

Informal Joint Performance and Audit Scrutiny Committee



Notes of Informal Discussions held on Thursday 30 July 2015 at 5.00pm in the Council Chamber, at Forest Heath District Council, College Heath Road, Mildenhall

PRESENT: St Edmundsbury Borough Council (SEBC)

Councillors Sarah Broughton
(Chairman of the informal discussions)

Carol Bull, Betty McLatchy, David Roach, Paula Wade and Patricia Warby.

Also in attendance: Councillors Susan Glossop and Ivor McLatchy.

Forest Heath District Council (FHDC)

Councillors Andrew Appleby, David Bimson, Ruth Bowman, Louis Busuttil, Brian Harvey, Louise Marston, Christine Mason, Colin Noble, Peter Ridgwell and Lance Stanbury.

IN ATTENDANCE: SEBC – Councillor Ian Houlder, Portfolio Holder for Resources and Performance
FHDC – Councillor Stephen Edwards, Portfolio Holder for Resources and Performance

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

- (1) Balanced Scorecard and Quarter 1 Performance Report 2015-2016;
- (2) West Suffolk Risk Management Approach and Principles;
- (3) West Suffolk Strategic Risk Register Quarterly Report – June 2015;
- (4) Work Programme Update

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

The Vice-Chairman of Forest Heath's Performance and Audit Scrutiny Committee welcomed all those present to the District Offices, Mildenhall 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 St

Edmundsbury's Performance and Audit Scrutiny Committee, who would be chairing the informal joint discussions.

Members noted that each Council permitted public participation at their Performance and Audit Scrutiny meetings. Therefore, for the purpose of facilitating these Constitutional requirements, 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 items 1 – 4 above. 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. **Balanced Scorecard and Quarter 1 Performance Report 2015-2016**

The Business Partner (Resources and Performance) presented the report, which sets out the West Suffolk Balanced Scorecards being used to measure the Council's performance for 2015-2016 and an overview of performance against those indicators for the first quarter of 2015-2016. The six balanced scorecards (attached at Appendices A to F) were linked to the Head of Service areas, including the proposed performance measures, targets and quarter one data.

It was envisaged the Balanced Scorecard report would replace a number of existing reports that currently went to the Committee, such as the quarterly Key Performance Indicator (KPI) report, quarterly Strategic Risk Register report and the Bi-annual Corporate Complaints and Compliments report. It was also envisaged that the Balanced Scorecard approach would remove the need to report the current quarterly KPI (Appendix G) and the bi-annual corporate Complaints and Compliments report after quarter 1. From quarter 2, it was envisaged that the quarterly Strategic Risk Register report would no longer be required as this would be covered within the Balanced Scorecard from quarter 2.

Unless otherwise stated, all performance figures reported in the scorecards were from a West Suffolk perspective. Where the performance for either individual Council was significantly different from the West Suffolk figure details would be provided in the comments box.

Members scrutinised the balanced scorecards and asked questions to which officers duly responded. In particular discussions were held on the percentage of non-disputed invoices paid within 30 days, and the number of enforcement cases opened.

(Councillor David Roach arrived at 5.10pm, during the consideration of this item)

2. **West Suffolk Risk Management Approach and Principles**

The Head of Resources and Performance presented the report, which asked Members to consider a new, positive approach to risk based on context, proportionality, judgement and evidence-based decision making that was considered on a case by case basis. The new approach to risk was based on seven core principles as detailed in Appendix 1 to Report No: PAS/SE/15/018:

- A positive approach;
- Contextual decision making;
- Informed risk-taking;
- Proportionate;
- Decision risks vs delivery risks;
- A documented approach; and
- Continuous improvement.

Attached at Appendix 2, to the report was a flowchart which provided a summary of the various tools and documents that supported this evidence-based approach. It was these documents and tools that would enable the Council to achieve a learning culture which supported staff and members, enabling managed risk-taking through positive relationships.

Once the new approach had been scrutinised and agreed, it was intended that it underpinned all thinking about risk by Members and staff. A communication plan would be developed to ensure that all Members and staff were aware of the principles and the available tools. The new approach would be reviewed periodically to ensure it continued to be fit-for-purpose, and relevant to the new types of decisions that both councils were making.

Members scrutinised the report and asked questions to which officers duly responded.

3. **West Suffolk Strategic Risk Register Quarterly Report – June 2015**

The Head of Resources and Performance presented the first 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 in June 2015 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).

Some individual controls or actions had been updated and those which were not ongoing and had been completed by June 2015 had been removed from the Register. There had been no new risks or amendments made to any existing risks or any existing risk closed since the Strategic Risk Register was last reported to the Committee.

Members considered the report and did not raise any issues.

(Councillor Colin Noble arrived at 5.21pm, during the consideration of this item)

4. **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. It was reported that an additional item would be included for the September 2015 meetings on Delivering a Sustainable Budget (2016-2017).

(Councillor Paula Wade arrived at 5.25pm, during the consideration of this item)

On the conclusion of the informal joint discussions at 5.27pm, Members of St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee withdrew from the Council Chamber to the Training Room to hold their formal meeting.

