1A has been changed from 2 to 3 to reflect the importance of Business Rates Retention and improved financial reporting.
- 1.2.3 In light of the recent news concerning the closure of RAF Mildenhall, the probability of the Inherent Risk WS12 has been changed from 2 to 3 to highlight the risk of losing a large employer and contributor to the local economy.

### **1.3 Closed Risks**

- 1.3.1 No risks have been closed since the last assessment which was reported to the Committee on 26 November 2014.

### **1.4 Reasons for Recommendations**

- 1.4.1 The Council's Strategic Plan for 2014/2015, adopted by Council in February 2014, includes three key priority areas supported by a range of actions to deliver specific outcomes.
- 1.4.2 The West Suffolk Strategic Risk Register identifies and records the level of risk associated with delivering the Council's plans alongside meeting its statutory responsibilities and the organisation's overall ability to respond to change.

Through assessment of risk and the likelihood and impact of potential failure to meet these challenges, the level of controls and, where possible, action required is identified and implemented.

# West Suffolk Strategic Risk Register 2014/15 - December 2014

# Appendix 1

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RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Summary of Actions - What we are doing / need to do to prevent it.	Who is responsible for the actions	Start date	Target completion date/ Complete	WS Residual Risk
WS1 A	10-Jul-14	Financial	Head of Resources and Performance	Poor financial management	Failure in specific areas to achieve projected income, or expenditure exceeds the approved budgets (revenue or capital).		1) Monthly monitoring reports (revenue and capital) to budget holders.	Head of Resources & Performance	On-going	On-going	
							2) Business rate retention income and localising of Council tax being monitored monthly by Finance and ARP	Head of Resources & Performance	On-going	On-going	
							3) Regular meetings between budget holders and Resources and Performance business advisors/partners	Service Managers / Business Partners / Advisers	On-going	On-going	
							4) Scrutiny of financial reports by LT and Members through Performance and Audit Scrutiny Committee	LT	On-going	On-going	
							5) New joint financial management system now in place, development of more comprehensive budget planning, monitoring and reporting processes including training for budget holders	Head of Resources & Performance	Apr-14	Mar-15	
							6) Strengthen links to KPI monitoring	Head of Resources & Performance	Apr-14	Mar-15	
WS1 B	10-Jul-14	Financial	Head of Resources and Performance	Poor financial planning	Failure to deliver a sustainable Medium Term Financial Strategy, especially in view of continued financial uncertainty around areas such as Comprehensive Spending Review, localisation of Business Rates, localising Council Tax, increased service demand, and use of reserves.  Over reliance on any one particular MTFS theme such as behaving more commercially or being an investing authority		1) Budget preparation for 2015/16 continues to challenge all six MTFS themes. Proposals include reference to such themes so that scrutiny can take place by LT	LT	On-going	Mar-15	
							2) Demand trends and financial implications validated as part of budget setting. Using monitoring reports to identify trends.	Service Managers / Business Partners / Advisers	On-going	On-going	
							3) Review being undertaken of approach to setting fees and charges	Head of Resources and Performance	Apr-14	Mar-15	
							3) Medium Term Financial Strategy update - including review of assumptions, sensitivity analysis and review of reserve and balance levels	Head of Resources and Performance	On-going	On-going	
							4) Scrutiny of financial reports by LT and Members through Performance and Audit Scrutiny Committee	LT	On-going	On-going	
							5) Implement Behaving more commercially task and finish group actions	LT	Apr-14	Mar-15	
6) Monitor Government statements on future of local government funding	LT	On-going	On-going								
WS2	10-Jul-14	Customer	Head of Families & Communities	Maintain and promote our public image, maintain effective communications	Councils being portrayed negatively in the media (including social media) which undermines public trust and confidence. Councils' poor reputation preventing them from entering into positive partnerships with others, or securing funding. Lack of public trust and confidence in the councils that could affect their ability to work WITH communities in achieving the strategic priorities and to achieve behaviour change (e.g. around recycling, channel shift etc.).  This could also potentially impact on our ability to recruit staff in competitive market.		1) Monitor media coverage through daily media alerts and, where appropriate, provide a robust response.	Comms Team	On-going	On-going	
							2) Positively engage with social media to disseminate positive stories about West Suffolk and address errors or misrepresentation	Comms Team	On-going	On-going	
							3) Train and support staff and Members in proactive communications and dealing with media.	Comms Team	On-going	On-going	
							4) Deliver a communications work programme which focusses on proactive communications.	Comms Team	On-going	On-going	
							5) 100% rewrite to content for new West Suffolk web site.	Comms Team / Head of Families & Communities	Jun-14	Completed	

RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Summary of Actions - What we are doing / need to do to prevent it.	Who is responsible for the actions	Start date	Target completion date/ Complete	WS Residual Risk
WS3	10-Jul-14	Customer	Head of Families & Communities	Failure to deliver channel shift	Service delivery methods do not meet customer needs or expectations with potential to damage Councils' reputation; customer expectations may need to be more carefully managed in new financial climate; services fail to deliver savings in required time scale or maintain quality; excessive demands on staff time.		1) Appoint web design team to create new web presence for SEBC & FHDC. 2) Ensure sufficient resource to support the provision of web content - rewrite and not a shift of existing / old content, (100% re-write of content required, now going live in November with all new content). 3) Complete new web presence with full digital by default capability. (Planned completion date dependant on loading of planning policy docs, new committee system etc). 4) Clear and consistent public communications to explain changes to services and establish realistic expectations of service levels. 5) Continuing development to ensure web site remains fit for purpose.	Head of Families & Communities Head of Families & Communities Head of Families & Communities Corporate Comms Manager Head of Families & Communities	May-14 Jun-14 Oct-14 On-going Nov-14	Completed Completed On-going On-going On-going	
WS4	10-Jul-14	Professional	Head of Human Resources, Legal & Democratic Services	Staff retention (professional staff / technical staff). Staff trust and goodwill (morale)	Lack of staff skills, experience and capacity could prevent delivery of services and high levels of performance. Failure to have motivated staff with appropriate workload.		1) Corporate training programme in place (including induction) for staff and members. 2) Identification of workforce needs through effective Workforce Development Planning. 3) Regular cycle of staff reviews (as and when needed) and follow up action plans. 4) A development and support programme is continuously being reviewed to support staff and managers through the change agenda in the public sector, this includes staff resilience and capacity management. 5) Consistent and regular communication to staff, including opportunities for feedback. 6) Annual workforce monitoring data presented to the West Suffolk Joint Staff Consultative Panel; no significant issues raised. Monitoring period has been realigned to April - March. 7) Salary bench-marking being undertaken 8) More outreach to Careers Fairs, Colleges and schools	HR Business Partner HR Business Partner Head of HR, Legal and Democratic Services Head of HR, Legal and Democratic Services Corporate Comms Manager Head of HR, Legal & Democratic Services / HR Business Partner Head of HR, Legal and Democratic Services	On-going On-going On-going On-going On-going On-going On-going	On-going On-going On-going On-going On-going On-going On-going	
WS6	10-Jul-14	Political	Chief Executive	Managing public / councillor expectations with less resources	Falling short of providing the level of service that the public and councillors expect and demand.		1) Understand priorities and expectations through Strategic Plan and MTFS 2) Develop corporate project plan and assign lead officers and members to the key council projects. 3) Assign dedicated corporate project resources to lead on the monitoring of the corporate plan 4) Review and align service and skilled resources available to the corporate plan including communicate resources.	LT LT LT LT	On-going On-going On-going On-going	On-going On-going On-going On-going	



**West Suffolk Strategic Risk Register 2014/15 - December 2014**

**Appendix 1**

RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Summary of Actions - What we are doing / need to do to prevent it.	Who is responsible for the actions	Start date	Target completion date/ Complete	WS Residual Risk
							5) Regular monitoring and update discussions with portfolio holders on the corporate project plan progress	Corporate Programme Manager	On-going	On-going	

