

Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title:	Agenda								
Date:	Thursday 30 July 2015								
Time:	5.00 pm								
Venue:	Forest Heath District Council District Offices College Heath Road Mildenhall, Suffolk								
Full Members:	<p style="text-align: center;">Chairman Sarah Broughton</p> <p style="text-align: center;">Vice Chairman Patricia Warby</p> <p><u>Conservative Members (8)</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Sarah Broughton</td> <td style="width: 33%;">Karen Richardson</td> </tr> <tr> <td>Carol Bull</td> <td>Peter Thompson</td> </tr> <tr> <td>Beccy Hopfensperger</td> <td>Paula Wade</td> </tr> <tr> <td>Betty Mclatchy</td> <td>Patricia Warby</td> </tr> </table> <p><u>Charter Member (1)</u> David Nettleton</p> <p><u>UKIP Member (1)</u> Barry Robbins</p>	Sarah Broughton	Karen Richardson	Carol Bull	Peter Thompson	Beccy Hopfensperger	Paula Wade	Betty Mclatchy	Patricia Warby
Sarah Broughton	Karen Richardson								
Carol Bull	Peter Thompson								
Beccy Hopfensperger	Paula Wade								
Betty Mclatchy	Patricia Warby								
Substitutes:	<p><u>Conservative Members (3)</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Jeremy Farthing</td> <td style="width: 33%;">David Roach</td> </tr> <tr> <td>Ivor Mclatchy</td> <td></td> </tr> </table> <p><u>Charter Member (1)</u> Diane Hind</p> <p><u>UKIP Member (1)</u> John Burns</p>	Jeremy Farthing	David Roach	Ivor Mclatchy					
Jeremy Farthing	David Roach								
Ivor Mclatchy									
Interests – Declaration and Restriction on Participation:	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.								
Quorum:	Four Members								
Committee administrator:	Christine Brain Scrutiny Officer Tel: 01638 719729 Email: christine.brain@westsuffolk.gov.uk								

5.00pm	Informal discussions with Forest Heath District Council's Performance and Audit Scrutiny Committee on four substantive items listed below under Items 5 to 8 inclusive, to be held in the <u>Council Chamber</u> .
5.30pm	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 <u>Training Room</u> .

All Members of Forest Heath's Performance and Audit Scrutiny Committee will be in attendance to enable informal discussions on the reports listed in Items 5 to 8 inclusive below to take place between the two authorities:

COUNCILLORS

Conservative
Group (8)

David Bimson
Brian Harvey
Colin Noble

Ruth Bowman
Louise Marston
Lance Stanbury

Louis Busuttil
Christine Mason

West Suffolk
Independent (1)

Andrew Appleby

UKIP (1)

Peter Ridgwell

On the conclusion of the informal discussions, the St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee will withdraw from the Council Chamber and hold its formal meeting in the **Training Room** as follows:

Agenda

Procedural Matters

Page No

Part 1(A) - Public

1. Apologies for Absence

2. Substitutions

Any Member who is substituting for another Member should so indicate, together with the name of the relevant absent Member.

3. Public Participation

Members of the public who live or work in the Borough are invited to put one question/statement of not more than three minutes duration relating to items to be discussed in Part 1 of the agenda only. If a question is asked and answered within three minutes, the person who asked the question may ask a supplementary question that arises from the reply.

A person who wishes to speak must register at least 15 minutes before the time the meeting is scheduled to start.

There is an overall limit of 15 minutes for public speaking, which may be extended at the Chairman's discretion.

4. Minutes

1 - 10

To confirm the minutes of the meeting held on 4 June 2015 (copy attached).

(Following the informal discussions held with Forest Heath District Council's Performance and Audit Scrutiny Committee on Items 5 to 8 below, Members are reminded that no further debate shall take place. However, Members are requested to either formally note/resolve Items 5 to 8 below).

5. Balanced Scorecard and Quarter One Performance Report 2015-16

11 - 32

Report No: **PAS/SE/15/017**

(For reference purposes, Forest Heath District Council's Report Number is PAS/FH/15/016)

6. West Suffolk Risk Management Approach and Principles

33 - 42

Report No: **PAS/SE/15/018**

(For reference purposes, Forest Heath District Council's Report Number is PAS/FH/15/017)

	Page No
7. West Suffolk Strategic Risk Register - June 2015	43 - 56
Report No: PAS/SE/15/019 <i>(For reference purposes, Forest Heath District Council's Report Number is PAS/FH/15/018)</i>	
8. Work Programme Update	57 - 62
Report No: PAS/SE/15/020 <i>(For reference purposes, Forest Heath District Council's Report Number is PAS/FH/15/019)</i>	

Part 1(B) - Public

9. Annual Performance Report for The Apex	63 - 72
Report No: PAS/SE/15/021	
10. Financial Performance Report (Revenue and Capital) (April to June 2015)	73 - 94
Report No: PAS/SE/15/022	
11. Annual Treasury Management Report 2014-2015 and Investment Activity (1 April - 30 June 2015)	95 - 110
Report No: TMS/SE/15/004 will be considered by the Treasury Management Sub-Committee on 20 July 2015. The Chairman/Head of Resources and Performance will update the Committee verbally on any issues or recommendations arising from the consideration of this report.	

Part 2 – Exempt

NONE

Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

**Notes of Informal Discussions held on Thursday 4 June 2015 at
5.00pm in the Conference Chamber West, West Suffolk House,
Western Way, Bury St Edmunds**

PRESENT: St Edmundsbury Borough Council (SEBC)

Councillors Sarah Broughton, Carol Bull, Beccy Hopfensperger, David Nettleton, Barry Robbins, Peter Thompson and Patricia Warby.

Also in attendance: Councillors Susan Glossop and David Roach.

Forest Heath District Council (FHDC)

Councillor Colin Noble
(Chairman of the informal discussions)

Councillors Andrew Appleby, David Bimson, Ruth Bowman, Louis Busuttill, Louise Marston, Christine Mason, 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 seven items:

- (1) Internal Audit Annual Report (2014-2015) and Outline Internal Audit Plan (2015-2016);
- (2) West Suffolk Annual Governance Statement (2013-2014) Action Plan Update
- (3) Key Performance Indicators and Quarter 4 Performance Report 2014-15;
- (4) Performance Management Report 2015-2016;
- (5) West Suffolk Strategic Risk Register Quarterly Report – March 2015;
- (6) Biannual Corporate Complaints and Compliments Digest; and
- (7) Work Programme Update

All Members of Forest Heath District 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, Bury St Edmunds 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.

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 – 7 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. **Internal Audit Annual Report (2014-2015) and Outline Internal Audit Plan (2015-2016)**

The Service Manager (Internal Audit) presented the report as required by the Public Sector Internal Audit Standards, which included an opinion on the overall adequacy and effectiveness of the Council's governance arrangements, including the internal control environment.

The report summarised the work undertaken by Internal Audit during the year (Appendix A) and provided details of the Outline Internal Audit Plan for 2015-2016 (Appendix C). The report also showed progress made during the year in developing and maintaining an anti-fraud and anti-corruption culture and publicised actions taken where fraud or misconduct had been identified (Appendix D). Finally, the report also showed the work undertaken to fulfil the requirement for an annual review of the effectiveness of internal audit (Appendix B).

The Service Manager (Internal Audit) drew relevant issues to Members' attention.

Members scrutinised the report and asked questions to which the Service Manager (Internal Audit) duly responded. In particular discussions were held on the Car Parks Cash Handling Review. Officers agreed to provide a written response on how much was paid by cash versus RingGo (cashless phone parking service).

2. **West Suffolk Annual Governance Statement (2013-2014) Action Plan Update**

The Service Manager (Internal Audit) presented the report, which advised Members of the action taken on the Annual Governance Statement Action Plan 2013-2014 (Appendix A).

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

3. **Key Performance Indicators and Quarter 4 Performance Report 2014-2015**

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 fourth quarter indicators covering January to March 2015 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 four performance summary for Forest Heath showed that of 25 indicators, 7 were green, 7 were amber, 1 was red and 10 were data only indicators. For St Edmundsbury, the current quarter four summary showed that of a total of 25 indicators, 10 were green, 3 were amber, 2 were red and 10 were data only indicators. For West Suffolk there were a total of 21 indicators, of which 8 were green, 4 were amber, 2 were red and 7 were data only indicators.

Members scrutinised a number of indicators, with particular emphasis on those showing red under the traffic light system, and asked questions to which officers duly responded. In particular discussions were held on:

- (1) **WS/HOU009** – Private sector tenancies made available through West Suffolk Lettings Partnership. Members questioned what was being done to promote the scheme and suggested that a future report on the future of the West Suffolk Lettings Partnership be included in its forward work programme.
- (2) **WS/COR005** – Percentage of non-disputed invoices paid within 30 days of receipt. This KPI was currently being reviewed and officers were looking at getting a better understanding of the calculation and the recording process of invoices.

4. **Performance Management Report 2015-2016**

The Head of Resources and Performance presented the report, which set out the Councils approach to performance management in 2015-2016 through the use of a recognised performance management tool, the Balanced Scorecard. The report included information on the benefits of effective performance management; proposals for performance management arrangements; the proposed performance management tool for 2015-2016; progress made to date, next steps and timescales.

It was envisaged the Balanced Scorecard report would replace a number of existing reports that currently went to the Performance and Audit Scrutiny Committee, such as the quarterly Key Performance Indicators; quarterly Strategic Risk Register Report and the Bi-annual Corporate Complaints and Compliments Report.

Members scrutinised the report in detail and asked a number of questions to which officers duly responded.

Members welcomed the move to the proposed balanced scorecard but also had some reservations as the Committee still needed to be able to drill down into the detailed information. Members suggested that they would like to see both performance systems running in parallel over the next few months and that the coloured rating system be included in the proposed balanced scorecard format.

5. **West Suffolk Strategic Risk Register Quarterly Report – March 2015**

The Service Manager (Finance and Performance) presented the fourth 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 April 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).

Since the last assessment report presented to the Committee on 29 January 2015, there had been one new risk identified relating to the closure of RAF Mildenhall and one risk had been closed (WS9) following the review and adoption of the revised Constitution by both Forest Heath District Council and St Edmundsbury Borough Council. Some individual controls and actions had been updated and those which were not ongoing and had been completed by March 2015 had been removed from the Register.

Members scrutinised the report in detail and asked a number of questions to which officers duly responded. In particular discussions were held on:

- (WS12) - Loss of a key employer. Members questioned how the Council engaged with the top 100 employers in the area. Members requested a written response on the types of engagement undertaken with employers.
- (WS21) – Safeguarding Children. Members questioned what else the Council could do in mitigating the risk even further. Members suggested that reference should be made to the Multi Agency Safeguarding Hub (MASH) as a preventative action.

6. **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 October 2014 to March 2015, 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 second half of the financial year, across both councils 27 corporate complaints and 49 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 individual who received them.

Members considered the report and asked questions to which responses were duly provided.

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. Subject to earlier discussions it was agreed that the Balanced Scorecard and a future report on the future of the West Suffolk Lettings Partnership would be included in its forward work programme.

On the conclusion of the informal joint discussions at 6.10pm, 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 St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee in Conference Chamber West at 6.15pm.

Performance and Audit Scrutiny Committee



Minutes of a meeting of the **Performance and Audit Scrutiny Committee**
held on **Thursday 4 June 2015** at **6.15pm** at the **Conference Chamber,**
West Suffolk House, Western Way, Bury St Edmunds IP33 3YU

Present: **Councillors**

Chairman Sarah Broughton
Vice Chairman Patricia Warby

Carol Bull
Beccy Hopfensperger
David Nettleton

Barry Robbins
Peter Thompson

Substitutes attending:
None

By Invitation:
Ian Houlder, Portfolio Holder for Performance and Resources
Susan Glossop

26. **Apologies for Absence**

Apologies for absence were received from Councillors Betty Mclatchy, Karen Richardson and Paula Wade.

27. **Substitutions**

There were no substitutes at the meeting.

28. **Public Participation**

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

29. **Minutes**

The minutes of the meeting held on 29 January 2015, were accepted by the Committee as an accurate record and signed by the Chairman.

30. **Internal Audit Annual Report (2014-15) and Outline Internal Audit Plan (2015-16)**

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report PAS/SE/15/006.

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

RESOLVED: That:

- (1) The Internal Audit Plan for 2015-2016, attached as Appendix C to Report PAS/SE/15/006, be approved.
- (2) The conclusion drawn in respect of the annual review of the effectiveness of internal audit, be endorsed.
- (3) The contents of the Annual Internal Audit Report for 2014-2015 and the Managing the Risk of Fraud, Theft and Corruption Report, as set out in Appendices A and D to Report PAS/SE/15/006, be noted.

31. **West Suffolk Annual Governance Statement (2013-14) Action Plan Update**

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report PAS/SE/15/007.

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

32. **Key Performance Indicators and Quarter 4 Performance Report 2014-15**

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report PAS/SE/15/008.

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 4, 2014-2015, subject to a future report being presented to the Committee on WS/HOU009 – Private sector tenancies made available through West Suffolk Lettings Partnership.

33. **Performance Management Report 2015-2016**

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report PAS/SE/15/009.

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 subject to the parallel running of the current performance reporting system and the proposed balanced scorecard.

34. **West Suffolk Strategic Risk Register Quarterly Report - March 2015**

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report PAS/SE/15/010.

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

The Committee had requested that a written response be provided on Risk (WS12) on the types of engagement undertaken with employers, and suggested that Risk (WS21) – Safeguarding Children - that reference to the Multi Agency Safeguarding Hub (MASH) be included as a preventative action.

There being no decision required, the Committee **noted** the contents of the report, subject to the above comments made.

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

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report PAS/SE/15/011.

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

36. **Work Programme Update**

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report PAS/SE/15/012.

There being no decision required, the Committee **noted** the contents of the work programme for 2015, subject to the balanced scorecard and a future report on the future of the West Suffolk Lettings Partnership being included.

37. **Ernst and Young - Annual Certification Report 2013-2014**

The Committee received Report No: PAS/SE/15/013, which updated Members on the outcome of the annual audit of grant claims by Ernst and Young (EY), as detailed in their Annual Certification Report for 2013-2014, attached as Appendix A.

Melanie Richardson (External Audit Manager) from EY presented this report, which summarised the results of the certification work which had been undertaken as part of the annual audit of grant claims to government departments. The report included key messages arising from the assessment of the arrangements for preparing claims and returns and information on claims that were qualified. She drew relevant details from the report to Members' attention, and explained the one claim relating to the Housing Benefits Subsidy Claim.

Members considered the report and there being no decision required, the Committee **noted** the contents of the report.

38. **Ernst and Young - Presentation of External Audit Plan and Fees 2014-15 and 2015-16 Indicative Fees**

The Committee received Report No: PAS/SE/15/014, which set out how EY intended to carry out their responsibilities as the Council's external auditors (Appendix A). The purpose of the report was to provide the Committee with a basis to review EY's proposed audit approach and scope for the 2014-2015 audit along with the planned fees to complete the work. The report also provided the Committee with a basis to review the 2015-2016 indicative fees (Appendix B).

Melanie Richardson (External Audit Manager) from EY presented this report, which summarised EY's assessment of the key risks which drive the development of an effective audit of the Council, and outlined their planned audit strategy in response to those risks. Officers would be working with EY over the coming months to ensure that these risks were managed and where possible, come to an agreement over the treatment prior to the issuing of the Annual Governance Report and Audit Opinion, due to be issued by EY by September 2015. She also drew Member's attention to the Financial Statement Risks; the value for money conclusion; and the indicative audit fee for 2015-2016 and how the scale fee was based.

Members asked questions on a number of elements of the report, to which Melanie Richardson duly responded.

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

39. **Financial Outturn Report (Revenue and Capital) 2014-15**

The Committee received Report No: PAS/SE/15/015, which updated members on the 2014-2015 outturn revenue and capital position. Attached at Appendix A to the report was the revenue outturn position as at 31 March 2015, which

currently showed an overall underspend of £109,000. An analysis of revenue variances for 2014-2015 was attached as Appendix B.

Attached at Appendix C was the Council's capital outturn position for the year 2014-2015 which showed a net underspend of £3,735,000. This predominately related to the timing of capital project.

Appendix D to the report set out a summary of the earmarked reserves for the year 2014-2015. As at 31 March 2015 the balance of the Council's reserves was £13,383,000.

The Committee then scrutinised the report in detail and asked a number of questions to which officers duly responded. In particular officers agreed to provide Members with written responses to the following questions raised:

- 1) Appendix B (2021) – Abbey Gardens – To provide an update on projects to upgrade the tennis courts which were currently unusable.
- 2) Appendix B (2031/2032) – Moyse's Hall Museum and West Stow Country Park- To provide information on the reasons for the overspend.
- 3) Appendix C – Bury Town Football Relocation Scheme – To provide an update on the Capital Project.

There being no decision required, the Committee **noted** the 2014-2015 Outturn revenue and capital outturn positions as set out in Appendices A and C to Report No PAS/SE/15/015.

40. **Decision Relating to Complaint to Local Government Ombudsman**

The Committee received Report No PAS/SE/15/016 which set out a complaint which had been referred to the Local Government Ombudsman (LGO) and who had upheld the complaint. The Ombudsman's final decision was set out in Appendix 1 to the report.

There being no decision required, the Committee **noted** the Local Government Ombudsman (LGO) decision and the payment of the recommended compensation of £100.

The Meeting concluded at 6.48pm

Signed by:

Chairman

Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Balanced Scorecard and Quarter 1 Performance Report 2015-16	
Report No:	PAS/SE/15/017	
Report to and dates:	Performance and Audit Scrutiny Committee	30 July 2015
Portfolio holder:	Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: ian.houlder@stedsbc.gov.uk	
Lead officer:	Rachael Mann Head of Resources and Performance Tel: 01638 719245 Email: rachael.mann@westsuffolk.gov.uk	
Purpose of report:	This report sets out the West Suffolk Balanced Scorecards being used to measure the Council's performance for 2015-16 and an overview of performance against those indicators for the first quarter of 2015-16.	