The Chairman then formally opened the Forest Heath District Council's Performance and Audit Scrutiny Committee in the Council Chamber at 5.30 pm.

Performance and Audit Scrutiny Committee



Forest Heath
District Council

Minutes of a meeting of the **Performance and Audit Scrutiny Committee** held on **Thursday 30 July 2015** at **5.30 pm** at the **Council Chamber, District Offices**, College Heath Road, Mildenhall IP28 7EY

Present: **Councillors**

Chairman Colin Noble
Vice Chairman Louis Busuttil

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|----------------|-----------------|
| Andrew Appleby | Louise Marston |
| David Bimson | Christine Mason |
| Ruth Bowman | Peter Ridgwell |
| Brian Harvey | Lance Stanbury |

By Invitation:
Stephen Edwards, Portfolio Holder for Resources and Performance

42. **Apologies for Absence**

There were no apologies for absence.

43. **Substitutes**

There were no substitutes at the meeting.

44. **Minutes**

The minutes of the meeting held on 4 June 2015, were unanimously accepted by the Committee as an accurate record and signed by the Chairman.

45. **Public Participation**

Public participation had been included within the previous informal discussions and there had been no questions/statements from members of the public.

46. **Balanced Scorecard and Quarter One Performance Report 2015-16 (Report No: PAS/FH/15/016)**

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/15/016.

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 indicators and targets being used to measure the Council's performance for 2015-2016; and reviewed the Balanced Scorecard for Quarter 1, 2015-2016.

47. **West Suffolk Risk Management Approach and Principles
(Report No: PAS/FH/15/017)**

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/15/017.

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 TO CABINET:

That the West Suffolk Risk Management Approach and Principles attached at Appendix 1 and the Supporting Flowchart attached at Appendix 2 to Report No: PAS/FH/15/017, be adopted.

48. **West Suffolk Strategic Risk Register Quarterly Monitoring Report -
June 2015
(Report No: PAS/FH/15/018)**

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/15/018. In the informal discussions Members had scrutinised the report in detail and had asked a number of questions. Within the formal discussions, Forest Heath Members further requested as to whether it would be possible to include within future reporting of the Risk Register, the following:

- To highlight any new risks which had been added to the Register since last reported to the Committee.
- To highlight risks which had been closed since last reported to the Committee.
- To highlight where risks had been amended since last reported to the Committee.
- To include defined start/completion dates (where able to do so).

The Head of Resources and Performance agreed to report these comments back to the Risk Management Group for their consideration, with the intention of their inclusion within the next quarter reporting.

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

49. **Work Programme Update**
(Report No: PAS/FH/15/019)

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/15/019.

There being no decisions required, the Committee **noted** the contents of the work programme for 2015-2016 (with the inclusion of an additional item for the September 2015 meetings on Delivering a Sustainable Budget 2016-2017).

50. **Financial Performance Report (Revenue and Capital) Quarter One**
(April - June 2015)
(Report No: PAS/FH/15/020)

The Committee received Report No: PAS/FH/15/020, which set out the financial performance for the first quarter of 2015-2016 and forecasted outturn position for 2015-2016.

Attached at Appendix A and B to the report was details of the Council's revenue performance and year end forecasted outturn position. Explanations of the main year end forecast over/(under) spends was set out within paragraph 1.3.1. Appendix C to the report set out the Council's capital financial position for the first three months of 2014-2015 which showed expenditure of £1,235,000. Finally, a summary of the earmarked reserves was attached at Appendix D, along with the forecast year end position for 2015-2016.

The Resources and Performance Team would 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 would be presented to the Committee on a quarterly basis.

The Committee scrutinised the report in detail and asked a number of questions. Discussions were held around the current budget variances for Quarter 1, in particular, for the Compostable Collections (Brown Bins) (Cost Centre 3042) and Off-Street Car Parks (Cost Centre 3110). Officers agreed to provide Members with a written response to further explain the reasons for these particular variances.

Members also requested that where there were large variances within budget cost centres, that explanations for these variances were provided. The Head of Resources and Performance explained that it was usual practice for Officers to include comments where the variance was over £25,000. However, she would ensure that Officers provided this additional information within future reporting. Members further requested that this reporting should not just be limited to the £25,000, but should also include percentage variances. The Officer also acknowledged this request.

There being no decision required, the Committee **noted** the 2015-2016 year end forecast financial position.

51. **Annual Treasury Management Report 2014-2015
(Report No: PAS/FH/15/021)**

The Committee received Report No: PAS/FH/15/021 which summarised the investment activities for the year 2014-2015.

The Committee scrutinised the report in detail and asked a number of questions, to which Officers duly responded.

With the vote being unanimous, it was

RECOMMENDED TO CABINET/COUNCIL:

That:-

1. The Annual Treasury Management Report be noted.
2. The Annual Treasury Management Report 2014-2015, attached as Appendix 1 to Report No PAS/FH/15/021, be approved.

Councillor Louise Marston left the meeting at 6.15 pm, during the discussion and prior to the voting, on this item.

The Meeting concluded at 6.25 pm

Signed by:

Chairman