# West Suffolk Strategic Risk Register 2014/15 - December 2014

# Appendix 1

RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Summary of Actions - What we are doing / need to do to prevent it.	Who is responsible for the actions	Start date	Target completion date/ Complete	WS Residual Risk
WS7	10-Jul-14	Technological Financial Customer	Corporate Programme Manager / All HoS	Poor project management	Key strategic outcomes not being delivered due to projects failing to be completed on time. Budgets are overspent due to delays. Peaks and troughs in resource demands for support services are not managed, resulting in unmanageable workloads for e.g. IT team, exacerbating the delays.		1) Creation of efficient project management framework (led by corporate project manager). 2) Development and ongoing oversight of corporate project plan, to avoid concurrent demands on support services 3) Training of all staff involved in project work in core project management skills 4) Project support and resources to be included in further project business cases. 5) Better understanding of Corporate capacity / priorities	Corporate Programme Manager  Corporate Programme Manager L&D team  LT  LT	On-going  Jun-14  On-going  On-going  On-going	On-going  On-going  On-going  On-going	
WS7a	10-Jul-14	Technological	Head of Resources and Performance	ICT integration	Integration of ICT across services and systems not being achieved.		1) Planned alignment of ICT infrastructure and corporate systems through corporate project plan 2) Planned Business Applications alignment – including, Customer Access solution, Waste Management, GIS system - through corporate project plan 3) Regular review of both integration programmes through corporate projects plan. 4) Implementation of Integration Tool kit. 5) Monthly testing of the Council PSN compliance including the checking and monitoring of new and existing staff. No tolerance approach adopted. 6) Development of a West Suffolk ICT Statement of Direction and review of ICT Business Partner role.	Infrastructure Support Manager  Business Development & Innovation Manager  Corporate Programme Manager/ LT  Business Development & Innovation Manager  Infrastructure Support / Development & Innovation Manager  Business Development & Innovation Manager	On-going  On-going  On-going  On-going  On-going  Apr-14	On-going  Jun-15  On-going  On-going  On-going  Mar-15	
WS8 Page 30	10-Jul-14	Political Social									
	(a)		Head of Families & Communities	Failure to deliver; Families & Communities agenda	Opportunities being missed to create or influence the provision of: (i) a thriving voluntary sector and active communities who take the initiative to help the most vulnerable (ii) people playing a greater role in determining the future of their communities (iii). improved wellbeing, physical and mental health (iv) accessible countryside and green spaces		1) Initial Families & Community Strategy now complete. Continuous development and review of strategy to ensure that it remains fit for purpose. 2) Locality Officers established. 3) Locality budgets available. 4) New way of working for councillors. 5) Review of grants	Families & Communities Manager  Families & Communities Manager  Families & Communities Manager  Families & Communities Manager  Families & Communities Manager	Oct-13  Oct-13  Oct-13  Oct-13  Feb-14	On-going  Completed  On-going  On-going  Apr-15	
	(b)		Head of Planning & Growth	Failure to deliver; Growth Agenda inc coping with growth and increase in demand	Opportunities being missed to create or influence the provision of: (i) beneficial growth that enhances prosperity and quality of life		1) Developing engagement with the two Local Enterprise Partnerships. New Six Point Plan for Jobs and Growth. Monitoring the local economy. 2) Small budget to support businesses with grants. Business rate income being closely monitored from April 2013 by ARP. Developing Inward Investment strategy. Increase Business engagement	Head of Planning & Growth  Head of Planning & Growth	On-going  On-going	On-going  On-going	

**West Suffolk Strategic Risk Register 2014/15 - December 2014**

**Appendix 1**

RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Summary of Actions - What we are doing / need to do to prevent it.	Who is responsible for the actions	Start date	Target completion date/ Complete	WS Residual Risk
					(ii) existing businesses that are thriving and new businesses brought to the area		3) Support to WSC, SCC, UCS and other agencies involved with skills development. Monitoring attainment levels.	Head of Planning & Growth	On-going	On-going	
					(iii) people with the educational attainment and skills needed in our local economy		4) New Markets Development Officer post. Developing market towns action plan. Supporting and developing Business Improvement Districts.	Head of Planning & Growth	On-going	On-going	
					(iv) vibrant, attractive and clean high streets, village centres and markets						

RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Summary of Actions - What we are doing / need to do to prevent it.	Who is responsible for the actions	Start date	Target completion date/ Complete	WS Residual Risk
(c)			Head of Housing / Head of Planning & Growth	Failure to deliver; Housing Agenda	Opportunities being missed to create or influence the provision of: (i) sufficient housing for current and future generations, including more affordable homes and improvements to existing housing (ii) new developments that are fit for the future, properly supported by infrastructure, and that build communities, not just housing (iii) homes that are flexible for people's changing needs		1) West Suffolk Housing strategy adopted, implementation of agreed Action Plan.	Head of Housing	Oct-14	Apr-18	
							2) Sub-regional Strategic Housing Market Assessment completed 2008 to identify levels of need, with annual updates and reviews.	Head of Housing	On-going	On-going	
							3) Implement revised targets for Affordable Housing for new developments over a certain size. Continue to implement Local Plans.	Head of Housing/Head of Planning & Growth	On-going	On-going	
							4) Adopted PPS3 Housing proposals for developing affordable housing, particularly in rural areas.	Head of Housing/Head of Planning & Growth	On-going	On-going	
							5) Growth area status confirmed and funding received for infrastructure works for housing development and further funding approved. Continue to work on implementation of Community Area Funding Support. Growth area funds now allocated.	Head of Planning & Growth	On-going	On-going	
							6) Local Investment Plan 2014-18 approved by HCA, now working with RP partners to deliver. Quarterly monitoring of plan and annual review.	Head of Housing	On-going	On-going	
							7) West Suffolk Choice Based Lettings Scheme reviewed April 2013 to reflect changes in legislation - retendering of sub-regional system to be completed by March 2015. There has been a delay among the various partners in agreeing the spec and procurement method for the new system the target completion time is to be confirmed.	Housing Options Manager	Apr-14	01/03/2015 (Delayed, revised date to be confirmed)	
							8) Expansion of West Suffolk Lettings Partnership co-ordinates work with private sector landlords, help given to applicants to access private rented sector.	Housing Business & Partnership Manager	On-going	On-going	
							9) Disabled Facilities Grants process and Home Improvement Agency contract to be reviewed in order to introduce a more co-ordinated and integrated service across agencies.	Public Health & Housing Manager	Apr-14	Mar-15	
WS9	10-Jul-14	Legal	Head of Human Resources, Legal & Democratic Services	Ineffective governance that doesn't take into account the rapidly ever changing external environment.	The Constitution not fully reflecting and enabling new ways of working within West Suffolk, including the ability to behave more commercially, and ultimately may therefore not support the delivery of good quality and improved services that meet the local community's needs.		1) Review of the Constitutions commenced in 2013-14 and is currently in progress	Head of HR, Legal & Dem Services/ Joy Bowes/ Democratic Services Manager	On-going	Before May 2015 elections	
							2) Task and Finish Group established to agree new constitution principles	Head of HR, Legal & Dem Services/ Democratic Services Manager	Jul-14	Before May 2015 elections	

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West Suffolk Strategic Risk Register 2014/15 - December 2014