Recommendation:	<p>Performance and Audit Scrutiny Committee:</p> <p>Members are requested to:</p> <p>1) Note the performance indicators and targets being used to measure the Council's performance for 2015-16; and</p> <p>2) Review the Council's performance using Balanced Scorecards for Quarter 1, 2015-16 and identify any further information required or make recommendations where remedial action or attention is required to address the Council's performance.</p>
<p>Key Decision:</p> <p><i>(Check the appropriate box and delete all those that do not apply.)</i></p>	<p><i>Is this a Key Decision and, if so, under which definition?</i></p> <p>Yes, it is a Key Decision - <input type="checkbox"/></p> <p>No, it is not a Key Decision - <input checked="" type="checkbox"/></p>
Consultation:	<ul style="list-style-type: none"> This report has been prepared in consultation with all relevant staff and Leadership Team.
Alternative option(s):	<ul style="list-style-type: none"> The option of doing nothing may result in poor performance, monitoring performance can highlight where remedial action may be needed
Implications:	
<p><i>Are there any financial implications? If yes, please give details</i></p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none"> 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.
<p><i>Are there any staffing implications? If yes, please give details</i></p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none">
<p><i>Are there any ICT implications? If yes, please give details</i></p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none">
<p><i>Are there any legal and/or policy implications? If yes, please give details</i></p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none"> 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.
<p><i>Are there any equality implications? If yes, please give details</i></p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none">
Risk/opportunity assessment:	<p><i>(potential hazards or opportunities affecting corporate, service or project objectives)</i></p>

Risk area	Inherent level of risk (before controls)	Controls	Residual risk (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
Ward(s) affected:		All Ward	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		None	
Documents attached:		Appendix A – Resources and Performance Balanced Scorecard Appendix B – Families and Communities Balanced Scorecard Appendix C – Human Resources, Legal and Democratic Balanced Scorecard Appendix D – Planning and Growth Balanced Scorecard Appendix E – Operations Balanced Scorecard Appendix F – Housing Balanced Scorecard Appendix G – Forest Heath, St Edmundsbury and West Suffolk Performance Indicators 2015-16 – Quarter 1 results	

1. Key issues and reasons for recommendations

1.1 Background

- 1.1.1 At the previous meeting of this committee, members considered, scrutinised and supported a report on the desired West Suffolk Performance Management outcomes for 2015/16.
- 1.1.2 The report explained how the right performance management tool can act as a catalyst for creating and sustaining the performance management framework desired by the West Suffolk councils. A recognised performance management tool is the balanced scorecard.
- 1.1.3 It must be noted that whilst benefits of the new framework should accrue from the beginning, those benefits increase over the coming months/years, as the new performance management principles and practices become embedded in the West Suffolk culture. Consequently, we need to sustain and improve our performance management framework in order to gain the greatest benefit.

1.2 Performance Measures and targets – 2015/16

- 1.2.1 Attached at **Appendices A to F** are the current Balanced Scorecards (based on Head of Service area) including the proposed performance measures, targets and quarter one data for 2015/16. There are some performance measures which are consistent across all six balanced scorecards (i.e. number of complaints / compliments), as well as service specific performance measures which will only be on the relevant service scorecard.
- 1.2.2 It is envisaged the Balanced Scorecard report will replace a number of the existing reports that currently go through this committee, such as the quarterly Key Performance Indicator report, quarterly Strategic Risk Register report and the Bi-annual Corporate Complaints and Compliments report. It is envisaged that the Balanced Scorecard approach will remove the need to report the current quarterly KPI (**Appendix G**) and bi-annual corporate Complaints and Compliments report after quarter 1. From quarter 2 it is envisaged that the quarterly Strategic Risk Register report will also no longer be required as this will be covered within the Balanced Scorecards from quarter 2.
- 1.2.3 At present the Balanced Scorecards are manually prepared using Microsoft Excel. Over the next few months, staff will also look for options for the best supporting systems to deliver on our desired performance management outcomes including automation.

1.3 Explanation of Balanced Scorecard

- 1.3.1 Unless otherwise stated, all performance figures on the scorecards are from a West Suffolk perspective. Where the performance for either individual Council is significantly different from the West Suffolk figure that it would have a different RAG (Red, Amber, Green) rating, details of this are highlighted in the comments box.
- 1.3.2 The "Frequency" column in the balanced scorecard shows how often data is collected for each performance measure. There are three different collection

frequencies, monthly (designated as M), quarterly (designated as Q) and half yearly (designated as B). The periods at the top of the balanced scorecard show what the latest collection periods are.

- 1.3.3 The "Type" column identifies if the performance measure is a cumulative indicator, or a period only indicator. A cumulative indicator is one where the information is calculated using data from the beginning of the financial year to the current period (e.g. "Income generated from entire property portfolio" is an indicator that is updated with a monthly frequency, but the data is from April 2015 to June 2015 rather than for just June 2015). A period only indicator is one where the information is calculated using data only from that period (e.g. "% of non-disputed invoices paid within 30 days" is updated on a monthly basis, with the information shown only relevant to the latest period).
- 1.3.4 The "Trend" column gives a graphical analysis of historical performance against each performance measure. Where there is no graph against a performance measure, this is predominately due to the fact that there is only one period worth of data available, and at least two are needed to establish a trend graph. Some performance measures will need a different type of trend graph due to the nature of the indicator, and these will be worked on in the next quarter. The expectation is that all performance measures will have a trend analysis graph for the second quarter report to this committee.
- 1.3.5 Further work will be undertaken in the coming months to develop the project and risk elements of the balanced scorecard, with progress on this being detailed in the second quarter report.

1.4 **Quarter 1 Performance**

- 1.4.1 Across all service balanced scorecards, there are indicators measuring the performance of the transactional finance functions. These are "% of non-disputed invoices paid within 30 days" and "% of debt over 90 days old". Against these indicators, all services areas have failed to meet the targets of more than 95% of non-disputed invoices paid with 30 days and less than 10% of debt over 90 days old.
- 1.4.2 The finance and performance team are currently working with service areas to try and improve performance against both of these measures. Monthly business intelligence reports are sent out to service areas with details of all invoices processed, and detailed aged debt lists. Debt control workshops have also been set up to help improve debt collection performance.
- 1.4.3 The invoice processing indicator is based on the invoice date, rather than the date the Council received the invoice. This can lead to some delays in invoice processing if the invoices are not received for a significant amount of time after the invoice date, which does often happen, especially when suppliers batch a whole month of invoices together before they get sent in.
- 1.4.4 Included in the total debt figures for each service area is debt which is being pursued by the Legal Services Section. These are debts which have been pursued by the service areas, without success, and have been escalated for further action.

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WEST SUFFOLK - RESOURCES & PERFORMANCE BALANCED SCORECARD

APPENDIX A

M-MONTH Jun 15

Q-QUARTER Apr 15 - Jun 15

B - HALF YEARLY Oct 14 - Mar 15

* These indicators are at organisational level

		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments	
RESOURCES	FINANCIAL	Year end forecast variance (under) / over spend against budget - FHDC	£ 9,000.00	-	M	Cumulative		£100k less income expected to be received from Flagship as part of the VAT Shelter Agreement. £91k in year savings predominately from supplies & services and increased income. See Q1 budget monitoring report for more detail.	SATISFACTION	Number of formal complaints	8	No target	B	Period only		All complaints relate to ARP.
		Year end forecast variance (under) / over spend against budget - SEBC	(£50,000.00)	-	M	Cumulative		Higher council tax court costs anticipated to be recovered, along with some reductions in associated costs. See Q1 budget monitoring report for more detail.		Number of formal compliments	0	No target	B	Period only		
		Income generated from Service Level Agreements	(£45,703.00)	(£49,461.00)	M	Cumulative		Slight under achievement of ICT income. Expected to be on budget at year end.	CUSTOMERS	Organisational year end forecast variance (under) / over spend against budget - FHDC *	-	-	M	Cumulative		The current forecast position for the year end is expected to be on budget. See Q1 budget monitoring report for further details.
		% return on the investment of reserves and balances - FHDC	1.65	1.70	Q	Cumulative		Due to higher levels of balances than anticipated, actual income received for the quarter is £10,000 higher than budget. See Q1 Treasury Management report for more detail.		Organisational year end forecast variance (under) / over spend against budget - SEBC *	(£51,500.00)	-	M	Cumulative		The current forecast position for the year end is expected to be underspent. See Q1 budget monitoring report for further details.
	% return on the investment of reserves and balances - SEBC	0.70	0.90	Q	Cumulative		Due to higher levels of balances than anticipated, actual income received for the quarter is £20,000 higher than budget. See Q1 Treasury Management report for more detail.	Total income generated by organisation £ *		(£6,532,808.83)	(£6,479,076.00)	M	Cumulative			
	FINANCE & PERFORMANCE	% of non-disputed invoices paid within 30 days	86.21	95.00	M	Period only		58 invoices processed in June. See paragraphs 1.4.1 - 1.4.4 in main report for more comments.	ORGANISATIONAL	% of total non-disputed invoices paid within 30 days *	78.50	95.00	M	Period only		1,293 invoices processed in June. Working with services to try and improve payment times.
		% of debt over 90 days old	16.52	10	M	Cumulative		FHDC debt £1,705.93 - 100% over 90 days. SEBC debt £26,225.42 - 11.09% over 90 days. See paragraphs 1.4.1 - 1.4.4 in main report for more comments.		% of total debt over 90 days old *	62.53	10.00	M	Cumulative		FHDC debt £140,359.46 - 53.48% over 90 days. SEBC debt £540,592.76 - 64.87% over 90 days. Setting up monthly debt control meetings with business areas.
		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments	
INTERNAL PROCESSES	FINANCE	% of all payments made to us by BACS, Direct Debit, online as opposed to cash & cheque *	0.00	0.00	M	Period only		This indicator is to be developed going forward, so not available for first quarter.	OUTCOMES	ARP	% Collection of Council Tax - FHDC	29.71	29.62	M	Cumulative	
	ICT	% of ICT Helpdesk calls completed 'on time' as defined in SLAs	89.36	90.00	M	Period only		% Collection of Council Tax - SEBC			30.01	30.08	M	Cumulative		
	ARP	Days taken to process Housing Benefit new claims and changes - FHDC	7.60	12.00	M	Period only		% Collection of Business Rates - FHDC			28.06	28.72	M	Cumulative		
		Days taken to process Housing Benefit new claims and changes - SEBC	5.70	12.00	M	Period only		% Collection of Business Rates - SEBC			30.64	27.25	M	Cumulative		

PROJECTS	Name	Project Lead	Project Stage	Project Status	Approval details	Approved budget	Forecast Spend	Variance	Comments
		Agresso Phase II - System Development	Jo Howlett						
	Fund Manager Procurement	Jo Howlett							
	Merchant acquiring services	Judith Wright							
	Development of West Suffolk Information Strategy	James Wager							

RISK

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WEST SUFFOLK - FAMILIES & COMMUNITIES BALANCED SCORECARD

APPENDIX B

M - MONTH Jun 15

Q - QUARTER Apr 15 - Jun 15

B - HALF YEARLY Oct 14 - Mar 15

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			Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments
RESOURCES	FINANCIAL	Year end forecast variance (under) / over spend against budget - FHDC	-	-	M	Cumulative		No major budget variances expected at year end.	CUSTOMERS	SATISFACTION	% Customer satisfaction with customer service - overall journey	TBC	80.00	Q	Period only	Not available for first quarter, is being piloted in July so data should be available for the second quarter.
		Year end forecast variance (under) / over spend against budget - SEBC	-	-	M	Cumulative	No major budget variances expected at year end.	Number of formal complaints			0	No target	B	Period only	Complaints relate only to the Families & Communities Service	
		Income generated from SLAs	-	-	M	Cumulative	No SLA income generated so far this year.	Number of formal compliments			3	No target	B	Period only	Compliments relate only to Families & Communities Service	
		% of non-disputed invoices paid within 30 days	80.00	95.00	M	Period only		25 invoices processed in June. See paragraphs 1.4.1 - 1.4.4 in main report for more comments.		Customer service mystery shopping - average % score	TBC	90.00	Q	Period only	Not available for first quarter, working towards having information for second quarter.	
	% of debt over 90 days old	98.61	10.00	M	Cumulative		FHDC debt £441.60 - 100% over 90 days. SEBC debt £900.72 - 97.92% over 90 days. See paragraphs 1.4.1 - 1.4.4 in main report for more comments.									
			Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments
INTERNAL PROCESSES	COMMUNICATIONS	Number of unique users of the West Suffolk councils website	86,111	No target	Q	Period only		Users = new and returning users within a defined period. Excludes all users from a West Suffolk IP address.	OUTCOMES	CUSTOMER SERVICES	% of issues resolved at first point of contact with Customer Services - telephone	80.90	80.00	Q	Period only	
		Number of unique page views to the West Suffolk councils website	362,956	No target	Q	Period only	Unique page views = how many pages were viewed in that period of time. Excludes all users from a West Suffolk IP address	% of issues resolved at first point of contact with Customer Services - face to face			87.00	80.00	Q	Period only		
		Number of online forms completed	1,160	No target	Q	Period only		Outcomes delivered from public health funding		TBC	0	Q		To be developed once funding proposals developed.		
		Number of unique page views to the West Suffolk intranet	214,204	No target	Q	Period only	Data available from 12 April (go-live date) so not a full quarter.	Financial benefit of the families & communities agenda		TBC	0	B		This indicator is to be developed, so not available for first quarter.		
	CUSTOMER SERVICES	% of telephone calls answered	94.00	90.00	Q	Period only		Reduction in fear/perception of crime		TBC	0	B		This indicator is to be developed, so not available for first quarter.		
		Number of face to face contacts (not including visitor management)	32,013	No target	Q	Period only										

PROJECTS	Name	Project Lead	Project Stage	Project Status	Approval details	Approved	Forecast	Variance	Comments
		Customer Relationship Management	Chris Bolton						
	Customer Service Excellence corporate training	Chris Bolton							
	Customer Access Software	Chris Bolton							
	Internal communications	Marianne Hulland							
	Strategic planning 2016-2020	Liz Barnard / Tanya Sturman							
	Community centre transfer	Lucy Carter							
	Neighbourhood pilot	Lucy Carter							
	BPR - planning	Ben Smith							
	BPR - markets	Liz Barnard							
	BPR - housing standards	Liz Barnard							

RISK

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WEST SUFFOLK - HUMAN RESOURCES, LEGAL & DEMOCRATIC BALANCED SCORECARD

APPENDIX C

M - MONTH Jun 15

Q - QUARTER Apr 15 - Jun 15

B - HALF YEARLY Oct 14 - Mar 15

* These indicators are at organisational level

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		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments		
RESOURCES	FINANCIAL	Year end forecast variance against budget - FHDC	-	-	M	Cumulative		No major budget variances expected at year end.	CUSTOMERS	SATISFACTION	Number of formal complaints	3	No target	B	Period only	—	Of the 3 complaints received in the period, 2 related to FHDC and 1 to SEBC. All three were specific to the Legal Services department.
		Year end forecast variance against budget - SEBC	£ 5,000.00	-	M	Cumulative		Slight under achievement of legal income expected. See Q1 budget monitoring report for further details.			Number of formal compliments	0	No target	B	Period only	—	
		% of non-disputed invoices paid within 30 days	79.63	95.00	M	Period only		54 invoices processed in June. See paragraphs 1.4.1 - 1.4.4 in main report for more comments.		SERVICE	% on-line electoral registration *	98.00	95.00	A	Period only		
		% of debt over 90 days old	63.22	10.00	M	Cumulative		FHDC debt £2,538.28 - 100% over 90 days. SEBC debt £15,382.03 - 57.15% over 90 days. See paragraphs 1.4.1 - 1.4.4 in main report for more comments.									
	STAFF	Average number of sick days lost per FTE per annum*	6.83	6.50	Q	Period only		Average FTE of 586.98 includes all permanent and temporary staff. Absence includes industrial injury.									
		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments		
INTERNAL PROCESSES	HUMAN RESOURCES	Time taken to complete recruitment process - advert to offer (days)	26.64	35.00	Q	Period only			OUTCOMES	HUMAN RESOURCES	% Voluntary staff turnover *	9.62	7-12	Q	Period only		
		% of vacancies against establishment	5.16	10.00	Q	Period only		Based on a headcount of 581 - excluding ARP.			% successful staff appointments *	100.00	85.00	Q	Period only		
										H&S	Reported incidence of injuries, diseases and dangerous occurrences *	0	10	Q	Period only		There were no reported incidence of injuries, diseases and dangerous occurrences in this quarter.

PROJECTS	Name	Project Lead	Project Stage	Project Status	Approval details	Approved	Forecast	Variance	Comments
		Modern.gov Phase II	Fiona Osman						
	Suffolk-wide legal team	Joy Bowes							
	Community Governance Review	Fiona Osman							

RISK

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WEST SUFFOLK - PLANNING & GROWTH BALANCED SCORECARD

APPENDIX D

M - MONTH Jun 15

Q - QUARTER Apr 15 - Jun 15

B - HALF YEARLY Oct 14 - Mar 15

			Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments		
RESOURCES	FINANCIAL	Year end forecast variance (under) / over spend against budget - FHDC	£ 6,000.00	-	M	Cumulative		See Q1 budget monitoring report for details.	CUSTOMERS	SATISFACTION	Number of formal complaints	3	No target	B	Period only	/		
		Year end forecast variance (under) / over spend against budget - SEBC	£ 265,000.00	-	M	Cumulative		See Q1 budget monitoring report for details.			Number of formal complaints	0	No target	B	Period only	/		
		Spend on professional fees in relation to planning appeals	£ 24,035	£ 20,112	M	Cumulative		£19,920 relates to FHDC appeals, £4,115 relates to SEBC appeals. Additional cost to be accommodated within budget or from general fund at year end.										
		Income received against budget	(£660,097)	(£647,157)	M	Cumulative		SEBC under achieving income by £30k in the quarter. FHDC over achieving income by £40k in the quarter.										
		% of non-disputed invoices paid within 30 days	82.58	98.00	M	Period only		132 invoices processed in June. See paragraphs 1.4.1 - 1.4.4 in main report for more comments.										
		% of debt over 90 days old	61.16	10.00	M	Cumulative		FHDC total debt £7,549.10 - 95.02% over 90 days. SEBC total debt £17,735.18 - 46.75% over 90 days. See paragraphs 1.4.1 - 1.4.4 in main report for more comments.										
		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments			
INTERNAL PROCESSES	PLANNING	% of major planning applications determined within 13 weeks	50.00	60.00	M	Period only		FHDC - 2 applications determined, none in time - 0%. SEBC - 2 applications determined, both in time - 100%	OUTCOMES	ECONOMIC DEV	New and existing businesses benefitting from the Council's Business Grant schemes	3	5	Q	Cumulative		All 3 grants were made by FHDC in this quarter. Each grant is for the amount of £1,500.	
		% of minor planning applications determined within 8 weeks	61.11	65.00	M	Period only		FHDC - 14 applications determined, 9 in time - 64.29%. SEBC - 22 applications determined, 13 in time - 59.09%			ENVIRONMENTAL MGT	Renewable energy generated on Council properties (KWh)	135,924	No target	Q	Period only		FHDC - 63,973 kWh; SEBC - 71,951 kWh. This is an increase of 11.14% in generation levels compared to the same period in 2014/15.
		% of other planning applications determined within 8 weeks	78.31	80.00	M	Period only		FHDC - 20 applications determined, 13 in time - 65%. SEBC - 63 applications determined, 52 in time - 82.54%		Number of solar PV rent-a-roof schemes delivered		1	No target	Q	Cumulative			
	ENFORCEMENT	Number of enforcement cases opened	42	No target	M	Period only		In June: FHDC cases opened - 24; SEBC cases opened - 18										
		Number of enforcement cases closed	22	No target	M	Period only		In June: FHDC cases closed - 9; SEBC cases closed - 13										