Appendix 1

RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Summary of Actions - What we are doing / need to do to prevent it.	Who is responsible for the actions	Start date	Target completion date/ Complete	WS Residual Risk
WS11	10-Jul-14	Economic Financial Competitive	Chief Executive / Directors	Failure to adapt to new public sector models, explore opportunities with partners	West Suffolk fails to deliver better services for public sector customers (regardless of the organisation), fails to close its budget gap due to missing opportunities for new sources of funding and opportunities for savings through economies of scale and better integration.		1) Keep a watching brief on, and disseminate information on new funding models and opportunities through DCLG, RSN, LGA, EELGA etc. 2) Maintain good relationships with public sector partners, e.g. CCG, SCEG, ARP authorities to hear of, and take opportunities arising from opportunities for partnership working. 3) Robust business cases for identified opportunities	Policy Team Chief Executive and Directors LT	On-going On-going On-going	On-going On-going On-going	
WS12	10-Jul-14	Partnership	Head of Planning & Growth	Loss of a key employer (for example USAFE, Racing Industry, Greene King, WS Hospital, Centre Parcs, British Sugar)	Failure to retain major employers in the area and the economic impact that it would have		1) Awareness of and engagement with the top 100 employers in the area. 2) Ensuring there is sufficient employment land / premises for expansion. 3) Understand skills shortage and requirements by linking business to education providers and encourage business to take on apprentices. 4) Help businesses access third party funding. 5) Six point jobs and growth plan 6) Establish a Mildenhall Task Group	Head of Planning & Growth Head of Planning & Growth Head of Planning & Growth Head of Planning & Growth Head of Planning & Growth Head of Planning & Growth	On-going On-going On-going On-going On-going On-going	On-going On-going On-going On-going On-going On-going	
WS13	10-Jul-14	Partnership Financial	Directors	Partner / Public Sector failure	Partners or partnerships failing; cost shunting (transfer of costs between partners); partnerships not achieving desired outcomes.		1) Robust SLA arrangements in place. 2) Regular monitoring of arrangements / outcomes. 3) Regular meetings with key partners	All HoS All HoS All HoS	On-going On-going On-going	On-going On-going On-going	
WS14	10-Jul-14	Physical Social Legal	Director	Service failure through unplanned events	Reduced level or failure to deliver services to both internal and external clients due to unforeseen events.		1) Each service needs to have sufficient cross-trained staff to be able to continue essential services delivery in the event of an unexpected staff shortage. 2) Services must have a workable Business Continuity Plan arrangements in place. 3) Combined West Suffolk Business Continuity Plan is in place for major identified threats, regularly reviewed and practised. 4) Appointed officers within each service to be responsible for the continuity plans.	Heads of Service / Service Managers Heads of Service/All staff LT Heads of Service / Appointed Officers	On-going On-going On-going On-going	On-going On-going On-going On-going	

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RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Summary of Actions - What we are doing / need to do to prevent it.	Who is responsible for the actions	Start date	Target completion date/ Complete	WS Residual Risk
WS16	10-Jul-14	Legal	Director	Breach of data protection and information security	Failure to ensure the accuracy and control of data. Not using good practice when handling data.		1) Information governance group coordinates councils' approach to risks 2) Records Management Working Group to coordinate councils' approach to records management 3) Regular buildings checks to ensure information is held securely. 4) Review of building access arrangements and implement new arrangements. 5) Improve staff communication on good practices and data security 6) Information Security e-learning - 1st phase, existing officers, completed. All new staff to complete module as part of induction programme.	Director Director Internal Audit Manager Service manager- Facilities Management Corp Comms Manager Director	On-going On-going On-going Aug-14 On-going Apr-14	On-going On-going On-going Aug-15 On-going On-going	
WS18	10-Jul-14	Customer Financial Professional	Head of Resources & Performance	Poor Performance Management	Risk of individual services having below par performance levels and possible dips in performance while establishing new service models.		1) Performance and Audit Scrutiny Committee (PASC) receive comprehensive performance monitoring report 2) Early identification, reporting and monitoring of potential problem areas. 3) Reporting of KPI's to be integrated with Financial Performance reporting.	Head of Resources & Performance / R&P Business Service Managers / Business Partners / Advisers Business Partners / Advisers	On-going On-going On-going	On-going On-going Mar-15	
WS19	10-Jul-14	Economic Social	All HoS	Demographic changes	Unable to meet the demands created by population changes (caused by growth, ageing, diversity, employment) including the impact on infrastructure and other related service provision.		1) Key services (planning, housing and waste) use forecasting models (e.g. East of England forecasting model, POPGROUP) to build population change into future service planning 2) Monitor, research and analysis around demographics through DCLG, ONS, LGA, LGC and other sources and share key findings with relevant services. 3) Attend meetings of Suffolk Information Forum to share best practice around population monitoring and forecasting. NB particular attention needs to be paid to Forest Heath due to population forecasts not being able to deal accurately with USAFE population.	Haed of Housing/ Planning & Growth/Operations Policy Team Policy Team	On-going On-going On-going	On-going On-going On-going	

RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Summary of Actions - What we are doing / need to do to prevent it.	Who is responsible for the actions	Start date	Target completion date/ Complete	WS Residual Risk
WS20	10-Jul-14	Physical	Head of Human Resources, Legal & Democratic Services	Implementation of the Corporate Health and Safety Policy	Failure to ensure the safety and well being of staff. Failure to provide safe and healthy environment for visitors and the general public. Risk of corporate manslaughter charges.		1) Corporate Health and Safety strategy, objectives and implementation plans in place for all internal and external functions performed by the Council.	Health & Safety Manager	On-going	On-going	
							2) Full-time H&S Manager leading this work.	Health & Safety Manager	On-going	On-going	
							3) Well being programme in place.	Health & Safety Manager	On-going	On-going	
							4) Requirement for all staff to complete online H&S training.	Health & Safety Manager	On-going	On-going	
							5) Communications to staff.	Corp Comms Manager	On-going	On-going	
							6) Appropriate insurances in place and regularly reviewed.	Health & Safety Manager	On-going	On-going	
							7) Establish a programme of safety audits				
WS21	10-Jul-14	Social Legal	Head of Housing	Safeguarding children and vulnerable adults	Children and vulnerable adults being treated in an improper manner and not in accordance with legislation.		1) Working in Countywide safeguarding partnership.	Head of Housing	On-going	On-going	
							2) Joint Vulnerable Adults Safeguarding policy to be developed April 15.	Head of Housing	Oct-14	On-going	
							3) Safe recruitment procedures are adopted for all staff.	Head of HR, Legal & Dem Services	Jul-09	On-going	
							4) Council's self-assessment of safeguarding arrangements confirmed by Safeguarding Board as complying with the responsibilities under the Children's Act. Review to be completed March 2015.	Head of Housing	On-going	On-going	
							5) Regular staff and member training and briefing sessions - introducing an e-learning module on safeguarding. Investigate possibility of introducing subject into Corporate Induction Training Programme.	Head of Housing / HR, Legal & Dem Services	On-going	On-going	

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# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Work Programme Update</b>	
<b>Report No:</b>	<b>PAS/FH/15/003</b>	
<b>Decisions plan reference:</b>	Not applicable.	
<b>Report to and date:</b>	<b>Performance and Audit Scrutiny Committee</b>	29 January 2015
<b>Chairman of the Committee:</b>	Colin Noble Chairman of the Performance and Audit Scrutiny Committee <b>Tel:</b> 07545 423795 <b>Email:</b> colin.noble@forest-heath.gov.uk	
<b>Lead officer:</b>	Christine Brain Scrutiny Officer <b>Tel:</b> 01638 719729 <b>Email:</b> christine.brain@westsuffolk.gov.uk	
<b>Purpose of report:</b>	<ol style="list-style-type: none"> <li>Members are asked to consider and <b>note</b> the current status of its Work Programme attached at <b>Appendix 1(A)</b>.</li> <li>Attached at <b>Appendix 1(B)</b>, for information is the current position of the Work Programme for St Edmundsbury Borough Councils Performance and Audit Scrutiny Committee.</li> </ol>	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>It is <u>RECOMMENDED</u> that:</b>  <b>Members consider and <u>note</u> the current status of its Work Programme.</b>	

## Performance and Audit Scrutiny Committee Work Programme (Forest Heath District Council)

Description	Lead Officer
<b>Early June 2015 (Time: 5.00pm)</b>	
<b>Informal Joint Meeting (Hosted by St Edmundsbury Borough Council)</b>	
<b>Joint Reports</b>	
Internal Audit Annual Report (2014-15) and Outline Internal Audit Plan (2015-16)	Internal Audit Manager
Annual Governance Statement (2013-14) Action Plan Review	Internal Audit Manager
Key Performance Indicators 2015-16 and Quarter 4 2014-15 Performance Report	Resources and Performance Business Partner
West Suffolk Strategic Risk Quarter 4 (March 2015)	Service Manager (Finance and Performance)
Biannual Corporate Complaints and Compliments Digest (Oct 2014 March 2015)	Head of Families and Communities
Work Programme Update	Scrutiny Officer
<b>Forest Heath Specific Reports</b>	
EY – Presentation of the Annual Certification Report (2013-14)	Head of Resources and Performance
EY – Presentation of External Audit Plan and Fees 2014-15 and 2015-16 Indicative Fees	Head of Resources and Performance
<b>End July 2015 (Time: 5.00pm)</b>	
<b>Informal Joint Meeting (Hosted by Forest Heath District Council)</b>	
<b>Joint Reports</b>	
Key Performance Indicators and Quarter 1 Performance Report 2015-2016	Resources and Performance Business Partner
West Suffolk Strategic Risk (June 2015)	Service Manager (Finance and Performance)
Work Programme Update	Scrutiny Officer
<b>Forest Heath Specific Reports</b>	
Financial Outturn Report (Revenue and Capital (2014-2015)	Head of Resources and Performance
Financial Performance Report (Revenue and Capital) Quarter 1 (April – June 2015)	Service Manager (Finance and Performance)
<b>End September 2015 (Time: 6.00pm)</b>	
EY – Presentation of 2014-2015 ISA 260 Annual Governance Report to those Charged with Governance	Head of Resources and Performance
Annual Governance Statement 2014-2015	Head of Resources and Performance
2014-2015 Statement of Accounts	Head of Resources and Performance
Annual Corporate Environmental Statement 2014-2015	Environment Manager
Work Programme Update	Scrutiny Officer

<b>Late November 2015 (Time: 5.00pm)</b> <b>Informal Joint Meeting</b> <b>(Hosted by St Edmundsbury Borough Council)</b>	
<b>Joint Reports</b>	
Mid-year Internal Audit Progress Report 2015/16	Internal Audit Manager
KPI and Quarter 2 Performance Report (2015-2016)	Resources and Performance Business Partner
West Suffolk Strategic Risk Register Quarterly Monitoring Report – Sept 2015	Service Manager (Finance and Performance)
Biannual Corporate Complaints and Compliments Report	Head of Families and Communities
Work Programme Update	Scrutiny Officer
<b>Forest Heath Specific Reports</b>	
EY- Presentation of Annual Audit Letter (2014-2015)	Head of Resources and Performance
Financial Performance Report (Revenue and Capital) Quarter 2 – 2015-16	Service Manager (Resources and Performance)
Delivering a Sustainable Budget 2016-2017 and Budget Consultation Results	Head of Resources and Performance

## Performance and Audit Scrutiny Committee Work Programme (St Edmundsbury Borough Council)

<b>Description</b>	<b>Lead Officer</b>
<b>Early June 2015 (Time: 5.00pm)</b>	
<b>Informal Joint Meeting (Hosted by St Edmundsbury Borough Council)</b>	
<b>Joint Reports</b>	
Internal Audit Annual Report (2014-15) and Outline Internal Audit Plan (2015-16)	Internal Audit Manager
Annual Governance Statement (2013-14) Action Plan Review	Internal Audit Manager
Key Performance Indicators 2015-16 and Quarter 4 2014-15 Performance Report	Resources and Performance Business Partner
West Suffolk Strategic Risk Quarter 4 –March 2015)	Service Manager (Finance and Performance)
Biannual Corporate Complaints and Compliments Digest (Oct 2014 March 2015)	Head of Families and Communities
Work Programme Update	Scrutiny Officer
<b>St Edmundsbury Specific Reports</b>	
EY – Presentation of the Annual Certification Report (2013-14)	Head of Resources and Performance
EY – Presentation of External Audit Plan and Fees 2014-15 and 2015-16 Indicative Fees	Head of Resources and Performance
<b>End July 2015 (Time: 5.00pm)</b>	
<b>Informal Joint Meeting (Hosted by Forest Heath District Council)</b>	
<b>Joint Reports</b>	
Key Performance Indicators and Quarter 1 Performance Report 2015-2016	Resources and Performance Business Partner
West Suffolk Strategic Risk (June 2015)	Service Manager (Resources and Performance)
Work Programme Update	Scrutiny Officer
<b>St Edmundsbury Specific Reports</b>	
Annual Performance Report on the Apex	Commercial Manager
Financial Outturn Report (Revenue and Capital (2014-2015)	Head of Resources and Performance
Financial Performance Report (Revenue and Capital) Quarter 1 (April – June 2015)	Service Manager (Resources and Performance)
Annual Treasury Management Report 2014-2015 & Investment Activity 1 April-30 June 2015	Service Manager (Resources and Performance)

<b>End September 2015 (Time: 4.30pm)</b>	
EY – Presentation of 2014-2015 ISA 260 Annual Governance Report to those Charged with Governance	Head of Resources and Performance
Annual Governance Statement 2014-2015	Head of Resources and Performance
2014-2015 Statement of Accounts	Head of Resources and Performance
Work Programme Update	Scrutiny Officer
<b>Late November 2015 (Time: 5.00pm) Informal Joint Meeting (Hosted by St Edmundsbury Borough Council)</b>	
<b>Joint Reports</b>	
Mid-year Internal Audit Progress Report 2015/16	Internal Audit Manager
KPI and Quarter 2 Performance Report (2015-2016)	Resources and Performance Business Partner
West Suffolk Strategic Risk Register Quarterly Monitoring Report – Sept 2015	Service Manager (Resources and Performance)
Biannual Corporate Complaints and Compliments Report	Head of Families and Communities
Work Programme Update	Scrutiny Officer
<b>St Edmundsbury Specific Reports</b>	
EY- Presentation of Annual Audit Letter (2014-2015)	Head of Resources and Performance
Financial Performance Report (Revenue and Capital) Quarter 2 – 2015-16	Service Manager (Resources and Performance)
Delivering a Sustainable Budget 2016-2017 and Budget Consultation Results	Head of Resources and Performance
Mid-year Treasury Management Performance Report and Investment Activity (April – Sept 2015)	Service Manager (Resources and Performance)

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# Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Financial Performance Report (Revenue and Capital) Quarter 3 – 2014-15</b>	
<b>Report No:</b>	<b>PAS/FH/15/004</b>	
<b>Decisions plan reference:</b>	Not applicable.	
<b>Report to and dates:</b>	<b>Performance and Audit Scrutiny Committee</b>	29 January 2015
<b>Portfolio holder:</b>	Stephen Edwards Portfolio Holder for Resources, Governance and Performance <b>Tel:</b> 01638 660518 <b>Email:</b> Stephen.edwards@forest-heath.gov.uk	
<b>Lead officer:</b>	Rachael Mann Head of Resources and Performance <b>Tel:</b> 01638 719245 <b>Email:</b> rachael.mann@westsuffolk.gov.uk	
<b>Purpose of report:</b>	This report sets out the Financial Performance for the third quarter of 2014-15 and forecasted outturn position for 2014-15.	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>Members are requested to <u>note</u> the year end forecast financial position and forward any relevant issues or comments to Cabinet for their consideration.</b>	
<b>Key Decision:</b>  (Check the appropriate box and delete all those that <b>do not</b> apply.)	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	

<b>Consultation:</b>	<ul style="list-style-type: none"> <li>This report and the figures therein have been compiled by the Finance team in consultation with the relevant budget holders, services and Leadership Team.</li> </ul>		
<b>Alternative option(s):</b>	<ul style="list-style-type: none"> <li>In order for the Council to be able to meet its strategic priorities it is essential that sufficient and appropriate financial resources are available.</li> </ul>		
<b>Implications:</b>			
Are there any <b>financial</b> implications? If yes, please give details	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>As set out in the body of this report.</li> </ul>		
Are there any <b>staffing</b> implications? If yes, please give details	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>		
Are there any <b>ICT</b> implications? If yes, please give details	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>		
Are there any <b>legal and/or policy</b> implications? If yes, please give details	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li>As outlined in the body of this report.</li> </ul>		
Are there any <b>equality</b> implications? If yes, please give details	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>		
<b>Risk/opportunity assessment:</b>			
<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>			
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
	Low/Medium/ High*		Low/Medium/ High*
Budget variances	High	Clear responsibilities for budget monitoring and control ensure that there is strong accountability for each individual budget line. Budget monitoring is undertaken on a monthly basis with budget holders and reported to Leadership Team quarterly.	Low
Wider economic situation around income levels	High	Budgets reflect the economic situation facing the Council, and have been scrutinised by officers and members at budget setting time. Continue to monitor areas closely to ensure assumptions remain reasonable.	Medium
Capital investment plans continue to be affordable, prudent and sustainable	Medium	Prudential Indicators are in place to safeguard the Council	Low