PROJECTS	Name	Project Lead	Project Stage	Project Status	Approval details	Approved	Forecast	Variance	Comments

RISK

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WEST SUFFOLK - OPERATIONS BALANCED SCORECARD

APPENDIX E

M - MONTH Jun 15

Q - QUARTER Apr 15 - Jun 15

B - HALF YEARLY Oct 14 - Mar 15

			Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments	
RESOURCES	FINANCIAL	Year end forecast variance against budget - FHDC	(£15,000.00)	-	M	Cumulative		Expected underspend on fuel costs, with additional income from trade waste. See Q1 budget monitoring report for more details.	CUSTOMERS	SATISFACTION	Customer service mystery shopping - average % score	0.00	90.00	Q	Period only	Not available for first quarter, working towards having information for second quarter.	
		Year end forecast variance against budget - SEBC	(£234,000.00)	-	M	Cumulative		Expected underspend on fuel costs, with additional income from trade waste and car parks. See Q1 budget monitoring report for more details.			Number of formal complaints	7	No target	B	Period only	/	
		Income from entire property portfolio	(£1,004,058.87)	(£970,395.00)	M	Cumulative		Expecting to be on budget at year end.			Number of formal compliments	45	No target	B	Period only	/	
		Income from waste & street scene services	(£1,567,128.12)	(£1,528,638.00)	M	Cumulative		Trade waste income expecting to be higher than budget by £95,000 at year end (£25,000 - FHDC; £70,000 - SEBC).									
		% of non-disputed invoices paid within 30 days	75.94	95.00	M	Period only		877 invoices processed in June. See paragraphs 1.4.1 - 1.4.4 in main report for more comments.									
		% of debt over 90 days old	64.35	10.00	M	Cumulative		FHDC debt £124,496.27 - 47.85% over 90 days. SEBC debt £478,284.44 - 68.64% over 90 days. See paragraphs 1.4.1 - 1.4.4 in main report for more comments.									
			Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments	
INTERNAL PROCESSES	WASTE MGT	Number of household bins not collected as scheduled -per 10,000 properties	5.05	8.25	M	Period only			OUTCOMES	WASTE MANAGEMENT	% of household waste recycled and composted	49.20	51.00	Q	Cumulative		FHDC - 49.33%; SEBC 49.16%
										PROPERTY	% of industrial units that are vacant	4.72	8.25	M	Period only		FHDC vacancy rate - 10.00% (13 properties); SEBC vacancy rate 1.74% (4 properties).

PROJECTS	Name	Project Lead	Project Stage	Project Status	Approval details	Approved	Forecast	Variance	Comments
	West Suffolk Operational Hub	Mark Walsh							
Sam Alper Court	Richard Combes								
Soft FM Services	Mark Walsh								
CCTV	Teresa Claydon								
West Stow Investment	Richard Hartley								
Back Office software	Mark Christie								

RISK






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West Suffolk Key Performance Indicators 2015-16 - Quarter 1

Appendix G

















Key:

	PI significantly below target	9
	PI below target but within agreed tolerance	9
	PI on or exceeded target	19
	Contextual indicator – no targets set	8
	Short term trend (comparing current quarter with previous quarter).	

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Code and Short Name	14/15 Actual	Target	Performance		Quarterly Traffic Light Icon	Short Term Trend Arrow	Target	Latest Note
		Annual Target 2015/16	Q1 2015/16	Value			Target	

Priority: Increased opportunity for economic growth

1	FH/EDG001* New and existing businesses benefitting from the Council's Business Grant schemes	7		3				Quarter	Three grants was awarded in the first quarter, with a value of £1,500 each.
2	SE/EDG001* New and existing businesses benefitting from the Council's Business Grant schemes	23		-				Quarter	No grants were made in this quarter.
3	FH/EDG002* Percentage of industrial units that are vacant or % of industrial floor area vacant	15.83%	16.75%	10.00%	16.75%			Quarter	13 vacant units. Vacancy rates are due to the condition of the stock, particularly within Brandon.
4	SE/EDG002* Percentage of industrial units that are vacant or % of industrial floor area vacant	2.40%	3.00%	1.74%	3.00%			Quarter	4 units are vacant.
5	WS/EDG002* Percentage of industrial units that are vacant or % of industrial floor area vacant	8.01%	8.25%	4.72%	8.25%			Quarter	
6	FH/EDG003* Income from entire commercial property portfolio	£1,730,873	£1,759,900	£367,677	£366,641			Quarter	
7	SE/EDG003* Income from entire commercial property portfolio	£2,514,636	£2,500,200	£636,382	£603,754			Quarter	
8	WS/EDG003* Income from entire commercial property portfolio	£4,245,509	£4,260,100	£1,004,059	£970,395			Quarter	

No:	Code and Short Name	14/15 Actual	Target	Performance		Quarterly Traffic Light Icon	Short Term Trend Arrow	Target	Latest Note
			Annual Target 2015/16	Q1 2015/16 Value	Q1 2015/16 Target			Cumulative or Quarter	

Priority: Resilient families and communities that are healthy and active

9	FH/FAC003* Financial benefit of families & communities agenda	New indicator for 14/15	TBC		TBC				Work on how to quantify the financial benefits of the Families & Communities Agenda is on-going, with data available later in the year.
10	SE/FAC003* Financial benefit of families & communities agenda	New indicator for 14/15	TBC		TBC				As above
11	WS/FAC003* Financial benefit of families & communities agenda	New indicator for 14/15	TBC		TBC				As above
12	FH/FAC004* Percentage of household waste recycled and composted	46.00%	49.00%	49.33%	49.00%			Quarter	
13	SE/FAC004* Percentage of household waste recycled and composted	52.00%	53.00%	49.16%	53.00%			Quarter	
14	WS/FAC004* Percentage of household waste recycled and composted	50.00%	51.00%	49.20%	51.00%			Quarter	



















Priority: Homes for our communities

15	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 14/15 indicator	10	2	2			Cumulative	Whilst we will keep a running total of homes empty for 6 months or longer, this target measures specific intervention undertaken by Housing.
16	FH/SE/HOU004* The number of applicants on the housing register in Bands A & B	Changed from 14/15 indicator	450	348	450			Cumulative	
17	SE/HOU004* The number of applicants on the housing register	Changed from 14/15 indicator	850	620	850			Cumulative	
18	WS/HOU004 The number of applicants on the housing register	Changed from 14/15 indicator	1,300	968	1,300			Cumulative	
19	FH/SE/HOU005* Time taken to make decisions on homelessness applications (Days)	13	14	16	14			Quarter	Improved performance over the past year is as a result of implementation of revised working practices. Performance is expected to meet target next quarter
20	SE/HOU005* Time taken to make decisions on homelessness applications (Days)	14	14	16	14			Quarter	Improved performance over the past year is as a result of implementation of revised working practices. Performance is expected to meet target next quarter

No:	Code and Short Name	14/15 Actual	Target	Performance				Short Term Trend Arrow	Target	Latest Note
			Annual Target 2015/16	Q1 2015/16		Quarterly Traffic Light Icon	Cumulative or Quarter			
				Value	Target					
21	WS/HOU005* Time taken to make decisions on homelessness applications (Days)	14	14	16	14			Quarter		
22	FH/HOU008* Number of households living in B&B	Changed from 14/15 indicator	-	-	-			Quarter		
23	FH/HOU008* Number of households living in B&B	Changed from 14/15 indicator	10	5	10			Quarter		
24	FH/HOU008* Number of households living in B&B	Changed from 14/15 indicator	10	5	10			Quarter		
25	FH/HOU009* Private sector tenancies made available through West Suffolk Lettings Partnership	35	20	2	5			Cumulative	Reduction of available properties in the market is a problem. Looking at alternative approaches.	
26	SE/HOU009* Private sector tenancies made available through West Suffolk Lettings Partnership	43	40	9	10			Cumulative	Reduction of available properties in the market is a problem. Looking at alternative approaches.	
27	WS/HOU009* Private sector tenancies made available through West Suffolk Lettings Partnership	78	60	11	15			Cumulative		
28	FH/HOU011* Percentage of major planning applications determined within 13 weeks	47.37%	60.00%	50.00%	60.00%			Quarter	4 major applications were determined in the quarter, with 2 being within 13 weeks.	
29	SE/HOU011* Percentage of major planning applications determined within 13 weeks	61.54%	60.00%	50.00%	60.00%			Quarter	4 major applications were determined in the quarter, with 2 being within 13 weeks.	
30	WS/HOU011* Percentage of major planning applications determined within 13 weeks	56.90%	60.00%	50.00%	60.00%			Quarter		
31	FH/HOU012* Percentage of minor planning applications determined within 8 weeks	56.67%	65.00%	67.86%	65.00%			Quarter	28 minor applications were determined in the quarter, with 19 being within 8 weeks.	
32	SE/HOU012* Percentage of minor planning applications determined within 8 weeks	53.19%	65.00%	73.26%	65.00%			Quarter	86 minor applications were determined in the quarter, with 63 being within 8 weeks.	
33	WS/HOU012* Percentage of minor planning applications determined within 8 weeks	54.55%	65.00%	71.93%	65.00%			Quarter		
34	FH/HOU013* Percentage of other planning applications determined within 8 weeks	74.19%	80.00%	70.91%	80.00%			Quarter	55 other applications were determined in the quarter, with 39 being within 8 weeks.	
35	SE/HOU013* Percentage of other planning applications determined within 8 weeks	78.95%	80.00%	78.65%	80.00%			Quarter	206 other applications were determined in the quarter, with 162 being within 8 weeks.	
36	WS/HOU013* Percentage of other planning applications determined within 8 weeks	77.80%	80.00%	77.01%	80.00%			Quarter		

Corporate indicators

37	WS/COR002* Working days/shifts lost due to sickness absence - all	6.48	6.50		6.50			Quarter	
38	WS/COR005* % of non-disputed invoices paid within 30 days of receipt	72.84%	98.00%	78.50%	95.00%			Quarter	1,293 invoices processed in June. Working with services to try and improve payment times.
39	FH/COR006* Percentage return on the investment of the council's reserves and balances	1.65%	1.90%	1.65%	1.50%			Quarter	

No:	Code and Short Name	14/15 Actual	Target	Performance		Quarterly Traffic Light Icon	Short Term Trend Arrow	Target	Latest Note
			Annual Target 2015/16	Q1 2015/16 Value	Q1 2015/16 Target			Cumulative or Quarter	
40	SE/COR006* Percentage return on the investment of the council's reserves and balances	0.75%	1.50%	0.70%	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.
41	FH/COR007* Collection of Council Tax	96.97%	97.05%	29.73%	29.62%			Cumulative	
42	SE/COR007* Collection of Council Tax	98.30%	98.30%	30.07%	30.08%			Cumulative	
43	FH/COR008* Collection of Business Rates	97.65%	98.26%	28.39%	28.72%			Cumulative	
44	SE/COR008* Collection of Business Rates	98.30%	98.41%	30.21%	27.25%			Cumulative	
45	WS/COR009* Percentage of answered calls	95.00%	90.00%	94.00%	90.00%			Quarter	
46	FH/COR010* Number of face to face contacts (not including visitor management)	49,811		10,437				Quarter	
47	SE/COR010* Number of face to face contacts (not including visitor management)	82,552		21,576				Quarter	
48	WS/COR010* Number of face to face contacts (not including visitor management)	132,363		32,013				Quarter	

Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	West Suffolk Risk Management Approach and Principles	
Report No:	PAS/SE/15/018	
Report to and date/s:	Performance and Audit Scrutiny Committee	30 July 2015
	Cabinet	8 September 2015
Portfolio holder:	Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: ian.holder@stedsbc.gov.uk	
Lead officer:	Rachael Mann Head of Resources and Performance Tel: 01638 719245 Email: rachael.mann@westsuffolk.gov.uk	
Purpose of report:	To consider a new, positive approach to risk based on context, proportionality, judgement and evidence-based decision making that is considered on a case by case basis.	
Recommendation:	<p>Performance and Audit Scrutiny Committee:</p> <p>It is <u>RECOMMENDED</u> that:</p> <p>Members scrutinise the West Suffolk Risk Management Approach and Principles attached at Appendix 1 and supporting flowchart at Appendix 2 and raise any issues for Cabinets consideration on its <u>adoption</u>.</p>	
<p>Key Decision:</p> <p><i>(Check the appropriate box and delete all those that do not apply.)</i></p>	<p><i>Is this a Key Decision and, if so, under which definition?</i></p> <p>Yes, it is a Key Decision - <input type="checkbox"/></p> <p>No, it is not a Key Decision - <input checked="" type="checkbox"/></p>	

Consultation:		<ul style="list-style-type: none"> Senior Management have contributed to the development of the framework, including through the Programme Group, the forum where the councils' projects are co-ordinated. 	
Alternative option(s):		<ul style="list-style-type: none"> Not Applicable 	
Implications:			
<i>Are there any financial implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> There are no direct financial or budget implications arising from this report. Failure to adopt a risk management approach may impact on resources. 	
<i>Are there any staffing implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> 	
<i>Are there any ICT implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> 	
<i>Are there any legal and/or policy implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> Risk management is a key part of corporate governance. 	
<i>Are there any equality implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> 	
Risk/opportunity assessment:		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
Failure to adopt a risk management approach may result in poor risk management which may impact negatively on resources or the councils' reputation	Medium	Develop a new approach to risk management that is widely adopted by staff and Members, and overseen by PASC.	Low
Failure to adopt a risk management approach may result in missed opportunities for growth	Medium	Adopt a new approach that will provide the framework needed to be more confident in our approach to identifying, appraising, managing and monitoring risk	Low
Ward(s) affected:		All Ward/s	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		Report F76 - West Suffolk Strategic Risk Register (including West Suffolk Toolkit) dated 31 July 2014 Report PAS/SE/15/010 - West Suffolk Strategic Risk Register Quarterly update - 4 June 2015 PAS/SE/15/009 - Performance management report 2015-16 - 4 June 2015	

Documents attached:	Appendix 1 West Suffolk Risk Management Approach and Principles Appendix 2 West Suffolk Evidence based - Risk management
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1. Key issues and reasons for recommendation

1.1 Key Issues and Summary

- 1.1.1 We define risk as being uncertainty of outcome, whether relating to 'positive' opportunities or 'negative' threats / hazards.
- 1.1.2 In the past, risk has sometimes been used as a reason not to do something or to keep doing something instead of stopping it: the greater the risk, the less likely we have been to act. This approach has often allowed risks to blind us to opportunities, and the lack of a clear evidence base for our assessments of risk has sometimes prevented us from having an open debate about risk.
- 1.1.3 As West Suffolk changes direction, begins to operate in new ways and seeks new opportunities, the type of decisions we are now having to make will feel unfamiliar, more complex and could carry greater risks. For example, the councils' increasing focus on investment and on new delivery vehicles requires decisions that bring new risks and opportunities into play. We therefore need to be more confident in our approach to identifying, appraising, managing and monitoring risk.

1.2 A new approach to Risk

- 1.2.1 A new, positive approach to risk is needed and it is proposed that this is based on context, proportionality, judgement and evidence-based decision making that considers risk on a case by case basis and is documented at all stages. We will need to be joined-up in our decisions, and will need to draw on one another's skills and experience to take responsibility for sound and reasonable decisions about the use of public funds, avoiding a blame culture when things don't necessarily go to plan.
- 1.2.2 Our new approach to risk is proposed for scrutiny, based on seven core principles as detailed in **Appendix 1** to this report:
- A positive approach;
 - Contextual decision making;
 - Informed risk-taking;
 - Proportionate;
 - Decision risks vs delivery risks;
 - A documented approach; and
 - Continuous improvement
- 1.2.3 A new approach to risk, detailed in **Appendix 1**, is just that, it's an approach. It isn't designed to have all the answers up front or to represent our risk appetite. It commits staff and members to evidence-based decision making that is considered on a case by case basis, taking into account the seven principles outlined above.

1.3 Evidence-based Risk Management

- 1.3.1 It is important that an evidence-based approach is taken at each stage of our risk management practices. The flowchart at **Appendix 2** provides a summary of the various tools and documents that supports this evidence-based

approach. It is these documents and tools that will enable the Council to achieve a learning culture which supports staff and members, enabling managed risk-taking through positive relationships.

1.4 Strategic Risk Register

- 1.4.1 At its meeting on 31 July 2014, Performance and Audit Scrutiny Committee, Report F76, supported the move to a West Suffolk Risk Register and Toolkit.
- 1.4.2 The West Suffolk Strategic Risk Register identifies and records the level of risk associated with delivering the councils' 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.
- 1.4.3 The West Suffolk Strategic Risk Register already aligns to our new risk management approach and principles and will continue to remain a key evidence-based document for members. As the Balanced Scorecard is developed the strategic risks contained on the current register will start to become part of the Balanced Scorecard enabling another of the performance dependencies to be available within a single place for each service area for scrutiny.

1.5 Next Steps – dissemination and implementation

- 1.5.1 Once the new approach has been scrutinised and agreed, it is intended that it underpin all thinking about risk by Members and staff. It therefore needs to be properly communicated and understood. A communications plan will be developed to ensure all Members and staff are aware of the principles and the available tools. This is likely to include discussions with Leadership Team and Service Managers, supported by a "cascade" of information to all staff, and inclusion in the Member Development Programme. It will also need to be backed up by short and easy-to-understand messages delivered through the intranet, staff briefings and other internal communications.
- 1.5.2 The new approach will be reviewed periodically to ensure it continues to be fit-for-purpose, and relevant to the new types of decisions the councils are making.

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West Suffolk Risk Management Approach and Principles

What is 'risk'?

We define risk as being uncertainty of outcome, whether relating to 'positive' opportunities or 'negative' threats / hazards.

How has risk been dealt with in the past?

In the past, risk has sometimes been used as a reason not to do something or to keep doing something instead of stopping it: the greater the risk, the less likely we have been to act. This approach has often allowed risks to blind us to opportunities, and the lack of a clear evidence base for our assessments of risk has prevented us from having an open debate about risk.

Why do we need to change the approach?

As West Suffolk changes direction, begins to operate in new ways and seeks new opportunities, the type of decisions we are now having to make will feel unfamiliar, more complex and could carry greater risks. We therefore need to be more confident in our approach to identifying, appraising, managing and monitoring risk.

What is the new approach?

Our new, positive approach to risk is based on context, proportionality, judgement and evidence-based decision making that considers risk on a case by case basis and is documented at all stages. We will be joined-up in our decisions, and will draw on one another's skills and experience to take responsibility for sound and reasonable decisions about the use of public funds, avoiding a blame culture when things go wrong.

How do we make the approach a reality?

Our approach to risk is based on these core principles –

- **A positive approach.** We will find creative solutions rather than ruling things out.
- **Contextual decision making.** We will set each decision about risk in context. Circumstances are constantly changing and we will make each decision on its own merits.
- **Informed risk-taking.** Our decisions will be based on an appropriate range of information and evidence about the implications of both taking action or not taking action. This will include historical data from a variety of sources about what has and hasn't worked before.
- **Proportionate.** The size or importance of the decision will be reflected in the level of scrutiny and assessment of risk that we will apply and the level within the organisation at which the decision is taken.
- **Decision risks vs delivery risks.** The risk of proceeding with a particular course of action may be reduced by the *way in which* we implement the decision.
- **A documented approach.** We will record and keep our clear and justifiable rationales at key stages in the decision making process where appropriate for example, lessons learnt or accountability. We will record the different perspectives, issues and solutions that were considered, as well as any legal issues discussed.
- **Continuous improvement.** We will continue to learn from, reflect on and critique the way in which risk has been dealt with in our decision making. We will take time to share experiences and learn from one another, and to be self-aware about our successes and failures. This will help us to increase in our understanding and our confidence for taking decisions in the future.

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West Suffolk - Evidence-based risk management

Appendix 2



A learning culture supporting staff and members and enabling managed risk taking through positive relationships

Tool Page 41	<ul style="list-style-type: none"> - Project tools (such as the go make a difference -thought shower) - Proposal checklist (“policy makers toolkit”) - Team, management and project meetings 	<ul style="list-style-type: none"> - West Suffolk Risk management toolkit - Officer Investment group (including statutory officers) - Risk assessments (e.g. health and safety, safeguarding, ICT security) 	<ul style="list-style-type: none"> - Project tools - Cross-council working - Learning and Development - Memberships and shared knowledge - Performance Management framework 	<ul style="list-style-type: none"> - Project management structure - Members - Staff 1-1s - Team meetings - Learning and Development - Delegations for statutory matters 	<ul style="list-style-type: none"> - Programme Group (Service Managers monthly) - Investment Group - Members e.g. PASC
	Risk registers (project, service level or strategic)				
Document	<ul style="list-style-type: none"> - Project start up - Annual Governance Statement 	<ul style="list-style-type: none"> - Business case template - Committee reports - Medium Term Financial Strategy (annual financial risk sensitivity analysis) 	<ul style="list-style-type: none"> - Project plans - Service level plans - Communications plans - Committee reports - Adhoc risk reports - Insurance specification and cover 	<ul style="list-style-type: none"> - Project plans - Service plans - Communications plans - Business Continuity and Emergency Planning Plans - Team work plans - Individual objectives 	<ul style="list-style-type: none"> - Annual report - Performance reports / Balanced scorecard - Staff performance reviews - Annual Governance Statement

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Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	West Suffolk Strategic Risk Register Quarterly Monitoring Report – June 2015	
Report No:	PAS/SE/15/019	
Report to and date/s:	Performance and Audit Scrutiny Committee	30 July 2015
Portfolio holder:	Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: ian.holder@stedsbc.gov.uk	
Lead officer:	Rachael Mann Head of Resources and Performance Tel: 01638 719245 Email: rachael.mann@westsuffolk.gov.uk	
Purpose of report:	To review the West Suffolk Strategic Risk Register Quarterly Monitoring Report.	
Recommendation:	Performance and Audit Scrutiny Committee: 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.	
Key Decision: <i>(Check the appropriate box and delete all those that do not 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"/>	
Consultation:	• Not Applicable	
Alternative option(s):	• Not Applicable	
Implications:		

<p>Are there any financial implications? If yes, please give details</p>		<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none"> 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. 	
<p>Are there any staffing implications? If yes, please give details</p>		<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none"> 	
<p>Are there any ICT implications? If yes, please give details</p>		<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none"> 	
<p>Are there any legal and/or policy implications? If yes, please give details</p>		<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none"> 	
<p>Are there any equality implications? If yes, please give details</p>		<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none"> 	
<p>Risk/opportunity assessment:</p>		<p><i>(potential hazards or opportunities affecting corporate, service or project objectives)</i></p>	
<p>Risk area</p>	<p>Inherent level of risk (before controls)</p>	<p>Controls</p>	<p>Residual risk (after controls)</p>
<p>See individual assessments against each risk as detailed in Appendix 1.</p>			
<p>Ward(s) affected:</p>		<p>All Ward/s</p>	
<p>Background papers: <i>(all background papers are to be published on the website and a link included)</i></p>		<p>None</p>	
<p>Documents attached:</p>		<p>Appendix 1 - West Suffolk Strategic Risk Register 2015/2016</p>	

1. Key issues and reasons for recommendation(s)

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 June 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 Some individual controls or actions have been updated and those that were not ongoing and had been completed by June 2015 have been removed from the register.

1.2 New or Amended Risks

- 1.2.1 There have been no new risks or amendments made to any existing risks since the Strategic Risk Register was last reported to this committee.

1.3 Closed Risks

- 1.3.1 No existing risks have been closed since the Strategic Risk Register was last reported to this committee

1.4 Reasons for Recommendations

- 1.4.1 The Council's Strategic Plan for 2013/2014, adopted by the 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.

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West Suffolk Strategic Risk Register 2014/15 - June 2015

(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
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-15	Dec-15	
							6) Strengthen the overall Performance Management Framework	Head of Resources & Performance	Apr-15	Mar-16	
							7) Monitoring of investment decisions and original business cases targets/outcomes through an Officer group with representatives from Finance and Performance, Legal, Policy, Commercial and Programme Management	Head of Resources & Performance	Feb-15	on-going	
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 2016/17 - 2018/19 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-16	
							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) 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) Monitor Government statements on future of local government funding	LT	On-going	On-going	
							6) New investment proposals to be considered through the Councils governance and decision making process including challenge by the Officer programme and	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 focuses on proactive communications.	Comms Team	On-going	On-going	
							5) Ensure that appropriate communications planning and support are identified for strategic projects.	Comms Team	On-going	On-going	

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West Suffolk Strategic Risk Register 2014/15 - June 2015

(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
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) Continue to develop new web presence with full digital by default capability.	Head of Families & Communities	Oct-14	On-going	
							2) Clear and consistent public communications to explain changes to services and establish realistic expectations of service levels.	Service Manager (Corporate Communications)	On-going	On-going	
							3) Continuing development to ensure web site remains fit for purpose.	Head of Families & Communities	Nov-14	On-going	
							4) Anglia Revenues Partnership, (ARP), project to rewrite and redesign website now underway. Customer service support to be provided to ensure there is an effective customer journey.	Head of Families & Communities, Head of Resources and	Jun-15	Mar-16	
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) Continue to develop corporate training programme in place (including induction) for staff and members	HR Business Partner	On-going	On-going	
							2) To review Workforce/OD Strategy to include recruitment; succession planning; talent management and pay and reward	HR Business Partner	On-going	On-going	
							3) Regular evaluate outcome of Performance Reviews to identify talent management to inform succession planning	Head of HR, Legal and Democratic Services	On-going	On-going	
							4) Consistent and regular communication to staff, including opportunities for feedback. New intranet now rolled out to facilitate this objective.	Service Manager (Corporate Communications)	On-going	On-going	
							5) 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.	Head of HR, Legal & Democratic Services / HR Business Partner	On-going	On-going	
							6) Salary bench marking being undertaken – monitor and determine areas which are becoming increasingly difficult to recruit high calibre of candidates and develop recruitment strategy	Head of HR, Legal and Democratic Services	On-going	On-going	
WS5	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	LT	On-going	On-going	
							2) Develop corporate project plan and assign lead officers and members to the key council projects.	LT	On-going	On-going	
							3) Assign dedicated corporate project resources to lead on the monitoring of the strategic plan	LT	On-going	On-going	
							4) Review and align service and skilled resources available to the strategic plan including communicate resources.	LT	On-going	On-going	
							5) Regular monitoring and update discussions with portfolio holders on the corporate project plan progress	Programme Manager	On-going	On-going	

West Suffolk Strategic Risk Register 2014/15 - June 2015

(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 programme manager).	Programme Manager	On-going	On-going	
							2) Development and ongoing oversight of corporate project plan, to avoid concurrent demands on support services	Programme Manager	Jun-14	On-going	
							3) Training of all staff involved in project work in core project management skills	L&D team	On-going	On-going	
							4) Project support and resources to be included in further project business cases, including ICT support	LT	On-going	On-going	
							5) Better understanding of Corporate capacity / priorities	LT	On-going	On-going	
							6) Maintain a proactive communications strategy	Head of Families & Communities	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	Infrastructure Support Manager	On-going	On-going	
							2) Planned Business Applications alignment – including, Customer Access solution, Waste Management, GIS system, Agresso Financial Management System (phase 2), Planning Idox System through corporate project plan	Project Managers & Service Manager (ICT)	On-going	Mar-16	
							3) Regular review of both integration programmes through corporate projects plan.	Programme Manager/ LT	On-going	On-going	
							4) Implementation of Integration Tool kit.	Service Manager (ICT)	On-going	On-going	
							5) Monthly testing of the Council PSN compliance including the checking and monitoring of new and existing staff. No tolerance approach adopted.	Infrastructure Support Manager	On-going	On-going	
							6) Development of a West Suffolk Information Strategy and links to the wider public sector integration agenda (Transformation Challenge Award)	Service Manager (ICT)	May-15	Mach 16	
WS8	10-Jul-14	Political Social	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.	Service Manager (Families & Communities)	Oct-13	On-going	
							2) Continue to develop the Locality Officers role	Service Manager (Families & Communities)	Apr-15	Mar-15	
							3) Locality budgets available.	Service Manager (Families & Communities)	Oct-13	On-going	
							4) Develop new ways of working with councillors and the Families & Communities team	Service Manager (Families & Communities)	Oct-13	On-going	
							5) Implementation of the new approach to grants	Service Manager (Families & Communities)	Apr-15	Dec-15	

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West Suffolk Strategic Risk Register 2014/15 - June 2015

(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
	(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 (ii) existing businesses that are thriving and new businesses brought to the area (iii) people with the educational attainment and skills needed in our local economy (iv) vibrant, attractive and clean high streets, village centres and markets		1) Developing engagement with the two Local Enterprise Partnerships. Deliver 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 3) Support to WSC, SCC, UCS and other agencies involved with skills development. Monitoring attainment levels.	Head of Planning & Growth	On-going	On-going	
	(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, with annual monitoring 2) Sub-regional Strategic Housing Market Assessment completed 2008 to identify levels of need, with annual updates and reviews. 3) Local Investment Plan 2014-18 approved by HCA, now working with RP partners to deliver. Quarterly monitoring of plan and annual review. 4) West Suffolk Choice Based Lettings Scheme regularly reviewed to reflect changes in legislation. Scheme re-tendered June 2015, with new system fully operational by April 2016. 5) Review of the West Suffolk Lettings Partnership scheme in securing tenancies in the private sector. 6) Disabled Facilities Grants process and Home Improvement Agency contract reviewed with partners in order to introduce a more co-ordinated and integrated service across agencies - tender process to be completed July 2015, new service to be introduced Sept 2015 7) Countywide Supported Housing register project to improve allocation and management of specialist housing needs countywide. Phase 1 to be completed Sept 15, with Phase 2 completed April 16	Head of Housing Head of Housing Head of Housing Service Manager (Housing Options) Service Manager (Housing Options) Service Manager (Housing Standards) Housing Business & Partnerships Manager	Oct-14 On-going On-going Apr-14 Sep-14 Apr-14 May-15	Apr-18 On-going Apr-18 Apr-16 Mar-16 Sep-15 Apr-16	

West Suffolk Strategic Risk Register 2014/15 - June 2015

(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

West Suffolk Strategic Risk Register 2014/15 - June 2015

(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 4) Keeping a watching brief on the new/changing National policies on the Devolution agenda with Suffolk colleagues	Policy Team Chief Executive and Directors LT Chief Executive and Directors	On-going On-going 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) Liaison with the key employers to understand issues and opportunities by: coordinating and attending the West Suffolk Business Forum; organising the West Suffolk Business Festival (which provides opportunities for engagement with key employers); arranging visits to key employers for Leadership Team; promoting the ED team as a key point of contact for businesses and as a result responding to concerns and issues raised; and meeting and supporting business leaders in conjunction with the New Anglia Local Enterprise Partnership Growth Hub advisors. 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) Further development of the six point jobs and growth plan 6) In the worst case scenario the ED team liaises with key partners such as Job Centre Plus and West Suffolk College to mitigate the impact of downsizing/restructuring.	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	
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, including fortnightly Suffolk CEO meetings to discuss impact and potential response of the Suffolk wide system. 4) Ensure effective engagement in the Transformation Challenge Award	All HoS All HoS All HoS CEO and LT	On-going On-going On-going On-going	On-going On-going On-going On-going	

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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.	<p>Probability</p> <p>Impact</p>	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	<p>Probability</p> <p>Impact</p>

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.	<p>Probability</p> <p>Impact</p>	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) Reviewed building access arrangements at WSH. New security access barriers to be placed at the staff entrance, entrance to the first floor and access point from Reception to Café West. 5) Improve staff and member communication on good practices and data security 6) Information Security e-learning - 1st phase, existing officers, completed. All new staff and members to complete module as part of induction programme.	Director Director Service Manager (Internal Audit) Service Manager (Property Services) Service Manager (Corporate Communications) Director	On-going On-going On-going Aug-14 On-going Apr-14	On-going On-going On-going Dec-15 On-going On-going	<p>Probability</p> <p>Impact</p>
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.	<p>Probability</p> <p>Impact</p>	1) Performance and Audit Scrutiny Committee (PASC) receive comprehensive performance monitoring report 2) Early identification, reporting and monitoring of potential problem areas. 3) Strengthen the overall Performance Management Framework- introduction of the Balanced Scorecard as a performance management tool	Head of Resources & Performance / R&P Business Service Managers / Business Partners / Advisers Head of Resources & Performance	On-going On-going Apr-15	On-going On-going Mar-16	<p>Probability</p> <p>Impact</p>
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.	<p>Probability</p> <p>Impact</p>	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 and Transformation Challenge Award Data and Intelligence work stream 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.	Head of Housing/ Planning & Growth/Operations Policy Team Policy Team	On-going On-going On-going	On-going On-going On-going	<p>Probability</p> <p>Impact</p>

West Suffolk Strategic Risk Register 2014/15 - June 2015

(Appendix 1)

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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 and members to complete appropriate H&S induction programme.	Health & Safety Manager	On-going	On-going	
							5) Communications to staff.	Health & Safety Manager	On-going	On-going	
							6) Appropriate insurances in place and regularly reviewed.	Health & Safety Manager	On-going	On-going	
							7) Continue a programme of health and safety audits according to H&S Risk	Health & Safety Manager	On-going	On-going	
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) Safe recruitment procedures are adopted for all staff recruitment.	Head of HR, Legal & Dem Services	Jul-09	On-going								
3) Regular staff and member training and briefing sessions taking place included as part of induction and training programme	Head of Housing / HR, Legal & Dem Services	On-going	On-going								
4) Operational links into the MASH to be reviewed to ensure appropriate referrals are being made.	Head of Housing	Jul-15	Sep-15								
WS22	21-Apr-15	Economic and social	Chief Executive	Effects of the closure of RAF Mildenhall	Negative impact on the local economy, families and community or the housing market		1) Attend and play an active role in meetings of the Government-led Mildenhall, Alconbury and Molesworth Working Group as representatives of the community and local businesses	Chief Executive	Feb-15	On-going	
							2) Co-ordinate and lead the Forest Heath member-led local Mildenhall and Lakenheath Airbases Group	Chief Executive	Mar-15	On-going	
							3) Commission an impact study to measure the impact of the USAFE on West Suffolk and the surrounding areas	Head of Planning and Growth	Apr-15	On-going	
							4) Work with external partners (including USAFE and UK Military) and internal departments to consider the actions to mitigate the impact of the net loss in USAFE personnel and also to consider opportunities for the RAF Mildenhall site in the context of the Government's One Public Estate Programme.	Chief Executive	On-going	On-going	
							5) Hold engagement sessions with representatives from local businesses, housing organisations and the community to discuss the effects of the closure of RAF Mildenhall. Communicate with these groups throughout the project	Chief Executive	Feb-15	On-going	

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West Suffolk Strategic Risk Register 2014/15 - June 2015

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Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Work Programme Update	
Report No:	PAS/SE/15/020	
Report to and date:	Performance and Audit Scrutiny Committee	30 July 2015
Chairman of the Committee:	Sarah Broughton Chairman of the Performance and Audit Scrutiny Committee Tel: 01284 787327 Email: sarah.broughton@stedsbc.gov.uk	
Lead officer:	Christine Brain Scrutiny Officer Tel: 01638 719729 Email: Christine.brain@westsuffolk.gov.uk	
Purpose of report:	<p>1. Members are asked to consider and note the current status of its Work Programme attached at Appendix 1(A).</p> <p>2. Attached at Appendix 1(B), for information is the current position of the Work Programme for Forest Heath District Councils Performance and Audit Scrutiny Committee.</p>	
Recommendation:	<p>Performance and Audit Scrutiny Committee:</p> <p>It is <u>RECOMMENDED</u> that:</p> <p>Members consider and <u>note</u> the current status of its Work Programme.</p>	

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

Description	Lead Officer
23 September 2015 (Time: 4.30pm)	
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
25 November 2015 (Time: 5.00pm) Informal Joint Meeting (Hosted by St Edmundsbury Borough Council)	
Joint Reports	
Mid-year Internal Audit Progress Report 2015/16	Service Manager (Internal Audit)
Balanced Scorecard and Quarter 2 Performance Report 2015-16	Head of Resources and Performance
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
St Edmundsbury Specific Reports	
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 (Finance and Performance)
Delivering a Sustainable Budget 2016-2017 and Budget Consultation Results	Head of Resources and Performance
Car Park Tariffs 2016-2017	Head of Operations
Mid-year Treasury Management Performance Report and Investment Activity (April – Sept 2015)	Service Manager (Finance and Performance)