Treasury Management	Medium	Treasury Management Policy and Procedures are in place	Low
Fluctuation in Business rate retention yield	High	Work with ARP to understand the variance to deliver a realistic forecast.	Medium
<b>Ward(s) affected:</b>		All Ward	
<b>Background papers:</b>		None	
<b>Documents attached:</b>		<p>Appendix A – Revenue budget summary, for the period April to December 2014.</p> <p>Appendix B – Capital budget summary, for the period April to December 2014.</p>	

## **1. Key issues and reasons for recommendation**

### **1.1 Key Issues**

- 1.1.1 Savings achieved through sharing services with St Edmundsbury Borough Council have to date been predominately delivered through the joining up of services and staff structures. However it was always envisaged that further savings could be achieved through the procuring and commissioning of joint service and supply contracts.
- 1.1.2 As reported at the November committee, report PAS/FH/14/008, during September and October business partners and advisors from the Resources and Performance team held a number of budget challenge meetings with heads of service and portfolio holders. The focus of these meetings was to review all supplies, service and income budgets across West Suffolk. This review took into account previous spending patterns, but more importantly what the projected spending and income requirement under a shared service for 2015/16 would look like. The challenge meetings also provided the opportunity to consider potential contractual savings as a result of joining up contracts across West Suffolk. Through these challenge days, £278,000 of savings were identified which were built into the 2015/16 budget setting process.
- 1.1.3 The report includes a year end forecast outturn under spend of £148,000 and details of these can be seen in **Appendix A**. This is a slight decrease on the £190,000 under spend forecasted at the end of September, as reported at the November committee. The overall underspend forecasted in this financial year has arisen in part from the budget challenge work during the past few months as we continue to control our overall spending in preparation for the 2015/16 budget. Wherever appropriate, potential savings identified through this process were implemented immediately rather than waiting for the next financial year.
- 1.1.4 The Council's capital financial position for the first nine months of 2014/2015 shows expenditure of £4,147,000. Further details are provided in **Appendix B**.

### **1.2 Revenue Performance**

- 1.2.1 The year to date position after nine months currently shows an under spend of £728,000. The forecast position for the year end is showing an under spend of £148,000. Details are set out in **Appendix A**.
- 1.2.2 Members are requested to note the year end forecast position and the significant variances as outlined in the paragraphs below. Budget holders will continue to work with Resources Business Partners and Business Support Advisors for the remainder of the financial year in order to monitor the forecast position and an outturn position will be provided to this committee at the end of the financial year. The forecasted year end position will also feed into the 2015/16 budget setting process.
- 1.2.3 Initial reporting is showing that the overall business rate yield anticipated for 2014/15 is slightly higher than the forecasted yield as part of the NNDR1 return back in January 2014. We will continue to monitor the business rates closely with Anglia Revenues Partnership and a further update will be provided in the year end outturn report. Any additional income or shortfall against what was forecast will be transferred from or to the Business Rate Reserve.

### 1.3 **Commentary on Significant Revenue Performance Variances**

1.3.1 Significant year end forecast variances are explained in the table below.

<b>Year end forecast variance: Over / (under) spend</b>	<b>Explanation</b>
(£65,000)	Rebate received on previously paid gate fee expenditure for dry recyclables, not budgeted for.
(£50,000)	Net additional income from trade waste fees.
(£16,000)	Additional licensing income.
(£135,000)	Waste management underspends relating to savings on vehicle costs due to lower fuel prices, tipping charges less than anticipated and some vacant posts in the operation team.
(£77,000)	Additional interest receipts, in part due to the new NNDR funding system which provides cash flow sums that are available for short term investments.
£65,000	As at December 2014 the estimated level of building control income will be lower than was predicted at this time last year.
£110,000	Income variance from rents of industrial properties, mainly due to anticipated vacancy period (after 2014/5 budget was approved) of a number of units which are currently being refurbished in year under the Councils Asset Management Plans.

1.3.2 As part of the budget setting process for 2015/16, work has been done to adjust the budgets for the variances stated above.

### 1.3 **Capital Position**

1.3.1 The table below is a high level summary of capital expenditure against budget for 2014/15. The Resources Team will continue to work with Budget Holders to monitor capital spend and project progress closely for the remainder of the financial year and an updated position will be presented to this committee on a quarterly basis.

<b>Service Area</b>	<b>Revised 2014/15 Budget £000s</b>	<b>Spent to 31 December 2014 £000s</b>
Families and Communities	107	0
Housing	705	141
Resources & Performance	2	4
Planning & Growth	56	20
Operations	6,684	3,982
<b>TOTAL</b>	<b>7,554</b>	<b>4,147</b>

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**Summary by Head of Service**

**Appendix A**

<b>Head of Service</b>	<b>Budget to Date £</b>	<b>Actual to Date £</b>	<b>Over/(Under) Spend to Date £</b>	<b>Y/E Forecast Variance £</b>
Head of Resources & Performance	14,502,827	14,254,310	(248,517)	(21,000)
Head of Human Resources & Democratic Services	708,044	662,381	(45,663)	0
Head of Families and Communities	751,989	777,218	25,229	0
Head of Planning and Growth	340,191	230,502	(109,689)	45,000
Head of Operations	984,184	668,087	(316,097)	(111,000)
Head of Housing	395,941	439,970	44,029	16,000
<b>TOTALS:</b>	<b>17,683,176</b>	<b>17,032,468</b>	<b>(650,708)</b>	<b>(71,000)</b>
Interest Receivable	(279,000)	(356,000)	(77,000)	(77,000)
Interest Payable	127,200	127,200	0	0
Minimum Revenue Provision	103,800	103,800	0	0
<b>TOTALS:</b>	<b>17,404,176</b>	<b>16,676,468</b>	<b>(727,708)</b>	<b>(148,000)</b>

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Forest Heath District Council					2014/15 Q3 Budget Monitoring Report	
Detail by Head of Service					Appendix A	
LT01 HEAD OF RESOURCES & PERFORMANCE						
Cost Centre	Cost Centre Description	Budget to Date £	Actual to Date £	Variance to Date £	Y/E Forecast Variance £	Year End Variance Notes
1000	Resources & Performance	291,940	325,436	33,496	0	Expected to be on budget at year end.
1090	Grants to Organisations	180,998	179,908	-1,090	0	
8000	General Fund Adjustments	374,336	384,623	10,287	0	£17k additional business rate income forecast, however this will be transferred into the Business Rate Reserve.
<b>Resources &amp; Performance:</b>		<b>847,274</b>	<b>889,967</b>	<b>42,693</b>	<b>0</b>	
1001	Internal Audit	47,793	-806	-48,599	0	Expected to be on budget at year end.
<b>Internal Audit:</b>		<b>47,793</b>	<b>-806</b>	<b>-48,599</b>	<b>0</b>	
1002	ICT	413,830	347,844	-65,986	0	Expected to be on budget at year end.
<b>ICT:</b>		<b>413,830</b>	<b>347,844</b>	<b>-65,986</b>	<b>0</b>	
1010	Anglia Revenues Partnership	553,105	420,913	-132,192	0	Expected to be on budget at year end.
1012	Council Tax Administration	-61,734	-64,697	-2,963	0	
1013	Business Rate Administration	-59,998	-63,662	-3,664	-21,000	Discretionary relief budgeted not required £21k
4090	Housing Benefits	12,236,716	12,153,443	-83,273	0	Based on profile of receipts in 2014/15, we now expect to be on budget regarding Housing Benefit Overpayments Recovered.
<b>Anglia Revenues Partnership:</b>		<b>12,668,089</b>	<b>12,445,997</b>	<b>-222,092</b>	<b>-21,000</b>	
1100	Corporate Expenditure	484,885	482,846	-2,039	0	
1150	Non-Distributed Costs	21,974	70,604	48,630	0	Expected to be on budget at year end.
<b>Corporate Expenditure:</b>		<b>506,859</b>	<b>553,450</b>	<b>46,591</b>	<b>0</b>	
1020	Emergency Planning	18,983	17,860	-1,123	0	
<b>Emergency Planning:</b>		<b>18,983</b>	<b>17,860</b>	<b>-1,123</b>	<b>0</b>	
<b>TOTALS: RESOURCES &amp; PERFORMANCE</b>		<b>14,502,828</b>	<b>14,254,312</b>	<b>-248,516</b>	<b>-21,000</b>	
LT02 HEAD OF HR & DEMOCRATIC SERVICES						
Cost Centre	Cost Centre Description	Budget to Date £	Actual to Date £	Variance to Date £	Y/E Forecast Variance £	Comments
1030	Human Resources & Payroll	49,502	46,318	-3,184	0	
<b>Human Resources:</b>		<b>49,502</b>	<b>46,318</b>	<b>-3,184</b>	<b>0</b>	
1032	Health & Safety	44,784	42,916	-1,868	0	
<b>Health &amp; Safety:</b>		<b>44,784</b>	<b>42,916</b>	<b>-1,868</b>	<b>0</b>	
1031	Central Training Services	68,566	45,235	-23,331	0	Expected to be on budget