28 January 2016 (Time: 5.00pm) Informal Joint Meeting (Hosted by Forest Heath District Council)	
Joint Reports	
Balanced Scorecard and Quarter 3 Performance Report 2015-16	Head of Resources and Performance
West Suffolk Strategic Risk Register Quarterly Monitoring Report – Dec 2015	Service Manager (Finance and Performance)
Work Programme Update	Scrutiny Officer
St Edmundsbury Specific Reports	
Financial Performance Report (Revenue and Capital) Quarter 3 – 2015-16	Service Manager (Resources and Performance)
Delivering a Sustainable Budget 2016-2017 Update	Head of Resources and Performance
Treasury Management Report 2015/16 – Investment Activity 1 April to 31 Dec 2015	Service Manager (Finance and Performance)
Annual Treasury Management and Investment Strategy Statements 2016/17	Service Manager (Finance and Performance)
27 April 2016 (Time: 5.00pm) Informal Joint Meeting (Hosted by St Edmundsbury Borough Council)	
Joint Reports	
Internal Audit Annual Report (2015-16) and Outline Internal Audit Plan (2016-17)	Internal Audit Manager
Balanced Scorecard and Quarter 4 Performance Report 2015-16	Head of Resources and Performance
West Suffolk Strategic Risk Register Quarterly Monitoring Report – March 2016	Service Manager (Finance and Performance)
Work Programme Update	Scrutiny Officer
St Edmundsbury Specific Reports	
Financial Performance Report (Revenue and Capital) Quarter 4 – 2015-16	Head of Resources and Performance

Future Items to be Programmed

- 1) Key Performance Indicator (WS/HOU009) – Report on the Future of the West Suffolk Lettings Partnership

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

Description	Lead Officer
24 September 2015 (Time: 6.00pm)	
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
25 November 2015 (Time: 5.00pm) Informal Joint Meeting (Hosted by St Edmundsbury Borough Council)	
Joint Reports	
Mid-year Internal Audit Progress Report 2015/16	Service Manager (Internal Audit)
Balanced Scorecard and Quarter 2 Performance Report 2015-16	Head of Resources and Performance
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
Forest Heath Specific Reports	
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 (Finance 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 (Finance and Performance)

28 January 2016 (Time: 5.00pm) Informal Joint Meeting (Hosted by Forest Heath District Council)	
Joint Reports	
Balanced Scorecard and Quarter 3 Performance Report 2015-16	Head of Resources and Performance
West Suffolk Strategic Risk Register Quarterly Monitoring Report – Dec 2015	Service Manager (Finance and Performance)
Work Programme Update	Scrutiny Officer
Forest Heath Specific Reports	
Financial Performance Report (Revenue and Capital) Quarter 3 – 2015-16	Service Manager (Finance and Performance)
Delivering a Sustainable Budget 2016-2017 Update	Head of Resources and Performance
Treasury Management Report 2015/16 – Investment Activity 1 April to 31 Dec 2015	Service Manager (Finance and Performance)
Annual Treasury Management and Investment Strategy Statements 2016/17	Service Manager (Finance and Performance)
27 April 2016 (Time: 5.00pm) Informal Joint Meeting (Hosted by St Edmundsbury Borough Council)	
Joint Reports	
Internal Audit Annual Report (2015-16) and Outline Internal Audit Plan (2016-17)	Internal Audit Manager
Balanced Scorecard and Quarter 4 Performance Report 2015-16	Head of Resources and Performance
West Suffolk Strategic Risk Register Quarterly Monitoring Report – March 2016	Service Manager (Finance and Performance)
Work Programme Update	Scrutiny Officer
Forest Heath Specific Reports	
Financial Performance Report (Revenue and Capital) Quarter 4 – 2015-16	Head of Resources and Performance

Future Items to be Programmed

- 1) Key Performance Indicator (WS/HOU009) – Report on the Future of the West Suffolk Lettings Partnership

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Performance and Audit Scrutiny Committee



Title of Report:	Annual Performance Report for The Apex	
Report No:	PAS/SE/15/021	
Report to and date/s:	Performance and Audit Scrutiny Committee	30 July 2015
Portfolio holder:	Joanne Rayner Portfolio Holder for Leisure, Culture and Heritage Tel: 01284 769360 Email: joanna.rayner@stedsbc.gov.uk	
Lead officer:	Richard Hartley Commercial Manager Tel: 01284 757055 Email: richard.hartley@westsuffolk.gov.uk	
Purpose of report:	To lay out The Apex's financial position at the year ending 2014/15	
Recommendation:	Performance and Audit Scrutiny Committee: It is <u>RECOMMENDED</u> that, the performance report for The Apex be <u>noted</u>.	
Key Decision: <i>(Check the appropriate box and delete all those that do not 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"/>	
Consultation:	• Is not required as this is a saving	
Alternative option(s):	•	
Implications: Other than a straight forward saving there are no implications		
<i>Are there any financial implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any staffing implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any ICT implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	

<i>Are there any legal and/or policy implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any equality implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Risk/opportunity assessment:		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
Risk of poor performance, subject to current market condition	medium	Apex Panel and budget monitoring	Low
Market conditions	Medium	Constant review of the programme and Apex marketing increased	Low
Ward(s) affected:		All Wards	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		Interim Annual report for the Apex Jan 2014 Annual report for the Apex 2013/14	
Documents attached:		Appendix 1 - Apex Performance Report	

Apex Performance Report

- 1.0 Executive Summary: Page 3
- 2.0 Apex Performance: Pages 3 - 7
- 3.0 Sodexo Catering Contract: Pages 7 - 8
- 4.0 Analysis of Budgets: Pages 8 - 9
- 5.0 Conclusion: Page 9

1.0 Executive Summary

- 1.1 **The Apex** is an award-winning cultural venue in Bury St Edmunds, Suffolk, known for its acoustic excellence and home to a diverse programme of live music and events; from classical concerts to pop, rock, jazz, blues, world, country and folk, plus comedy and dance performances through to community and social clubs.
- 1.2 This report covers the financial year from 1 April 2014 to 31 March 2015. The Apex budget 2014/15 was reduced from £742,250 to £671,840. The Apex continues to develop as an important local and regional venue and is attracting greater audiences and establishing a loyal customer base. Increased revenue has contributed to a positive variance of £74,732 against budget at the financial year-end and the outturn figure is £597,108 showing a reduction of £145,142 compared to 2013/14 budget.
- 1.3 A new full time marketing manager for West Suffolk was recruited in September 2014 and new marketing initiatives were undertaken in order to expand the audience base. The event programme increased from 270 to 302. The numbers of tickets sold increased in 2014/15 by 34% to 63,011 and income from ticket sales has for the first time exceeded £1 million which is an increase of 42% over last year. This excludes 85 major events hosting 8,285 delegates organised by Sodexo. The Apex also handles box office services for other venues. It should be highlighted that in 2014/15 the Apex Box office issued FOC over 8,500 tickets for Magna Carta related events.
- 1.4 The Apex continues to be a valuable community asset and more and more non-performance events are taking place which are open to the public. A greater use of the studio space is now being made. Around 70,000 people also visited the Aspretto Café, run by Sodexo, during the day last year. The team have worked tirelessly, with the steer of The Apex Scrutiny Panel, to achieve an improved performance for 2014/15.

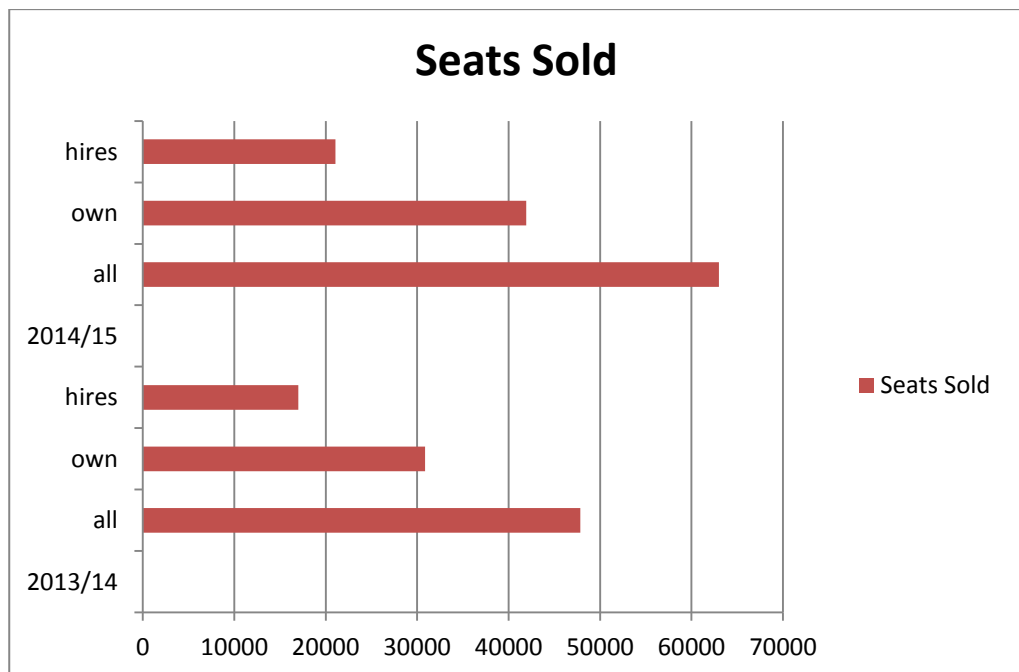
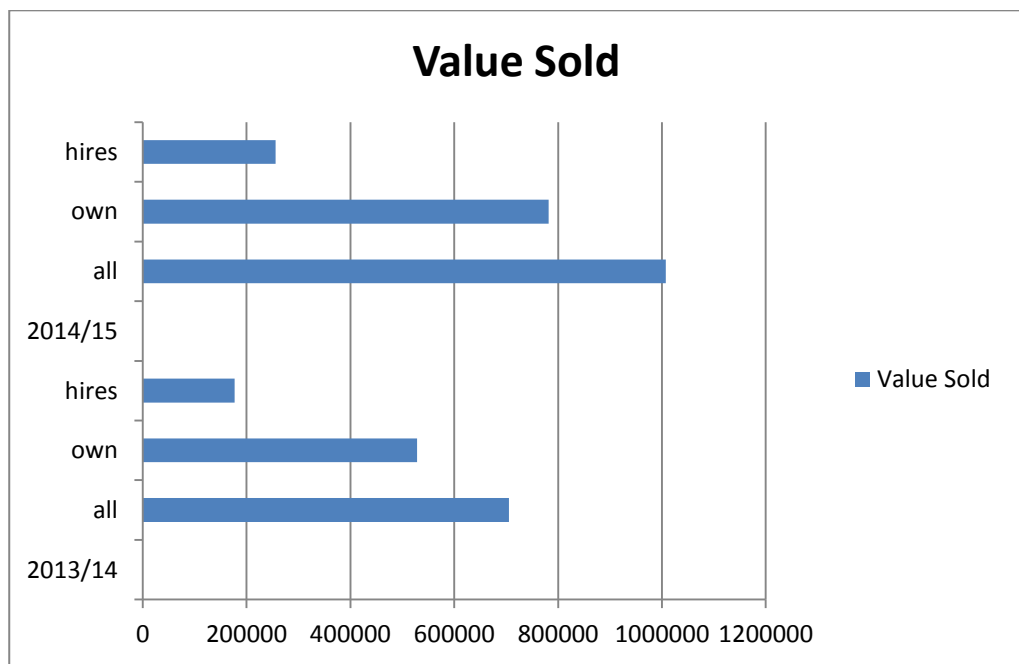
2.0 Apex Performance

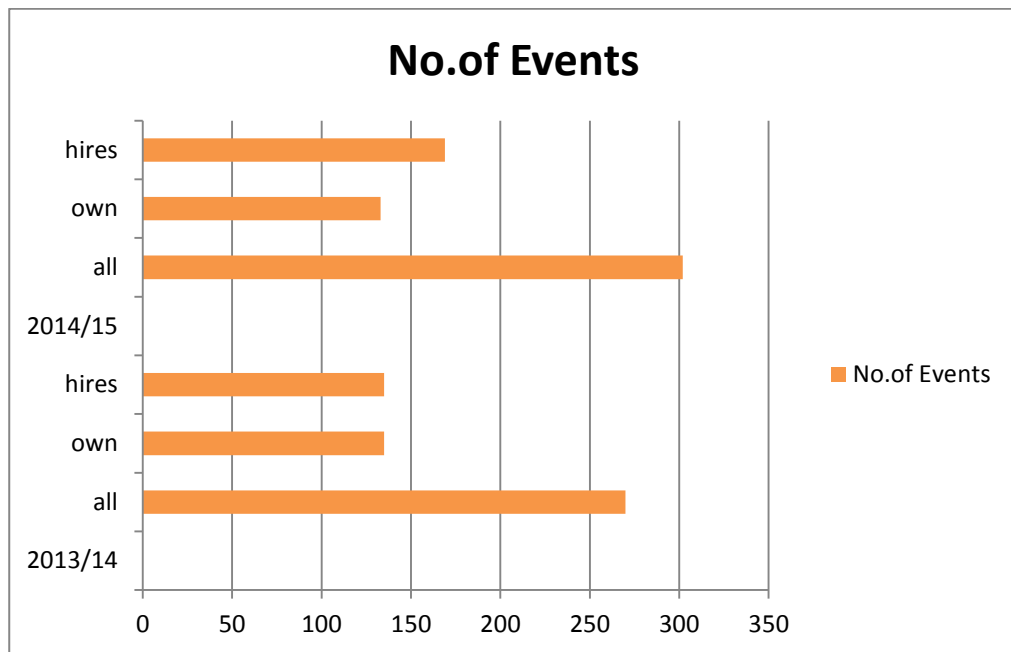
- 2.1 The commercial team was completed in September 2014 with the appointment of the fulltime marketing manager.
- 2.2 The Council's budget book shows the net cost of individual service areas. The Apex budget has been reduced from £742,250 year in 2013/14 to £671,840 in

2014/15. There is a net positive variance (to end March 2015) of £74,732 resulting in a final out-turn figure for 2014/15 of £597,108.

2.3 The increase in service levels has resulted in further ticket sales and in turn this has increased the bottom line. The success of the marketing campaign has increased the overall enquiries. There is emphasis to handle more calls simultaneously and an overflow telephone service will be put in place run by the council's Customer Support Centre.

2.4 The figures below show the comparative progress between 2013/14 and 2014/15.



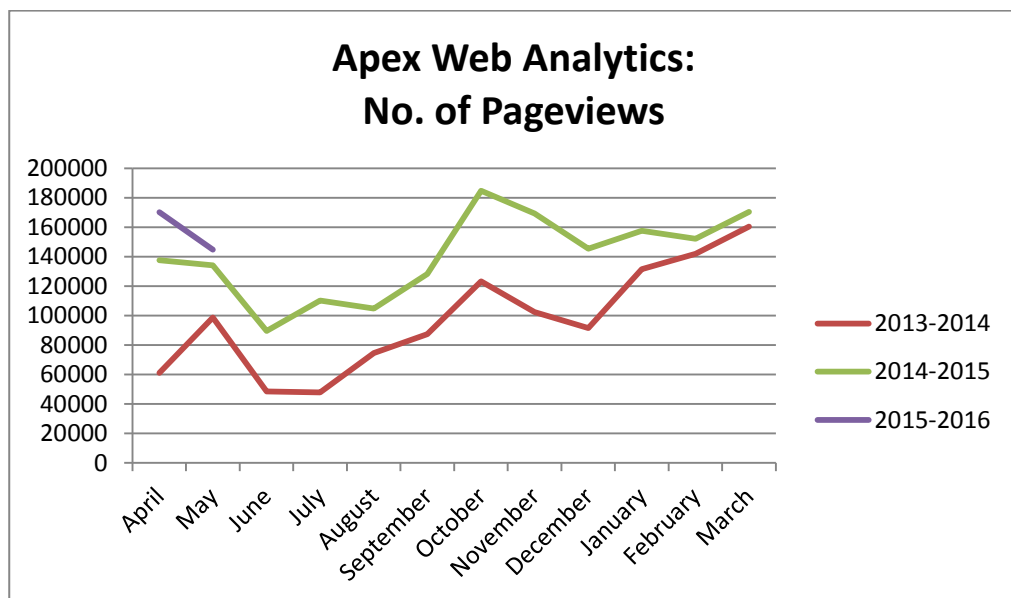
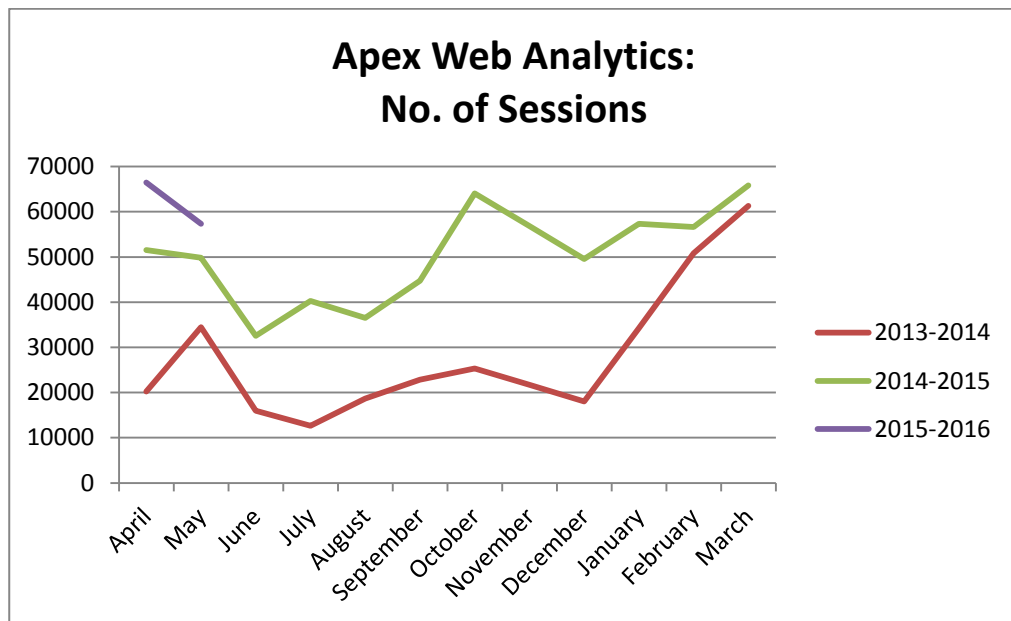


2.5 The figures above show performance based on the last financial 2014/15 year. The figures above include events organised at the Apex for Bury Festival. The increase in value (positive variance) shown in the tables at point 3.1 is a reflection of the programming and marketing team’s hard work in putting on our own events, where the rewards are greater and although the number of our own events went down slightly by 2 events greater numbers of people attended. Overall the total number of events taking place at The Apex in the financial year was 302 compared with 270 the previous year. The number of seats and value sold shows an increase of 33% and 42% respectively over the previous financial year. The marketing strategy has been targeted at gaining new audiences and figures show the number of new first time visitors to the Apex has increased by 12,431. A consequence of The Apex’s growing reputation is that it is able to attract higher quality acts, whose agents consider the venue as a preferred destination for their performers as part of a tour.

Apart from Sodexo supporting hospitality at our own and supported events they also arranged 85 major events hosting 8,285 delegates in The Apex.

2.6 Mystery shopping surveys were carried out at The Apex box office and TIC (Tourist Information Centre) during February and March. Both Surveys scored customer service at between 95 and 100%. There is some room for improvement in cross selling and this is being addressed.

2.7 Social media continues to play an important role and customer activity over the last year, on average, is double compared to 2013/14. Our own booking website is showing new visitor sessions up 23% compared with 2013/14. Sessions on The Apex website are up by 80% topping 65,000 in March 2015 and page-views are around 150,000 per month. This compares to the West Suffolk councils’ website which on average attracts 57,000 sessions per month.



2.8 First Floor Gallery/Lounge/studio areas:

The newly re-branded Apex Lounge is making good headway in its own events programme. Examples for these are:

- Chess and Bridge which continues to grow
- There are weekly yoga and pilates classes
- Strictly Saturdays dance sessions, as well as a new trial of a 60s disco and dance sessions.
- Bury friendship centre for the over 55s attracts between 80-100 people
- Sunday brunches regularly attended by over 100 people including children.
- Youth projects including monthly BurySound unplugged gigs, supported by workshops run in the Studios during school holidays.
- Art exhibitions are being curated to increase engagement with the local art community and particularly local schools/colleges.
- Menta business networking events attended by 50 plus business people per month, and the annual business fayre have become firmly established.

- Monthly Jazz Brunches – Songbook Sundays is also scheduled
- Cards for Good Causes have booked Christmas for a second year
- Other ideas we are looking into are toddlers groups, baby disco, and slipped disco (for the over 50s)

2.9 Buildings: 3 maintenance contracts were re-tendered showing annual savings of around £5K. There were increases in insurance and service charges paid to the Arc shopping centre. Further cost saving work is constantly being undertaken and when equipment needs replacing, improved more robust solutions are sought extending the life of any new acquisition.

3.0 Sodexo Catering Contract

3.1 Since April 2014 there has been significant development in both operational and administrative areas of the contract. The dedicated Sodexo sales team have developed a consistent and pro-active approach to promoting the Apex while working closely with the SEBC team on a number of joint initiatives. This has resulted in greater efficiencies, cost-savings, joined-up marketing, operational and sales activity demonstrated through the sharing of office space since January 2015 and cross-team staffing

3.2 The concert schedule and increased audiences has resulted in less availability of meeting and event spaces but has contributed to an increase in bar revenue of 24%. The Apex Café has also shown a significant increase in income of 42% on the previous year. Some of this can be linked to the relocation of the TIC to the Apex foyer, thereby increasing footfall into the building, though it is hard to calculate the exact value of this business.

3.3 The launch of the pre-concert dining offer has not only generated its own revenue but also awareness of the venue and Sodexo's catering offer. The aim is to feed approximately 5% of the concert-going audience; this figure currently stands at around 3%. The offer has received some excellent feedback and has a loyal following of repeat diners.

3.4 Conferences and Exhibitions space saw revenue drop by approximately £7K which was the result in a balance of the use of space for concerts. There was a creative use of available space at the Apex and the ability to move events into the Athenaeum when Apex space was limited. This has resulted in an increase of Athenaeum revenue. Repeat business levels at the Apex remain high at around 70% against an industry average of 50%. Sodexo seek feedback on all aspects of their business from enquiry to sales conversion and site visits to retail mystery shopping and post-event feedback. This too has been consistently high, surpassing Sodexo national averages in all areas. For example over FY14/15 the average national score for conference and banqueting event feedback was 87%; this has averaged 91% at the Apex.

3.5 Current focus is on Christmas 2015 and the last 2 year's seasonal trading have laid good foundations for the coming year; the Apex is being marketed as exclusive venue for exclusive parties and, as at March 2015, 3 of the 4 allocated events have been sold.

3.6 The cessation of the National Trust contract at Ickworth in November 2014 has also helped drive business into the venues, £18K worth of which has moved to

the Apex (the remaining £60K+ moving to the Athenaeum). From an operational perspective the Apex has also benefitted with the whole management team now focussing on the SEBC venues alone.

- 3.7 A more structured approach to marketing has also proven fruitful with valuable support from Sodexo's central marketing team. Sodexo's new Prestige Venues and Events website is linked into the main Apex site generating an increase of 12% in enquiries. Joint marketing initiatives between Sodexo and the Apex team, both on and offline, have had the added benefit of increasing awareness of the venue outside of its concert purpose and joint events such as the recently launched monthly Sunday Brunches, the first event having attracted over 100 diners, have helped grow the wider audience of the Apex and Sodexo partnership. A recent Environmental Health Officer un-announced visit, carried out a thorough inspection front and back of house, and Sodexo were awarded a 5 star rating.
- 3.8 With greater emphasis on this joined-up approach to the business and continued creative use of space and resources, there are good reasons for optimism over the coming year with forecasted growth and operational excellence remaining the top priority for Sodexo.

4.0 Analysis of budgets

4.1 Budgets and Actuals

In net expenditure below the variance, if shown with a preceding minus figure, is positive in that it is an underspend on budget.

2012/13	Budget £	Actual £	Variance	
Expenditure				
Total	1,318,450	1,474,680	156,230	
Income				
Total	(-542,850)	(-679,018)	(-136,168)	
Net Expenditure	775,600	795,662	20,062	

2013/14	Budget £	Actual £	Variance	Actual Improvement over 2012/13 Budget
Expenditure				
Total	1,258,650	1,437,826	179,176	
Income				
Total	(-516,400)	(-738,762)	(-222,362)	
Net Expenditure	742,250	699,063	-43,187	-76,537

2014/15	Budget £	Actual £	Variance	Actual Improvement over 2013/14 Budget
Expenditure				
Total	1,260,137	1,727,393	467,256	
Income				
Total	(-588,297)	(-1,130,285)	(-541,988)	
Net Expenditure	671,840	597,108	-74,732	-145,142

- 4.2 The 2014/15 outturn figure above shows an underspend of £74,732 reducing the net expenditure to £597,108. The budget for 2015/16 has been set, prior to the final outturn position being known, at £639,431. This budget takes into account an increase in service and insurance charges and a new capital expenditure budget for equipment replacement, however it is anticipated that the Apex performance will come under budget as the positive performance of 2014/15 continues into 2015/16

5.0 Conclusion

The Apex management team has been successful in reducing the subsidy over the last financial year, mainly due to increasing revenues from ticket sales.

- 5.1 It is anticipated there will be a further positive impact through increased programming and ticket sales which for 2015/16 are forecast to be £1.150m, approximately 15% increase on 2014/15. Over and above this there is income from the Sodexo concession. The total increase in income will mean coming in under budget this year.
- 5.2 Income levels will continue to increase through new visitors to The Apex and through existing visitors being attracted by a varied programme. It will also continue to serve as a centre for the community and it is the team's intention to continue to introduce innovative ideas and events to its communities.
- 5.3 The team will continue to work closely with Sodexo Prestige to realise the full benefit of the contract by increasing turnover and building performance levels.

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Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Financial Performance Report (Revenue and Capital) Quarter 1 – 2015-16	
Report No:	PAS/SE/15/022	
Report to and dates:	Performance and Audit Scrutiny Committee	30 July 2015
Portfolio holder:	Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: ian.houlder@stedsbc.gov.uk	
Lead officer:	Rachael Mann Head of Resources and Performance Tel: 01638 719245 Email: rachael.mann@westsuffolk.gov.uk	
Purpose of report:	This report sets out the Financial Performance for the first quarter of 2015-16 and forecasted outturn position for 2015-16.	
Recommendation:	Performance and Audit Scrutiny Committee: Members are requested to <u>note</u> the 2015-2016 year end forecast financial position and forward any relevant issues or comments to Cabinet for their consideration.	
Key Decision: (Check the appropriate box and delete all those that <u>do not</u> apply.)	Is this a Key Decision and, if so, under which definition? Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	

Consultation:		<ul style="list-style-type: none"> This report and the figures therein have been compiled by the Finance team in consultation with the relevant budget holders, services and Leadership Team. 	
Alternative option(s):		<ul style="list-style-type: none"> In order for the Council to be able to meet its strategic priorities it is essential that sufficient and appropriate financial resources are available. 	
Implications:			
Are there any financial implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> As set out in the body of this report. 	
Are there any staffing implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> 	
Are there any ICT implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> 	
Are there any legal and/or policy implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> As outlined in the body of this report. 	
Are there any equality implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> 	
Risk/opportunity assessment:		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (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
Ward(s) affected:		All Ward	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		None	
Documents attached:		<p>Appendix A – Revenue budget summary, for the period April to June 2015.</p> <p>Appendix B – Revenue budget detail, for the period April to June 2015.</p> <p>Appendix C – Capital budget summary, for the period April to June 2015.</p> <p>Appendix D – Earmarked Reserves for 2015/16</p>	

1. Key issues and reasons for recommendation

1.1 Key Issues

- 1.1.1 This is the first quarter financial monitoring report, whilst it is still early in the year we have included outturn figures for large variance items we are aware of. We will continue to monitor the position throughout the year and will update members any change to this position at the next PASC meeting.
- 1.1.2 Details of the Council's revenue performance and year end forecasted outturn position can be found in **Appendix A** and **B**. Explanations of the main year end forecast under / over spends can be found in the table at 1.2.3.
- 1.1.3 The Council's capital financial position for the first three months of 2014/2015 shows expenditure of £360,000. Further details are provided in **Appendix C**.
- 1.1.4 A summary of the earmarked reserves can be found at **Appendix D** along with the forecast year end position for 2015/16.

1.2 Revenue Performance

- 1.2.1 The current forecast position for the year end is showing an underspend of £51,500. Details are set out in **Appendix A** and **B**.
- 1.2.2 Members are requested to note the current 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 and an updated outturn position will be provided to this committee in November.
- 1.2.3 Year end variances over £25k are explained in the table below.

Year end forecast variance: Over / (under) spend	Explanation
(£110,000)	Waste management underspends relating to savings on vehicle costs due to lower fuel prices, and additional income through the vehicle workshops.
(£100,000)	More people visiting the town centres (and using the car parks) than anticipated when the budget was set. Projection is in line with the 2014/15 outturn level.
(£70,000)	Additional income from trade waste fees.
(£50,000)	Council Tax legal and court costs now all goes through the Anglia Revenues Partnership, budget no longer required.
(£30,000)	Lower than anticipated homeless accommodation costs, plus additional funding through housing benefits.
£40,000	Additional costs associated with S106 monitoring due to legislation changes, management currently reviewing options so financial position may improve.
£100,000	Planning income underachievement – see paragraphs 1.2.4 – 1.2.5 below.

£125,000	Building control income underachievement, coupled with additional costs associated with changes in the staffing structure to ensure service delivery.
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1.2.4 The variance reported in Planning, as reported in **Appendix A** and **B**, is created in part by the introduction of Permitted Development Orders and the impact of the 'Prior approval' process, which has reduced the number of applications the authority are now able to charge for, even though these applications still require a similar level of resource to administer. It should be noted that these changes to the Permitted Development Order were intended to be a short term incentive and will need to be reviewed by the Government in 2015/16.

1.2.5 Management will continue to review this over the course of the year to understand the impact on the medium term budget.

1.3 **Capital Position**

1.3.1 The Council has spent £360,000 of its projected capital budget of £12,746,600 at the 30 June 2015.

1.3.2 The table below is a high level summary of capital expenditure against budget for 2015/16. Further details by capital project can be found at **Appendix C**. 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.

Service Area	2015/16 Original Budget incl carry forwards £000s	Spent to 30 June 2015 £000s
Planning & Growth	3,936	27
Housing	1,897	56
Resources & Performance	600	0
Families & Communities	169	1
Operations	6,145	276
TOTAL	12,747	360

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Summary by Head of Service

Appendix A

Head of Service	Budget to Date £	Actual to Date £	Over/ (Under) Spend to Date £	Y/E Forecast Variance £
Head of Resources & Performance	2,054,058	1,981,196	(72,862)	(50,000)
Head of Human Resources & Democratic Services	419,248	398,236	(21,012)	5,000
Head of Families and Communities	469,935	419,584	(50,351)	0
Head of Planning and Growth	343,761	353,114	9,353	265,000
Head of Operations	706,284	293,589	(412,695)	(234,000)
Head of Housing	254,490	190,582	(63,908)	(37,500)
TOTALS:	4,247,776	3,636,301	(611,475)	(51,500)
Interest Receivable	(63,963)	(83,868)	(19,905)	0
TOTALS:	4,183,813	3,552,433	(631,380)	(51,500)

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St Edmundsbury Borough Council					2015/16 Q1 Budget Monitoring	
Detail by Head of Service					Appendix B	
LT01	HEAD OF RESOURCES & PERFORMANCE					
Cost Centre	Cost Centre Description	Budget to Date £	Actual to Date £	Variance to Date £	Y/E Forecast Variance (Under) / Over spend £	Year End Forecast Variance Notes
1000	Resources & Performance	148,681	154,580	5,899	0	
1090	Grants to Organisations	158,827	159,836	1,009	0	
8000	General Fund Adjustments	1,123,177	1,114,161	(9,016)	0	Difference between budget and NNDR1 is £77,000. This will be funded from BRR Equalisation Reserve. The final variance may change and only the outturn position will be funded from the reserve.
Resources & Performance:		1,430,685	1,428,577	(2,108)	0	
1001	Internal Audit	36,296	29,327	(6,969)	0	
Internal Audit:		36,296	29,327	(6,969)	0	
1002	ICT	299,463	290,863	(8,600)	0	
ICT:		299,463	290,863	(8,600)	0	
1010	Anglia Revenues Partnership	291,282	315,865	24,583	0	
1012	Council Tax Administration	(122,060)	(151,563)	(29,503)	(50,000)	Legal and court costs now all goes through the ARP partnership, plus some additional court costs recovered
1013	Business Rate Administration	(43,349)	(43,787)	(438)	0	
4090	Housing Benefits	(76,290)	(81,099)	(4,809)	0	
Anglia Revenues Partnership:		49,583	39,416	(10,167)	(50,000)	
1100	Corporate Expenditure	226,671	173,917	(52,754)	0	Expected to be on budget at year end
1150	Non-Distributed Costs	(82)	6,227	6,309	0	
1151	Non-Distributed Costs - Cost of Unused Assets	10,275	11,702	1,427	0	
Corporate Expenditure:		236,864	191,846	(45,018)	0	
1020	Emergency Planning	1,167	1,167	0	0	

St Edmundsbury Borough Council						2015/16 Q1 Budget Monitoring
Detail by Head of Service						Appendix B
	Emergency Planning:	1,167	1,167	0	0	
	TOTALS: RESOURCES & PERFORMANCE	2,054,058	1,981,196	(72,862)	(50,000)	
LT02	<u>HEAD OF HR & DEMOCRATIC SERVICES</u>					
Cost Centre	Cost Centre Description	Budget to Date £	Actual to Date £	Variance to Date £	Y/E Forecast Variance £	Year End Forecast Variance Notes
1030	Human Resources & Payroll	93,036	97,204	4,168	0	
	Human Resources:	93,036	97,204	4,168	0	
1032	Health & Safety	21,993	16,134	(5,859)	(5,000)	Over achievement of income against budget
	Health & Safety:	21,993	16,134	(5,859)	(5,000)	
1031	Central Training Services	34,776	24,661	(10,115)	0	
	Learning & Development:	34,776	24,661	(10,115)	0	
1040	Legal Services	62,226	78,346	16,120	10,000	Less income than anticipated
	Legal Services:	62,226	78,346	16,120	10,000	
1130	Democratic Services	46,914	40,846	(6,068)	0	
1131	Members Allowances & Expenses	84,069	86,376	2,307	0	
1132	Mayoralty & Civic Functions	28,174	21,122	(7,052)	0	
	Democratic Services:	159,157	148,344	(10,813)	0	
1041	Electoral Registration	20,793	(13,759)	(34,552)	0	Expected to be on budget at year end
1042	Election Expenses	27,267	47,306	20,039	0	
	Elections:	48,060	33,547	(14,513)	0	
	TOTALS: HR & DEMOCRATIC SERVICES	419,248	398,236	(21,012)	5,000	
LT03	<u>HEAD OF FAMILIES & COMMUNITIES</u>					
Cost Centre	Cost Centre Description	Budget to Date £	Actual to Date £	Variance to Date £	Y/E Forecast Variance £	Year End Forecast Variance Notes

St Edmundsbury Borough Council					2015/16 Q1 Budget Monitoring	
Detail by Head of Service					Appendix B	
1140	Policy	41,650	39,004	(2,646)	0	
1142	Website and Intranet	7,971	20,219	12,248	0	
Policy:		49,621	59,223	9,602	0	
1141	Communications	30,258	32,372	2,114	0	
Communications:		30,258	32,372	2,114	0	
1050	Customer Services	150,822	150,427	(395)	0	
3100	Bus Stations	71,833	76,952	5,119	0	
Customer Services:		222,655	227,379	4,724	0	
1051	Concessionary Transport	0	(3)	(3)	0	
2041	Sports Development & Community Recreation	0	680	680	0	
2080	Community Development	78,300	66,983	(11,317)	0	
2081	Community Chest - Families & Communities	69,123	10,420	(58,703)	0	Expected to be on budget at year end.
2085	Community Centres	19,978	22,530	2,552	0	
Families & Communities:		167,401	100,610	(66,791)	0	
TOTALS: FAMILIES & COMMUNITIES		469,935	419,584	(50,351)	0	
LT04 HEAD OF PLANNING & GROWTH						
Cost Centre	Cost Centre Description	Budget to Date £	Actual to Date £	Variance to Date £	Y/E Forecast Variance £	Year End Forecast Variance Notes
5000	Development Control	37,722	46,697	8,975	100,000	Under achievement of income - see main report for more details.
Development Control:		37,722	46,697	8,975	100,000	
5005	Planning Policy	173,682	168,384	(5,298)	0	
5006	Local Plan	(4,152)	(13,466)	(9,314)	40,000	Additional costs associated with S106 Monitoring due to legislation changes, management currently reviewing options so financial position may improve.
Place Shaping:		169,530	154,918	(14,612)	40,000	
1060	Land Charges	(34,017)	(40,086)	(6,069)	0	