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	<b>Learning &amp; Development:</b>	<b>68,566</b>	<b>45,235</b>	<b>-23,331</b>	<b>0</b>	
1040	Legal Services	164,275	170,792	6,517	0	
	<b>Legal Services:</b>	<b>164,275</b>	<b>170,792</b>	<b>6,517</b>	<b>0</b>	
1130	Democratic Services	120,074	118,845	-1,229	0	
1131	Members Expenses	171,513	168,959	-2,554	0	
1132	Mayoralty & Civic Functions	2,250	-690	-2,940	0	
	<b>Democratic Services:</b>	<b>293,837</b>	<b>287,114</b>	<b>-6,723</b>	<b>0</b>	
1041	Electoral Registration	63,011	41,421	-21,590	0	Expected to be on budget
1042	Election Expenses	24,068	28,584	4,516	0	
	<b>Elections:</b>	<b>87,079</b>	<b>70,005</b>	<b>-17,074</b>	<b>0</b>	
	<b>TOTALS: HR &amp; DEMOCRATIC SERVICES</b>	<b>708,043</b>	<b>662,380</b>	<b>-45,663</b>	<b>0</b>	
<b>LT03 HEAD OF FAMILIES &amp; COMMUNITIES</b>						
Cost Centre	Cost Centre Description	Budget to Date £	Actual to Date £	Variance to Date £	Y/E Forecast Variance £	Comments
1140	Policy	93,775	90,613	-3,162	0	
	<b>Policy:</b>	<b>93,775</b>	<b>90,613</b>	<b>-3,162</b>	<b>0</b>	
1141	Communications	75,746	59,180	-16,566	0	
	<b>Communications:</b>	<b>75,746</b>	<b>59,180</b>	<b>-16,566</b>	<b>0</b>	
1050	Customer Services	292,217	353,705	61,488	0	Expected to be on budget
3100	Bus Stations	39,946	30,130	-9,816	0	
	<b>Customer Services:</b>	<b>332,163</b>	<b>383,835</b>	<b>51,672</b>	<b>0</b>	
1051	Concessionary Transport	16,524	14,338	-2,186	0	
2041	Sports Development & Community Recreation	16,071	10,978	-5,093	0	
2080	Community Development	211,331	206,743	-4,588	0	
2085	Community Centres	6,378	11,531	5,153	0	
	<b>Families &amp; Communities:</b>	<b>250,304</b>	<b>243,590</b>	<b>-6,714</b>	<b>0</b>	
	<b>TOTALS: FAMILIES &amp; COMMUNITIES</b>	<b>751,988</b>	<b>777,218</b>	<b>25,230</b>	<b>0</b>	
<b>LT04 HEAD OF PLANNING &amp; GROWTH</b>						
Cost Centre	Cost Centre Description	Budget to Date £	Actual to Date £	Variance to Date £	Y/E Forecast Variance £	Comments
5000	Development Control	-59,356	-64,657	-5,301	0	Additional planning fee income expected of £120k. External legal fees and enforcement costs are over and above the salary savings from vacant posts by £70k. The extral income is to be set aside for a project lead and project team to deliver planning system improvements.



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Detail by Head of Service						Appendix A
<b>Development Control:</b>		<b>-59,356</b>	<b>-64,657</b>	<b>-5,301</b>	<b>0</b>	
5005	Planning Policy	94,351	70,024	-24,327	0	
5006	Local Plan	5,250	3,890	-1,360	0	
<b>Place Shaping:</b>		<b>99,601</b>	<b>73,914</b>	<b>-25,687</b>	<b>0</b>	
1060	Land Charges	-76,437	-82,888	-6,451	0	
5010	Building Control	-44,522	-47,435	-2,913	65,000	As at December 2014 the estimated level of building control income will be lower than was predicted at this time last year.
5015	Planning & Regulatory Support	127,188	132,608	5,420	0	
<b>Business (BC &amp; Support):</b>		<b>6,229</b>	<b>2,285</b>	<b>-3,944</b>	<b>65,000</b>	
3090	Prevention of Pollution	18,823	5,035	-13,788	0	
3091	Environmental Management	23,217	22,079	-1,138	0	
3092	Drinking Water Quality	19,849	21,053	1,204	0	
3093	Climate Change	1,212	1,458	246	0	
4020	Home Energy Conservation	23,473	8,298	-15,175	0	
<b>Environment:</b>		<b>86,574</b>	<b>57,923</b>	<b>-28,651</b>	<b>0</b>	
3095	Licensing	-7,453	-25,753	-18,300	-16,000	Additional fee income

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3096	Hackney Carriage & Private Hire Licensing	-36,144	-39,600	-3,456	0	
3097	Food Safety	54,749	44,756	-9,993	0	
3098	Health & Safety at Work Act/Enforcement	54,800	48,753	-6,047	0	
<b>Business Reg &amp; Licensing:</b>		<b>65,952</b>	<b>28,156</b>	<b>-37,796</b>	<b>-16,000</b>	
5020	Economic Development & Growth	77,640	108,537	30,897	0	
5021	Strategic Tourism & Markets	19,733	12,280	-7,453	0	
5024	Vibrant Town Centres	43,816	12,065	-31,751	0	
<b>Economic Development &amp; Growth:</b>		<b>141,189</b>	<b>132,882</b>	<b>-8,307</b>	<b>-4,000</b>	
<b>TOTALS: PLANNING &amp; GROWTH</b>		<b>340,189</b>	<b>230,503</b>	<b>-109,686</b>	<b>45,000</b>	
<b>LT05 HEAD OF OPERATIONS</b>						
Cost Centre	Cost Centre Description	Budget to Date £	Actual to Date £	Variance to Date £	Y/E Forecast Variance £	Comments
3010	Vehicle Workshop Trading Account - FHDC	0	274	274	0	
<b>Fleet Management:</b>		<b>0</b>	<b>274</b>	<b>274</b>	<b>0</b>	
3000	Depots	-69,723	-52,014	17,709	0	
3065	Waste & Cleansing Operatives	-118,279	-73,983	44,296	0	Expected to be on budget
6020	Markets	30,984	43,522	12,538	0	
<b>Operational:</b>		<b>-157,018</b>	<b>-82,475</b>	<b>74,543</b>	<b>0</b>	
3030	Street Cleansing	407,733	407,950	217	0	
3040	Refuse Collection (Black Bin)	358,165	327,512	-30,653	0	Expected to be on budget
3041	Recycling Collection (Blue Bin)	147,960	33,094	-114,866	-100,000	7 months rebate for previously paid gate fee expenditure for dry recyclables, not budgeted for. Rebates ended in October 2014.
3042	Compostable Collection (Brown Bin)	109,419	-14,731	-124,150	-100,000	Waste Tipping Charges expected to be lower than budgeted.
3043	Bulky, Fridges, Metal & Scrap Collection	38,429	31,018	-7,411	0	
3044	Clinical & Hazardous Waste Collection	936	2,150	1,214	0	
3045	Multi-Bank Recycling Sites	6,813	23,719	16,906	0	
3048	Trade Waste	-66,790	-162,640	-95,850	-50,000	Additional income from trade waste fees, with some to be used to fund the costs of the new in-cab technology to support the overall Waste Service.
<b>Waste - Business &amp; Commercial</b>		<b>1,002,665</b>	<b>648,072</b>	<b>-354,593</b>	<b>-250,000</b>	
1080	Property Services	153,116	137,684	-15,432	0	
<b>Property Maintenance:</b>		<b>153,116</b>	<b>137,684</b>	<b>-15,432</b>	<b>0</b>	
1081	Estates Management	-567	33,864	34,431	0	Expected to be on budget
6000	Industrial & Business Units	-455,681	-442,604	13,077	80,000	Budget included £64000 rent income on properties which have just been refurbished under the Councils Asset Management Plan. It is anticipated that they will not get any rental income until 2015/16.