St Edmundsbury Borough Council					2015/16 Q1 Budget Monitoring	
Detail by Head of Service					Appendix B	
5010	Building Control	(8,583)	14,995	23,578	125,000	Lower than anticipated income, along with additional costs associated with changes in the staffing structure to ensure service delivery.
5015	Planning & Regulatory Support	74,277	73,160	(1,117)	0	
Business (BC & Support):		31,677	48,069	16,392	125,000	
3090	Prevention of Pollution	19,935	9,684	(10,251)	0	
3091	Environmental Management	3,111	10,245	7,134	0	
3092	Drinking Water Quality	1,254	638	(616)	0	
3093	Climate Change	22,860	15,304	(7,556)	0	
4020	Home Energy Conservation	1,251	0	(1,251)	0	
Environment:		48,411	35,871	(12,540)	0	
3095	Licensing	(15,297)	(11,153)	4,144	0	
3096	Hackney Carriage & Private Hire Licensing	(15,033)	(16,744)	(1,711)	0	
3097	Food Safety	25,311	16,951	(8,360)	0	
3098	Health & Safety at Work Act/Enforcement	25,203	20,184	(5,019)	0	
Business Reg & Licensing:		20,184	9,238	(10,946)	0	
5020	Economic Development & Growth	61,194	80,133	18,939	0	
5021	Strategic Tourism & Markets	9,312	9,953	641	0	
5022	Bury Christmas Fayre	(34,269)	(32,686)	1,583	0	
5023	Park & Ride	0	39	39	0	
5024	Vibrant Town Centres	0	884	884	0	
Economic Development & Growth:		36,237	58,323	22,086	0	
TOTALS: PLANNING & GROWTH		343,761	353,116	9,355	265,000	
LT05 HEAD OF OPERATIONS						
Cost Centre	Cost Centre Description	Budget to Date £	Actual to Date £	Variance to Date £	Y/E Forecast Variance £	Year End Forecast Variance Notes
3005	Vehicle Workshop	(15,465)	(23,761)	(8,296)	(35,000)	Income trend continues to be above budget. This will be reflected in the 16/17 Budgets
3006	Pool Cars	7,062	17,427	10,365	0	
3010	Vehicle Workshop Trading Account - FHDC	9,012	0	-9,012	0	
Fleet Management:		609	(6,334)	(6,943)	(35,000)	

St Edmundsbury Borough Council						2015/16 Q1 Budget Monitoring
Detail by Head of Service						Appendix B
3000	Depots	42,320	23,334	(18,986)	0	
3060	Grounds Maintenance Operatives	(64,556)	(63,221)	1,335	0	
3061	Tree Maintenance Operatives	(204)	4,103	4,307	0	
3065	Waste & Cleansing Operatives	(140,571)	(157,172)	(16,601)	(75,000)	Vehicle fuel lower than budgeted
6020	Markets	27,525	30,307	2,782	15,000	Market toll fees expected to be less than budgeted
Operational:		(135,486)	(162,649)	(27,163)	(60,000)	
3030	Street Cleansing	339,903	335,740	(4,163)	0	
3040	Refuse Collection (Black Bin)	239,205	242,737	3,532	0	
3041	Recycling Collection (Blue Bin)	203,257	193,600	(9,657)	0	
3042	Compostable Collection (Brown Bin)	138,078	127,809	(10,269)	0	
3043	Bulky, Fridges, Metal & Scrap Collection	28,581	30,338	1,757	0	
3044	Clinical & Hazardous Waste Collection	9,027	8,160	(867)	0	
3045	Multi-Bank Recycling Sites	11,091	6,332	(4,759)	0	
3048	Trade Waste	(908,517)	(933,183)	(24,666)	(70,000)	Additional trade waste income
Waste - Business & Commercial		60,625	11,533	(49,092)	(70,000)	
1080	Property Services	69,967	29,618	(40,349)	0	
Property Maintenance:		69,967	29,618	(40,349)	0	
1081	Estates Management	0	(300)	(300)	0	
6000	Industrial & Business Units	(275,693)	(363,579)	(87,886)	0	Expected to be on budget at year end - timing of certain expenditure items
6010	Town Centres & Shops	(148,927)	(153,396)	(4,469)	0	
Property Management:		(424,620)	(517,275)	(92,655)	0	
1070	Offices: West Suffolk House	87,627	73,543	(14,084)	0	
1071	Offices: Haverhill House	11,477	(18,035)	(29,512)	0	Expected to be on budget at year end
1072	Offices: College Heath Road	0	654	654	0	
1075	Courier & Postal Service	10,757	7,375	(3,382)	0	
1076	Printing & Copying Service	6,375	1,705	(4,670)	0	
3020	Public Conveniences	38,030	32,126	(5,904)	0	
3070	District Highways Services	107,838	100,317	(7,521)	0	
3071	Street Furniture	12,433	4,191	(8,242)	0	
3072	Land Drainage & Associated Works	2,223	3,132	909	0	
Facilities & Highways Services:		276,760	205,008	(71,752)	0	

St Edmundsbury Borough Council						2015/16 Q1 Budget Monitoring
Detail by Head of Service						Appendix B
1082	CCTV & Support	0	13,397	13,397	0	
3025	CCTV	80,580	67,100	(13,480)	0	
3026	Green Travel Plan	(5,412)	(7,336)	(1,924)	0	
3027	Street Banners & Displays	(21)	(995)	(974)	0	
	CCTV & Support:	75,147	72,166	(2,981)	0	
3110	Off Street Car Parks	(415,910)	(484,098)	(68,188)	(100,000)	Higher than anticipated car park income due to additional car parking events. Projection is in line with 2014/15 outturn level.
	Car Parking:	(415,910)	(484,098)	(68,188)	(100,000)	
2000	Leisure Services Management & Support	33,720	57,344	23,624	0	
2017	Arboriculture (Tree Maintenance Works)	75,424	48,024	(27,400)	0	
2020	Other Parks and Play Provision	125,176	126,471	1,295	0	
2021	Abbey Gardens	82,967	69,420	(13,547)	11,000	Lower than anticipated income to be received
2022	Nowton Park	27,478	31,842	4,364	0	
2023	East Town Park	24,449	25,669	1,220	0	
2024	Clare Country Park	342	(1,871)	(2,213)	0	
2025	Children's Play Areas	25,647	15,162	(10,485)	0	
2050	Cemeteries & Closed Churchyards	57,351	52,821	(4,530)	0	
2055	Allotments	(212)	(592)	(380)	0	
2040	Sports & Leisure Centres	224,074	243,261	19,187	0	
2083	Leisure & Sports	12,474	6,293	(6,181)	0	
	Leisure & Cultural - Parks	688,890	673,844	(15,046)	11,000	
2030	Arts, Heritage & Cultural Services	88,753	83,755	(4,998)	0	
2031	Moyse's Hall Museum	77,720	72,013	(5,707)	5,000	Underachievement of income target expexted
2032	West Stow Country Park	30,472	29,134	(1,338)	0	
2033	West Stow ASVT Operating Account	0	(22,308)	(22,308)	0	
2035	Heritage Outreach Services	876	470	(406)	0	
2036	Heritage Sites & Monuments	1,206	1,758	552	0	
2037	West Front Houses	11,334	15,414	4,080	0	
2070	Tourist Information Centres	15,583	15,656	73	0	
2071	Shopmobility	2,513	5,509	2,996	0	
	Leisure & Cultural - TIC & Heritage:	228,457	201,401	(27,056)	5,000	
2061	The Athenaeum	21,871	35,367	13,496	15,000	Underachievement of income target (Sodexo concession and cost of occupation)

St Edmundsbury Borough Council				2015/16 Q1 Budget Monitoring		
Detail by Head of Service				Appendix B		
2062	The Guildhall, Bury St Edmunds	8,293	8,797	504	0	
Leisure & Cultural - Public Halls:		30,164	44,164	14,000	15,000	
2072	Bury Festival	25,910	30,432	4,522	0	
Commercial - Entertainment & Events:		25,910	30,432	4,522	0	
2010	Leisure Promotion	36,660	30,130	(6,530)	0	
Commercial - Marketing:		36,660	30,130	(6,530)	0	
2011	Leisure - Commercial Activities	(52,308)	(24,311)	27,997	0	
2060	The Apex	241,419	189,961	(51,458)	0	
The Apex		189,111	165,650	(23,461)	0	
TOTALS: OPERATIONS		706,284	293,590	(412,694)	(234,000)	
LT06 HEAD OF HOUSING						
Cost Centre	Cost Centre Description	Budget to Date £	Actual to Date £	Variance to Date £	Y/E Forecast Variance £	Year End Forecast Variance Notes
4021	Housing Renewals	17,373	27,429	10,056	0	
4031	Burial of the Dead	12,127	4,902	(7,225)	0	
4032	Gypsies & Travellers	8,435	5,745	(2,690)	0	
4033	Other Public Health Services	54,702	53,495	(1,207)	0	
Public Health & Housing:		92,637	91,571	(1,066)	0	
4000	Housing Development & Strategy	34,206	25,038	(9,168)	0	
Housing Development & Strategy:		34,206	25,038	(9,168)	0	
4010	Homelessness	56,781	21,861	(34,920)	(30,000)	Lower than anticipated accommodation costs plus additional funding through Housing Benefits
4011	Housing Advice & Choice Based Lettings	64,269	57,093	(7,176)	0	
4015	Non-HRA Housing Properties	0	(2,236)	(2,236)	(7,500)	Benefit of Income from Lake Avenue HMO investment.
Housing Options:		121,050	76,718	(44,332)	(37,500)	

	St Edmundsbury Borough Council					2015/16 Q1 Budget Monitoring
	Detail by Head of Service					Appendix B
4005	Housing Business & Partnerships	6,597	(2,745)	(9,342)	0	
	Housing Business & Partnerships:	6,597	(2,745)	(9,342)	0	
	TOTALS: HOUSING:	254,490	190,582	(63,908)	(37,500)	

St Edmundsbury Borough Council**Appendix C****Capital Monitoring - April 2015 - June 2015**

Project Description	2014-15 Actual Spend	2015-16 Original Budget incl c/fwds	2015-16 Actual Spend to Date	2015-16 Year End Forecast Variance Over / (Under)	Notes
Bury Town Football - Relocation Scheme	0	1,627,000	0	0	See report CAB/SE/15/022 for further details.
Environmental Improvement Works, Risbygate Street	0	72,000	0	0	
St Andrews St South access arrangements	10,087	24,913	0	0	Awaiting completion.
Peach Maltings	0	51,000	0	0	
Haverhill Plaza	3,940	1,060	0	0	Benches have now been installed and the balance of the sum will be spent on rejuvenating the shrub beds around the Plaza in the winter period.
Hollands Road Employment Units	14,542	12,458	0	0	No further spend expected on this scheme.
Children's Play Equipment - Haverhill Recreation Ground	52,793	11,207	60,624	49,417	Play area opened in the first week of July. Total cost of project is around £120K. The balance is being met from S106 monies.
Children's Play Equipment - Horringer Court	47,931	0	0	0	Project complete.
Children's Play Equipment - Aeroplane Park	28,243	0	2,960	2,960	Project completed and Quendon Place play area opened. Final spend. Funded from S106 monies.
West Stow - Collections Building	27,086	0	0	0	Expense incurred from when the Collections Study Building was built. Due to the archaeological importance of the site, a trench was dug to check for finds. Due to the length of time taken to write the report, we have only recently received the bill associated with this work. Additional charge of £6,090 is yet to be paid for the completion of the archeology report but we haven't been invoiced for it.
BSE Skatepark	98,927	0	(5,814)	0	Scheme complete. Retention sum of £5,814 is payable in July 2015. Payment of the retention was withheld awaiting the contractor to carry out some repairs. These repairs have now been carried out, project completed in July.
Parks Infrastructure	34,837	0	0	0	

FHDC 5 Year Capital Programme Report

Project Description	2014-15 Actual Spend	2015-16 Original Budget incl c/fwds	2015-16 Actual Spend to Date	2015-16 Year End Forecast Variance Over / (Under)	Notes
Cycle Stands Cattle Market	0	5,000	0	0	
Gypsy and traveller site	2,000	587,000	0	0	Scheme under review.
Havebury - Bury Road, Chedburgh	0	400,000	0	0	
Millfields Way, Haverhill	95,000	0	0	0	
Purchase of Lake Avenue HMO	250,366	0	0	0	Purchase cost and renovation costs, funding from affordable housing provision
Provision of Affordable Housing	15,000	38,634	0	0	Budget being used for feasibility works.
Vehicle & Plant Purchases	179,316	1,777,684	30,890	(182,794)	Expected spend for the year is £1,564,000. This includes the purchase of 7 refuse freighters.
CCTV Cameras and Server	26,697	245,303	83,263	0	Scheme in progress to be funded from earmarked reserve
Suffolk Business Park Investment	144,607	2,476,393	26,533	0	Agreed at full Council on 23/09/14 - £3m less what already paid of original loan
Growth Area Initiatives	0	88,000	0	(88,000)	
Haverhill Railway Walks, Education	0	27,000	0	0	
High Street Haverhill Improvements	0	693,000	0	0	
Millfields Way, Haverhill - Housing Scheme	0	85,000	0	0	
Lark Valley Path	0	27,000	0	0	
Rural Initiatives Grant Scheme	59,042	92,957	1,448	0	On-going grant scheme
Empty Homes Grants to Private Owners	0	71,000	0	0	
Private Sector Disabled Facilities Grants	376,990	500,000	48,928	0	Expected to spend full budget for year.
Private Sector Renewal Grants	179,849	300,000	6,908	0	Expected to spend full budget for year.
Asset Management Plan					
Major Planned Building Works	0	717,000	0	(717,000)	Not yet allocated to specific scheme
HH Office Improvements	32,558	0	0	0	
Bury Leisure Centre Flumes & Cladding	455,613	62,387	99,964	37,577	Scheme complete, retention outstanding. Over spend will be funded from major planned building works allocation.
The Apex - Improvements	23,139	0	0	0	

FHDC 5 Year Capital Programme Report

Project Description	2014-15 Actual Spend	2015-16 Original Budget incl c/fwds	2015-16 Actual Spend to Date	2015-16 Year End Forecast Variance Over / (Under)	Notes
Bury Cemetery Buildings	0	70,000	0	0	Design work undertaken
Bury Leisure Centre - All Weather Pitch	0	150,000	0	0	Not yet started
Haverhill Leisure Centre - All Weather Pitch	0	200,000	0	0	Tenders in, likely Summer start
New Moreton Hall Park	2,509	157,491	3,096	0	This is a S106 funded project. The land is not yet transferred to SEBC. Project tender in April 2015. The contractors have been appointed and are now on site.
Leisure Asset Management Scheme	0	402,000	0	(100,000)	Budget allocated to 3 play areas and some parks infrastructure work.
Shared FMS - Agresso	10,865	0	0	0	Phase 1 - System implementation is complete
CRM Project	94,778	75,972	0	0	Project progressing, spend profile according to Customer Access Business Case. Project on target to be completed by March 2016.
West Stow biomass boiler	0	140,000	0	0	
Rent-a-roof	0	540,000	0	0	£104,500 committed to pay for first installation under this scheme.
Feasibility Studies	0	100,000	0	0	
Invest to Save Projects	0	500,000	0	0	
PENDING ITEMS					
Haverhill depot water borehole	0	21,000	0	0	
West Stow Investment opportunitites	2,855	397,145	1,103	(396,042)	The planning application for camping is currently being reviewed, expenditure likely to start in 2016/17.
	2,269,570	12,746,604	359,902	(1,393,883)	

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2015-16 - Q1 Earmarked Reserve Monitoring

Reserve Details	As Per Budget Report			2015/16 Forecast Closing Balance	2015/16 Forecast Variance (Under) / Over spent	Notes
	2015/16 Opening Balance	2015/16 Budgeted Movement	2015/16 Budgeted Closing Balance			
	2,346,657	(328,415)	2,018,242	2,018,242	0	Potential to have some under spend on capital projects which are due funded from this reserve.
Strategic Priorities and MTFs						
Invest to Save Reserve	890,202	(6,500)	883,702	500,000	383,702	Funding of waste back office software and some project feasibility costs.
Risk/Recession Reserve	38,795	62,900	101,695	101,695	0	
BRR Equalisation Reserve	588,294	(65,000)	523,294	446,153	77,141	Difference between Budget and NNDR1 to be financed from this reserve.
Self Insured Fund	231,387	0	231,387	180,000	51,387	Funding of insurance excesses.
Computer & Telephone Equipment Reserve	300,279	73,000	373,279	373,279	0	
Office Equipment Reserve	828,198	39,800	867,998	415,000	452,998	Funding of CCTV project in line with Business case approved by Full Council
Section 106 - Public Service Village	47,595	(24,750)	22,845	22,845	0	
HB Equalisation Reserve	1,606,812	(86,570)	1,520,242	1,520,242	0	
Special Pension Reserve	316,945	0	316,945	316,945	0	
Interest Equalisation Reserve	187,266	0	187,266	187,266	0	
Professional Fees Reserve	0	65,000	65,000	65,000	0	
ARP Reserve	59,896	0	59,896	59,896	0	
Vehicle & Plant Renewal Fund	2,184,299	(965,000)	1,219,299	1,219,299	0	
Wheeled Bins	113,040	22,300	135,340	135,340	0	
BR-Building Repairs Reserve - Leisure	611,488	(150,000)	461,488	245,000	216,488	Play area schemes on the Priors, Nowton and Allington Walk to be funded from this reserve.
BR-Building Repairs Reserve - Other	1,257,449	(182,526)	1,074,923	1,150,000	(75,077)	Slight under spend expected on maintenance works due to current asset management plans
BR-Bunting Road Service	11,779	0	11,779	11,779	0	
BR-Leased Flats Management	33,957	0	33,957	33,957	0	
Commuted Maintenance Reserve	685,175	(108,900)	576,275	579,023	(2,748)	
M-Gershom Parkington Bequest	526,319	3,500	529,819	529,819	0	
M-Others	65,279	0	65,279	65,279	0	
The Apex Reserve	32,580	0	32,580	17,580	15,000	£15K to be used to fund the replacement of equipment
Abbey Gardens Donation	20,927	0	20,927	5,927	15,000	£15K to be used to develop the Crankles into a bee garden
Rural Areas Action Plan	90,818	0	90,818	65,818	25,000	£25K to be used to fund RIGS as agreed by Cabinet in March 2014.
Planning Reserve	137,679	(101,600)	36,079	36,079	0	
EI-Historic Building Grants	621	0	621	0	621	
S106 Monitoring Officer Reserve	13,617	130	13,747	0	13,747	Funding of S106 Monitoring Officer
Economic Development Reserve (LABGI)	50,597	(5,000)	45,597	45,597	0	
Election Reserve	126,366	(50,000)	76,366	76,366	0	
St Edmundsbury Totals:	13,404,316	(1,807,631)	11,596,685	10,423,426	1,173,261	

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Treasury Management Sub-Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Annual Treasury Management Report 2014/15 and Investment Activity 1 April to 30 June 2015	
Report No:	TMS/SE/15/004	
Report to and dates:	Treasury Management Sub-Committee	20 July 2015
	Performance and Audit Scrutiny Committee	30 July 2015
Portfolio holder:	Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: ian.houlder@stedsbc.gov.uk	
Lead officer:	Rachael Mann Head of Resources and Performance Tel: 01638 719245 Email: rachael.mann@westsuffolk.gov.uk	
Purpose of report:	To a) present the Council's Annual Treasury Management Report summarising the investment activities for the year 2014/15 b) provide a summary of investment activities for the first three months of 2015/16 financial year.	
Recommendation:	<p>It is RECOMMENDED that, The Treasury Management Sub-Committee:</p> <p>(1) scrutinise the content of this report, including details of treasury management performance for the first 3 months of the 2015/16 financial year; and</p> <p>(2) make recommendations as appropriate via the Performance and Audit Scrutiny Committee to Cabinet and Council regarding the approval of the attached</p>	

Annual Treasury Management Report for 2014/15 (Appendix 1 refers).	
Key Decision: (Check the appropriate box and delete all those that do not 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"/>
Consultation:	<ul style="list-style-type: none"> Treasury management activities are undertaken in consultation with Sector/Capita (the Council's appointed Treasury Management advisers) and also takes into account information obtained from investment brokers and other economic commentators. This committee provides for the scrutiny of treasury management strategies and performance, with changes in strategies and policies subject to approval by Cabinet and full Council.
Alternative option(s):	<ul style="list-style-type: none"> Options for the management of Council investments are formally considered within the annual treasury management and investment strategy. This includes key strategies in respect of the maintenance of the Council's debt free status, the continuation of in-house management of funds, and the approach to be adopted in establishing the credit worthiness of potential counterparties. The changing nature of the economic climate requires that these key areas are subject to on-going review.
Implications:	
<i>Are there any financial implications? If yes, please give details</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> Please refer to main report
<i>Are there any staffing implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<i>Are there any ICT implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<i>Are there any legal and/or policy implications? If yes, please give details</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2014/15. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
<i>Are there any equality implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Risk/opportunity assessment:			
Inherent level of risk (before controls)		Residual risk (after controls)	
Risk area	Low/Medium/ High*	Controls	Low/Medium/ High*
Fluctuations in interest rates or in projected cash flows having significant impact on budgeted investment income.	High	Spread of investments for periods of up to two years. Budget monitoring and quarterly performance reports. Use of interest equalisation reserve to smooth out year-on-year fluctuations.	Medium
Bank / building society failure resulting in loss of Council funds.	High	Use of Sector advice on counterparty credit ratings (based on Fitch and Moody ratings) and the setting of lending limits. Use of non-rated building societies based on asset base and additional credit checks.	Medium
Ward(s) affected:		All Wards	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		Treasury Management Performance and Annual Treasury Management and Investment Strategy – 2013/14 (Report No D252) and 2014/15 (Report No E225)	
Documents attached:		Appendix 1 - Annual Treasury Management Report 2014/15 Appendix 2 – Statement of Compliance with the Treasury Management Code of Practice	

1. Key issues and reasons for recommendation(s)

1.1 Annual Report 2014/15

1.2 Interest Earned from Treasury Investments during the year

1.2.1 The table below summarises the interest earned during 2014/15 on the various Treasury investments held by the Council.

1.2.2

TREASURY MANAGEMENT – INTEREST EARNED SUMMARY	
	2014/15 £
Bank of Scotland Investments – Term Deposits	155,421.92
Ulster Bank Investments – Term Deposits	25,943.84
Skipton B/Society – Term Deposits	9,631.23
Coventry B/Society – Term Deposits	3,906.30
Nationwide B/Society – Term Deposits	21,246.99
Santander Business Reserve Account	18,329.41
Bank of Scotland Current Account	3,142.54
Barclays Reserve Account	33,959.23
NatWest Call Account	2,083.03
NatWest 95 Day Account	52,958.90
Clydesdale 30 Day Account	4.43
Bank of Scotland Base Plus Account	0.71
TOTAL INTEREST EARNED/ACCRUED	£326,628.53

1.2.3 The budgeted income from investments in 2014/15 was £572,000 (average rate of return of 1.5%). Interest actually earned during the year totalled £326,628.53 (average rate of return of 0.75%); an underachievement of £245,371.47. This underachievement was mainly due to the continuing low base rate, (0.5%), which has had a dramatic affect on the rates being achieved when re-investing maturing investments. This underachievement was reported to Council as part of the Financial Outturn Report (Revenue & Capital) 2014/15 (PAS/SE/15/015).

1.2.4 To help alleviate this impact the Council, in February 2005, agreed to establish the Interest Equalisation Earmarked Reserve to help smooth out these fluctuations in returns, as at 31 March 2015 the remaining balance of this reserve was £187,265.88.

1.3 Investment Activity during the year

The table below summarises the investment activities during 2014/15:

TREASURY MANAGEMENT – INVESTMENT ACTIVITY SUMMARY	
	2014/15 £m
Opening Balance 01 April 2014	34.25
Investments made during the year (including transfers to business reserve accounts)	24.05
Sub Total	58.30
Investments realised during the year (including	18.25

withdrawals from business reserve accounts)	
Closing Balance 31 March 2015	40.05

1.4 Investments held as at 31 March 2015

1.4.1 The table below shows the investments held as at 31 March 2015:

Counterparty	Principal Amount	Interest Rate	Date Loaned	Date Returned
Bank of Scotland	1,500,000	0.95%	11/04/14	10/04/15
Ulster bank	3,000,000	0.86%	01/05/14	30/04/15
Bank of Scotland	2,000,000	0.95%	04/07/14	06/07/15
Nationwide Building Society	2,000,000	0.97%	01/08/14	03/08/15
Nationwide Building Society	1,500,000	0.97%	04/09/14	03/09/15
Bank of Scotland	2,000,000	1.00%	06/10/14	06/10/15
Bank of Scotland	4,750,000	1.00%	03/11/14	03/11/15
Bank of Scotland	4,500,000	1.00%	12/02/15	12/02/16
Santander	800,000	0.40%	Call	
Barclays Reserve	8,000,000	0.45%	Call	
NatWest 95 Day Account	10,000,000	0.50%	95 day	
TOTAL	40,050,000			

2 Investment Activity: 1 April to 30 June 2015

2.1.1 The total amount invested at 1 April 2015 was £40.05m and at 30 June 2015 £45.45m. The increase in balances over this period was due primarily to timing differences in respect of the collection of local taxes (Council Tax and Non Domestic Rates) and the payment of precepts (i.e. to Suffolk County Council, Suffolk Police and central government).

2.1.2 The 2015/16 Annual Treasury Management and Investment Strategy (report E225 refers) sets out the Council's projections for the current financial year. The budget for investment income in 2015/16 is £255,850 which is based on a 0.90% target average rate of return on investments.

2.1.3 As at the end of June 2015 interest actually earned during the first quarter of the financial year amounted to £83,868 (average rate of return of 0.70%) against a profiled budget for the period of £63,962; a budgetary surplus of £19,906. This budgetary surplus was due to higher cash balances than projected during the period. However, the underlying reduction in the interest rates achieved is primarily due to the continuing low Bank of England base rate and subsequent poor investment rates being offered by the banks, building societies and financial institutions and falling rates being offered on call accounts/Notice Accounts.

2.1.4 The table below summaries the interest earned and the average rate of return achieved.

Investment Category	Total Average Investment	% Average Rate of Return	Interest Earned in Q1
Temporary Investments (Term Deposits)	2,688,081	0.930	58,876
Santander Business Reserve	6,574,417	0.400	6,556
Bank of Scotland Current Account	163,414	0.400	163
Barclays Reserve Account	8,001,976	0.450	8,978
NatWest Call Account	15,248	0.250	10
NatWest 95 Day Account	7,626,374	0.488	9,285
Clydesdale 30 Day Account	1,774	0.250	1
Bank of Scotland Base Plus Account	179	0.250	0
Total Overall Average Return on Investments %			0.70
Total Interest Earned - 1 April 2015 to 30 June 2015			83,868

2.1.5

The table below shows the list of investments held as at 30 June 2015:

Counterparty	Principal Amount	Interest Rate	Date Loaned	Date Returned
Bank of Scotland	2,000,000	0.95%	04/07/14	06/07/15
Nationwide Building Society	2,000,000	0.97%	01/08/14	03/08/15
Nationwide Building Society	1,500,000	0.97%	04/09/14	03/09/15
Bank of Scotland	2,000,000	1.00%	06/10/14	06/10/15
Bank of Scotland	4,750,000	1.00%	03/11/14	03/11/15
Bank of Scotland	4,500,000	1.00%	12/02/15	12/02/16
Bank of Scotland	1,500,000	1.00%	10/04/15	08/04/16
Leeds Building Society	4,000,000	0.90%	01/05/15	29/04/16
Skipton Building Society	3,000,000	0.72%	04/06/15	04/12/15
Nottingham Building Society	2,500,000	0.70%	04/06/15	04/12/15
Nationwide Building Society	2,500,000	0.90%	04/06/15	03/06/16
Santander	5,200,000	0.40%	Call	
Barclays Reserve Account	8,000,000	0.45%	Call	
NatWest 95 Days Account	2,000,000	0.35%	Call	
TOTAL	45,450,000			

2.2 Other Market Considerations

2.2.1 Most market analysts are predicting that current bank base rates will be held at 0.5% until the 2nd or 3rd quarter of the 2015/2016 financial year. Sector/Capita (the Council's treasury management advisers) has also revised their prediction of a base rate increase until the 3rd quarter. Treasury management performance will continue to be closely monitored with further quarterly performance reports being brought to this sub committee for scrutiny.

- 2.2.2 Additional liquidity tests have now been applied to ensure that banks and building societies have sufficient resources available to cover their liabilities, this has resulted in the majority of UK institutions regaining their ratings.
- 2.2.3 At the time of writing this report all the institutions currently used by the Council remain within the criteria set out in the Investment Strategy approved in February 2014. The markets will continue to be closely monitored and any changes having an adverse affect on the Investment Strategy or the Council's ability to operate within the strategy will be report to this committee.

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Annual Treasury Management Report 2014/2015

1 Introduction

1.1 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management 2009 (the Code) was adopted by Council on 23 February 2010.

1.2 The primary requirements of the Code are as follows:

- a. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
- b. Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
- c. Receipt by Council of an Annual Treasury Management Strategy Report for the year ahead, a mid year review report (as a minimum) and an annual review report of the previous year.
- d. Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
- e. Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body which in this Council is the Treasury Management Sub-Committee.

1.3 Treasury management in this context is defined as:

'The management of the local authority's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.'

1.4 The purpose of this report is to meet one of the above requirements of the CIPFA Code, namely the annual review report of treasury management activities, for the financial year 2014/15.

2 The Council's Debt Free Status

2.1 The Council became debt free in 1992 and since then has refrained from any borrowing apart from the temporary use of overdraft facilities. This was continued in 2014/15 with the result that the Council had no Prudential Code indicators so far as borrowing was concerned in the year. During the financial year all the Council's investments were managed by in-house staff.

3 Investment Strategy for 2014/15

3.1 The Council's 2014/15 Annual Treasury Management and Investment Strategy was approved by full Council on 11 February 2014 (report E225 refers). The investment strategy for 2014/15 was to give priority to the security and

liquidity of investments whilst at the same time seeking to optimise the return on investments.

Investment Rates in 2014/15

- 3.3 The Bank of England Base Rate remained at its historic low of 0.50% for the whole of 2014/15. Investment rates fluctuated during the year with investment returns typically one or two basis points either side of the base rate. The further extension of the Funding for Lending Scheme until January 2016 has seen the reliance of financial institutions on the borrowing of wholesale funds (such as local authority investments) remain low which has resulted in the dampening of investment rates.
- 3.4 The Council’s predicted average rate of return for the next 3 years, include in the Annual Treasury Management and Investment Statements 2015/16, is as follows:

Average Rate of Return Predictions	
2014/15	1.50%
2015/16	0.90%
2016/17	1.50%
2017/18	2.00%

The Council’s Lending Criteria 2014/15

- 3.4 The Council's Annual Treasury Management and Investment Strategy requires that deposits are only placed with a limited number of high quality banks and building societies whose credit rating is independently assessed as sufficiently secure by the Council's treasury advisers (Sector/Capita) or, for non rated building societies, subject to their meeting minimum financial criteria (based on asset base size).
- 3.5 The continuing unpredictability and volatility of the economy as a whole and the banking sector in particular has forced local authorities to keep their lending criteria under constant review to ensure that the balance between security of capital, liquidity of investments and yield on investment income is adequately maintained.
- 3.6 The below tables shows the credit criteria applicable during 2014/15 as recommended by the Treasury Sub Committee on 20 January 2014 and subsequently approved by Council 11 February 2014.

Credit Criteria: Rated Banks and Institutions

Sector Colour Code Key*	Credit Criteria 1/4/12
Purple	Max £10m for max of 2 years (subject to max 50% of portfolio)
Orange	£9m for max of 2 years (subject to max 40% of portfolio)

Sector Colour Code Key*	Credit Criteria 1/4/12
Red	£8m for max of 1 year (subject to max 35% of portfolio)
Green	£6m for max of 6 months (subject to max 20% of portfolio)
Blue (nationalised / substantially owned by the UK government)	£15m for max 2 years

Credit Criteria: Rated Building Societies

Sector Colour Code Key*	Credit Criteria 1/4/12
Red	£8m for max of 1 year (subject to max 35% of portfolio)
Green	£6m for max of 1 year (subject to max 30% of portfolio)

Credit Criteria: Non- Rated Building Societies

Asset Base**	Credit Criteria 1/4/12
Asset base > £2,500m	£3m for max 6 months
Asset base > £1,000m	£2.5m for max 6 months

* In order to simplify the complex system of commercial credit ratings, Sector has developed a system of colour codings which reflect the relative strengths of individual banking institutions. Details of these colour codings are provided in the Council's Annual Treasury Management and Investment Strategy.

** Further restrictions on non-rated building societies include a requirement for societies to be covered by a Dun and Bradstreet credit rating.

3.7 During the financial year the Council adhered to these lending criteria.

4 Compliance with Treasury Limits

4.1 During the financial year the Council operated within the approved Treasury limits and Prudential Indicators (as set out in the Council's Treasury Policy Statement and Annual Treasury Strategy Statement, including the above approved changes to lending limits). No institutions in which investments were made had any difficulty in repaying investments and interest in full during the year.

4.2 During the financial year there have been occasions when higher levels of funds have been held in the Council's current account. This has been due to two main factors; funds have been required on consecutive days to cover cash flow requirements and it would not have been economically viable to make a short term investment or rates offered were lower than the rate being paid by the current account, currently 0.4%.

4.3 The decisions to hold these additional funds were made following consultation with the Head of resources and Performance.

5 Investment Outturn 2014/15

5.1 Investments were made with counterparties that met the agreed lending criteria and investment periods. Investment periods range from overnight to two years (one year for new investments), dependent on the Council's cash flows, the view on interest rates and the actual interest rates on offer.

5.2 Market investments in the year are summarised as follows:

	<u>Value (£m)</u>
Opening balance 1st April 2014	34.25
Add: Investments made during the year	24.05
Sub Total	<hr/> 58.30
Investments realised during the year	18.25
Closing balance at 31st March 2015	<hr/> 40.05 <hr/>

5.3 Where possible, investments were made in fixed term investments in order to lock into interest rates as close to the Council's budgeted rate as possible and to provide some certainty of return for a proportion of the Council's investments.

5.4 The Council's instant access and 95 day notice business reserve accounts with Barclays, NatWest and Santander were also used during the year for cash flow purposes or because the rate offered was the same or greater than a fixed term investment. At 31st March 2015 £18.8m was held in these accounts at interest rates between 0.40% and 0.50%.

5.5 The target rate of return for investments for 2014/15 was 1.5%. This target rate was based upon investment rate projections for the year provided by Sector (the Council's treasury management advisors), together with consideration of the profile of the Council's portfolio of investments (i.e. mixture of liquid and fixed term investments). Based upon the anticipated funds available for investment in the year (taking into account planned capital expenditure and receipts from asset disposals) this gave a target investment income of £572k. This figure was used in the preparation of the Council's budget for 2014/15.

5.6 The average rate of return achieved during 2014/15 was 0.75% and interest earned during the year totalled £326,628.53; an underachievement of £245,371.47. This underachievement was mainly due to the continuing low base rate, (0.5%), which has had a dramatic affect on the rates being achieved when re-investing maturing investments.

5.7 The tables below summarise the interest earned during 2014/15 and the list of investments held as at 31 March 2015.

TREASURY MANAGEMENT – INTEREST EARNED SUMMARY	
	2014/15 £
Bank of Scotland Investments – Term Deposits	155,421.92
Ulster Bank Investments – Term Deposits	25,943.84
Skipton B/Society – Term Deposits	9,631.23
Coventry B/Society – Term Deposits	3,906.30
Nationwide B/Society – Term Deposits	21,246.99
Santander Business Reserve Account	18,329.41
Bank of Scotland Current Account	3,142.54
Barclays Reserve Account	33,959.23
NatWest Call Account	2,083.03
NatWest 95 Day Account	52,958.90
Clydesdale 30 Day Account	4.43
Bank of Scotland Base Plus Account	0.71
TOTAL INTEREST EARNED/ACCRUED	£326,628.53

LIST OF INVESTMENTS HELD AS AT 31 MARCH 2015				
Counterparty	Principal Amount	Interest Rate	Date Loaned	Date Returned
Bank of Scotland	1,500,000	0.95%	11/04/14	10/04/15
Ulster bank	3,000,000	0.86%	01/05/14	30/04/15
Bank of Scotland	2,000,000	0.95%	04/07/14	06/07/15
Nationwide Building Society	2,000,000	0.97%	01/08/14	03/08/15
Nationwide Building Society	1,500,000	0.97%	04/09/14	03/09/15
Bank of Scotland	2,000,000	1.00%	06/10/14	06/10/15
Bank of Scotland	4,750,000	1.00%	03/11/14	03/11/15
Bank of Scotland	4,500,000	1.00%	12/02/15	12/02/16
Santander	800,000	0.40%	Call	
Barclays Reserve	8,000,000	0.45%	Call	
NatWest 95 Day Account	10,000,000	0.50%	95 day	
TOTAL	40,050,000			

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**Forest Heath District Council
St Edmundsbury Borough Council**

Statement of Compliance with the Treasury Management Code of Practice

In accordance with the approved Treasury Management Code of Practice Internal Audit has:

- Reviewed compliance with approved policy and procedures.
- Reviewed the division of duties and operational practice.
- Assessed value for money from treasury activities.
- Undertaken probity audit of the treasury function.

As a consequence Internal Audit is satisfied that, for the financial year ending 31 March 2015, the Treasury Management Code of Practice has been substantially complied with.

Signed J. K. Soares
Post Service Manager (Internal Audit)
Date 1/7/15

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