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Detail by Head of Service						Appendix A
6010	Town Centres & Shops	-615,113	-634,808	-19,695	30,000	Rental income from The Guineas was budgeted at £450,000. Latest estimates from Ashdown Philips (Managing Agent for The Guineas) is actually £420,000.
<b>Property Management:</b>		<b>-1,071,361</b>	<b>-1,043,548</b>	<b>27,813</b>	<b>110,000</b>	
1072	Offices: College Heath Road	-55,597	-50,145	5,452	0	
1075	Courier & Postal Service	82,708	71,246	-11,462	0	
1076	Printing & Copying Service	41,582	21,034	-20,548	0	
3020	Public Conveniences	45,062	42,283	-2,779	0	
3070	District Highways Services	7,506	1,975	-5,531	0	
3072	Land Drainage & Associated Works	69,795	74,500	4,705	0	
<b>Facilities &amp; Highways Services:</b>		<b>191,056</b>	<b>160,893</b>	<b>-30,163</b>	<b>0</b>	
1082	CCTV & Support	16,704	18,356	1,652	0	
3025	CCTV	86,940	83,407	-3,533	0	
3026	Green Travel Plan	0	-1,704	-1,704	0	
<b>CCTV &amp; Support:</b>		<b>103,644</b>	<b>100,059</b>	<b>-3,585</b>	<b>0</b>	
3110	Off Street Car Parks	-208,873	-208,282	591	0	
<b>Car Parking:</b>		<b>-208,873</b>	<b>-208,282</b>	<b>591</b>	<b>0</b>	
2000	Leisure Services Management & Support	0	-4,409	-4,409	0	
2017	Arboriculture (Tree Maintenance Works)	227,067	249,044	21,977	0	
2020	Other Parks and Play Provision	218,534	173,130	-45,404	0	Expected to be on budget
2025	Children's Play Areas	11,469	17,111	5,642	0	
<b>Leisure &amp; Cultural - Parks</b>		<b>1,196,980</b>	<b>991,017</b>	<b>-205,963</b>	<b>0</b>	
2030	Arts, Heritage & Cultural Services	-52,094	-59,365	-7,271	0	
2036	Heritage Sites & Monuments	0	237	237	0	
2070	Tourist Information Centres	0	-32	-32	0	
2071	Shopmobility	0	290	290	0	
2095	Palace House and Stables	-4	28,817	28,821	29,000	Business rate and insurance costs not budgeted, linked to Home of Horseracing Project.
<b>Leisure &amp; Cultural - TIC &amp; Heritage:</b>		<b>-52,098</b>	<b>-30,053</b>	<b>22,045</b>	<b>29,000</b>	
2090	The Pavilion - Lady Wolverton Playingfield	-4,095	-5,553	-1,458	0	
<b>Leisure &amp; Cultural - Public Halls:</b>		<b>-4,095</b>	<b>-5,553</b>	<b>-1,458</b>	<b>0</b>	
2040	Sports & Leisure Centres	570,075	556,141	-13,934	0	
<b>Commercial - Marketing:</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>TOTALS: OPERATIONS</b>		<b>984,181</b>	<b>668,088</b>	<b>-316,093</b>	<b>-111,000</b>	
<b>LT06</b>	<b>HEAD OF HOUSING</b>					
Cost Centre	Cost Centre Description	Budget to Date £	Actual to Date £	Variance to Date £	Y/E Forecast Variance £	Comments

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4021	Housing Renewals	50,083	61,897	11,814	0	
4031	Burial of the Dead	6,543	6,780	237	0	
4032	Gypsies & Travellers	6,543	9,780	3,237	0	
4033	Other Public Health Services	99,879	94,693	-5,186	-9,000	Fees recovered from ongoing court case
<b>Public Health &amp; Housing:</b>		<b>163,048</b>	<b>173,150</b>	<b>10,102</b>	<b>-9,000</b>	
4000	Housing Development & Strategy	31,638	70,258	38,620	20,000	Suffolk Housing Needs survey £20k.
<b>Housing Development &amp; Strategy:</b>		<b>31,638</b>	<b>70,258</b>	<b>38,620</b>	<b>20,000</b>	
4010	Homelessness	63,202	51,384	-11,818	0	
4011	Housing Advice & Choice Based Lettings	136,647	145,591	8,944	5,000	Locata costs higher than budgeted
4015	Non-HRA Housing Properties	1,406	-1,247	-2,653	0	
<b>Housing Options:</b>		<b>201,255</b>	<b>195,728</b>	<b>-5,527</b>	<b>5,000</b>	
4005	Housing Business & Partnerships	0	833	833	0	
<b>Housing Business &amp; Partnerships:</b>		<b>0</b>	<b>833</b>	<b>833</b>	<b>0</b>	
<b>TOTALS: HOUSING:</b>		<b>395,941</b>	<b>439,969</b>	<b>44,028</b>	<b>16,000</b>	

**Forest Heath District Council**

**Appendix B**

**Capital Monitoring - April 2014 - December 2014**

Project Description	2013-14 Budget	2013-14 Actual Spend	2014-15 Original Budget incl c/fwds	2014-15 Revised Budget	2014-15 Actual Spend to Date	2014-15 Variance to date	Notes
Home of Horseracing Project	863,432	600,875	262,557	5,500,000	3,735,848	(1,764,152)	Scheme progressing
Flagship - 3 Play Areas	194,890	53,000	141,890	141,890	0	(141,890)	Greville Starky Play Area and St Johns Recreation Ground Play Area due to start construction in January 2015 with completion by the end of February 2015.
Mildenhall S Pool Fitness Project	10,862	0	10,862	0	0	0	
St. Johns Improvement Scheme	445,000	111,250	333,750	333,750	0	(333,750)	Final invoice for £333,750 received in January and to be paid before end of financial year.
Guineas CP Security enhancements	138,580	217,753	0	0	33,211	33,211	Enhancements to the car park security, to be funded from S106.
Sam Alper Development	25,000	0	25,000	25,000	0	(25,000)	Feasibility works associated with Sam Alper development. Business case approved and scheme expected to start in 2015/16.
Lady Wolverton Pavilion Project	5,000	0	5,000	5,000	0	(5,000)	
Omar Site - Brandon	0	0	0	0	20,538	20,538	Car park, access road and fencing works. Variation to lease which will allow a return on investment to the Council.
Vehicle & Plant Purchases	222,000	130,517	163,983	67,000	47,450	(19,550)	Revised budget profile from P Clifford
FHDC ICT Project	13,919	0	13,919	0	0	0	
Historic Buildings Grant	20,697	6,777	28,920	28,920	2,380	(26,540)	
Mildenhall Museum Grant	485,554	262,395	223,159	223,159	78,681	(144,478)	All activities are now complete. Final claim and payment to be made in January 2015.
The Brandon Centre	48,000	48,000	0	0	0	0	
Waste Recycling Centre Grant	0	(40,300)	0	0	0	0	
Private Sector Disabled Facilities Grants	239,717	205,907	233,810	150,000	100,879	(49,121)	Expected to be on budget at year end.
Private Sector Renewal Grants	220,000	36,534	403,466	100,000	40,289	(59,711)	Underspend of around £40,000 expected at year end.
<b>Asset Management Plan</b>							
Council Offices Mildenhall	0	0	7,500	0	0	0	Unlikely to use - transferred to St Johns Shop scheme
George Lambton Pavillion NMK	0	0	67,000	0	0	0	No planned capital works pending, transferred to St Johns Shop scheme
Leisure Centre Brandon	0	0	125,000	170,000	3,940	(166,060)	Works on boiler / heating system. Started on site.
Swimming Pool Mildenhall	0	0	250,000	0	0	0	Contingency budget to deal with major plant failure.
Leisure Centre Newmarket	0	0	150,000	0	0	0	Main roof renewal, likely to happen in 2015/16

FHDC 5 Year Capital Programme Report

Project Description	2013-14 Budget	2013-14 Actual Spend	2014-15 Original Budget incl c/fwds	2014-15 Revised Budget	2014-15 Actual Spend to Date	2014-15 Variance to date	Notes
Car Park Guineas Multi-storey	0	0	0	0	0	0	
Studlands Park Community Centre	0	0	45,000	0	0	0	Works completed from revenue in 2013/14, capital budget transferred to Brandon Leisure Centre under the Council Asset Management Plan
Heritage Centre Brandon	0	0	7,000	0	0	0	
Flowerpot Brandon	0	0	0	0	0	0	
St Johns Close Mildenhall Shops	0	0	30,000	111,500	0	(111,500)	Waiting to start on site. Budget created as part of Council's Asset Management Plan.
Valley Way Newmarket Shops	0	0	60,000	60,000	0	(60,000)	Scheme design progressing
<b>Strategic Plan</b>							
Enterprise Hub/Innovation Park	0	0	0	0	0	0	
Wellington Street Newmarket - Wider Pedestrianisation Scheme	0	0	0	0	0	0	
Housing Strategy	50,000	0	50,000	50,000	0	(50,000)	
<b>Shared Service - Capital Requirements</b>							
Idox Uniform System	79,849	52,850	26,999	26,999	18,000	(8,999)	
Adelante Cash Receipting Software	24,200	23,200	1,000	0	0	0	
Shared Financial System - Agresso	100,000	97,787	2,213	2,213	3,641	1,428	Phase 1 - System implementation is complete
CRM Project	0	0	131,877	106,695	0	(106,695)	Project progressing, spend profile according to Customer Access Business Case
<b>PENDING ITEMS</b>							
Affordable Housing	0	0	405,000	405,000	0	(405,000)	Linked to initial feasibility works for Council owned housing company. Also to acquire some temporary accommodation properties as part of the homelessness strategy.
Playground Improvements	0	0	60,000	0	0	0	No current schemes for 2014/15
Potential projects currently in feasibility stage - Sam Alper Development & Lady Wolverton Pavilion	0	0	1,500,000	0	0	0	Sam Alper business case approved through full Council. Scheme likely to start in 2015/16, so budget provision has been transferred here for 2015/16.
Potential project currently in feasibility stage - Mildenhall Leisure Project (Hub?)	0	0	3,000,000	46,500	62,000	15,500	Payments to for options appraisal and business planning consultancy
	<b>3,186,700</b>	<b>1,806,545</b>	<b>8,428,979</b>	<b>7,553,626</b>	<b>4,146,858</b>	<b>(3,406,768)</b>	

# Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Delivering a Sustainable Budget 2015/16 - Update</b>	
<b>Report No:</b>	<b>PAS/FH/15/005</b>	
<b>Report to and dates:</b>	<b>Performance and Audit Scrutiny Committee</b>	29 January 2015
	<b>Cabinet</b>	17 February 2015
	<b>Council</b>	27 February 2015
<b>Portfolio holder:</b>	Stephen Edwards Portfolio Holder for Resources, Governance and Performance <b>Tel:</b> 01638 660518 <b>Email:</b> stephen.edwards@forest-heath.gov.uk	
<b>Lead officer:</b>	Rachael Mann Head of Resources and Performance <b>Tel:</b> 01638 719245 <b>Email:</b> rachael.mann@westsuffolk.gov.uk	
<b>Purpose of report:</b>	The purpose of this report is to update members on progress made towards delivering a balanced budget for 2015/16.	
<b>Recommendation:</b>	It is <b>RECOMMENDED</b> that members <b>note</b> the progress made on delivering a balanced budget for 2015/16.	
<b>Key Decision:</b>  <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
<b>Consultation:</b>	<ul style="list-style-type: none"> <li>PAS/FH/14/008 - Delivering a sustainable Budget 2015-2016 and Budget Consultation Results</li> </ul>	

<b>Alternative option(s):</b>		• Not applicable	
<b>Implications:</b>			
Are there any <b>financial</b> implications? <i>If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> As detailed in the body of this report	
Are there any <b>staffing</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Are there any <b>ICT</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Are there any <b>legal and/or policy</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> The Local Government Finance Act 1988 (Sc 114) - requires the chief finance officer to report to councillors if there is or is likely to be an unbalanced budget.	
Are there any <b>equality</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> To be considered as part of implementation of service changes	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
	Low/Medium/ High*		Low/Medium/ High*
Savings projections are not achieved resulting in budget deficit.	Medium	Budgetary control, including reporting of variances to members. Use of general fund reserves to cover budget deficits.	Low
The business rate retention scheme under achieving the yield assumed in the MTFS.	High	Work with the Anglia Revenues Partnership team to monitor the position and deliver a realistic forecast.	Medium
Adverse Changes in the assumptions used in the MTFS resulting in a larger budget gap.	Medium	The assumptions are regularly monitored and updated. Use of general fund reserves to cover budget deficits.	Low
<b>Ward(s) affected:</b>		All Wards	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		PAS/FH/14/008 - "Delivering a sustainable Budget 2015-2016 and Budget Consultation Results"  <a href="https://democracy.westsuffolk.gov.uk/documents/s3514/Report%20-%2014.11.26%20-%20Delivering%20a%20Sustainable%20Budget%202015-16%20and%20Budget%20Consultation%20Results.pdf">https://democracy.westsuffolk.gov.uk/documents/s3514/Report%20-%2014.11.26%20-%20Delivering%20a%20Sustainable%20Budget%202015-16%20and%20Budget%20Consultation%20Results.pdf</a>	
<b>Documents attached:</b>		None	



## 1. Key issues and reasons for recommendation

### 1.1 Position at January 2015

1.1.1 Forest Heath continues to face considerable financial challenges as a result of uncertainty in the wider economy and constraints on public sector spending. In this context, and like many other councils, we have to make difficult financial decisions.

1.1.2 It is essential that the council's financial and budgetary strategies are sufficiently robust to enable it to deliver a sustainable budget position in the short and medium term. This Committee has a key role in the scrutiny of the budget process and proposals for achieving a balanced budget.

1.1.3 In November 2014, the Committee received report PAS/FH/14/008- Delivering a Sustainable Budget 2015-2016 and Budget Consultation Results which set out the context of the 2015/16 budget, including details of savings targets, budget assumptions and known pressures for 2015/16. The report also detailed the result of the recent Council budget consultation.

### 1.2 Latest Budget Projections

1.2.1 **Table 1**, below sets out additional pressures and the progress made to date in achieving the 2015/16 savings target. These are now being incorporated into the budgets, over and above those items brought to members' attention in November 2014 as part of report PAS/FH/14/008.

**Table 1:** Further savings and budget pressures identified

<b>Description</b>	<b>2015/16 £'000 Pressure / (Saving)</b>
<b>Remaining Budget Gap per report to PASC in November 2014 (PAS/FH/14/008)</b>	<b>72</b>
<b><i>Further Savings Identified</i></b>	
Further changes to Housing Benefit payment assumptions, subsidy income and overpayment bad debt provision	(94)
Additional council tax income following approved tax base increase for council tax setting purposes, Cabinet report CAB/FH/14/007	(20)
Changes to Formula Grant – provisional settlement	(10)
Further reduction in Anglia Community Leisure management fee, following final negotiations (Total of £102k reduction from 2014/15 fee level)	(9)
<b><i>Further Pressures Identified</i></b>	
Net effect of council tax freeze for 2015/16 – budget assumption only – Subject to Full Council at its meeting of 24 February 2015 <b><i>see paragraph 1.2.2 below</i></b>	22
Repairs and maintenance costs associated with play areas	23
Other minor budget changes	16
<b>Final Budget Gap</b>	<b>0</b>

- 1.2.2 The above table provides for a balanced budget position for Forest Heath District Council in 2015/16. This includes an assumption of a Council Tax freeze for 2015/16. However, this part of the budget setting process is subject to a Full Council decision on 27 February 2015.
- 1.2.3 The above table assumes no savings for the Mildenhall bus station building. As reported to Committee in November, a marketing exercise has been carried out and a number of options are still being explored. Decisions relating to the bus station building will be subject to further consideration in due course.