
Informal Joint Performance and Audit Scrutiny Committee



Forest Heath
District Council

Notes of Informal Discussions held on Wednesday 27 July 2016 at 5.00pm in the Conference Chamber West, West Suffolk House, Western Way, Bury St Edmunds

PRESENT: Forest Heath District Council (FHDC)

Councillor Louis Busuttil
(Chairman for the informal discussions)

Councillors Michael Anderson, Chris Barker, John Bloodworth, Rona Burt, Christine Mason, Colin Noble, and Peter Ridgwell.

St Edmundsbury Borough Council (SEBC)

Councillors Sarah Broughton, Carol Bull, Betty McLatchy, David Nettleton, Karen Richardson, David Roach, Barry Robbins, Peter Thompson and Patricia Warby.

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

FHDC – Councillor Stephen Edwards, Portfolio Holder for Resources and Performance

REMEMBRANCE:

Prior to the commencement of meeting, the Committee observed a one minute silence in memory of Council's Commercial Manager, Richard Hartley who had recently passed away.

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

- (1) Balanced Scorecards and Quarter 1 Performance Report 2016-2017;
- (2) West Suffolk Strategic Risk Register Quarterly Monitoring Report – June 2016; and
- (3) Work Programme Update.

All Members of St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee had been invited to attend the meeting 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 – 3 above. On this occasion however, there were no questions/statements from members of the public.

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

1. Balanced Scorecards Quarter 1 Performance Report 2016-2017

The Business Partner (Resources and Performance) presented the report, which set out the West Suffolk Balanced Scorecards being used to measure the Council's performance for 2016-2017 and an overview of performance against those indicators for the first quarter of 2016-2017. The six balanced scorecards (attached at Appendices A to F) were linked to the Head of Service areas, which presented the first quarter performance.

Most indicators reported performance against an agreed target using a traffic light system with additional commentary provided for performance indicators below optimum performance.

Across all service balanced scorecards, there were indicators measuring the performance of the transactional finance functions. These were "% of non-disputed invoices paid within 30 days" and "% of debt over 90 days old". In the previous financial year, against these indicators, almost all services areas had failed to meet the targets of more than 95% of non-disputed invoices paid within 30 days and less than 10% of debt over 90 days old.

The finance and performance team had been working with service areas to try and improve performance against both of these measures. Monthly business intelligence reports were sent out to service areas with details of all invoices processed, and detailed aged debt lists. Debt control workshops had also been held to help improve debt collection performance. As a result of this, for the first time all six service areas achieved over 90% performance on invoices paid within 30 days for the first month of June, with two services being over 95%.

Members were also informed that the percentage of telephone calls taken had increased by 44% in the first quarter of the year due to the brown bin service and the EU referendum. Performance levels should revert to normal levels in the next quarter.

Members considered the report and did not raise any issues.

2. **West Suffolk Strategic Risk Register Quarterly Monitoring Report – June 2016**

The Service Manager (Finance and Performance) the quarter one risk register monitoring report for 2016-2017 in respect of the West Suffolk Strategic Risk Register.

The Register was updated regularly by the Risk Management Group and at its recent meeting in June 2016 the Group reviewed the target risk, the risk level where the Council aimed to be, and agreed a current risk assessment. These assessments formed the revised West Suffolk Risk Register (Appendix 1).

Some individual controls or actions had been updated and those which were not ongoing and had been completed by June 2016 had been removed from the Register.

However, following consideration of the risk register, the Group felt that the probability rating allocated to the Residual Risk WS7 "Poor Project Management", should be increased from 2 to 3. No existing risks had been closed since the Strategic Risk Register was last reported to the Committee.

Members were advised that at the time of writing the report the full impact of the decision to leave the EU was not known, minor amendments had been made to some of the existing actions and controls to address immediate concerns. However, the Group would continue to monitor the situation as it developed over the next quarter, amending existing and / or adding new risks where necessary. Any changes would be report at the next meeting of the Performance and Audit Scrutiny Committee.

Members considered the report and did not raise any issues.

3. **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 2016-2017.

Members considered the report and did not raise any issues.

On the conclusion of the informal joint discussions at 5.08pm, Members of Forest Heath District Council's Performance and Audit Scrutiny Committee withdrew from Conference Chamber West to Conference Chamber East in order to hold their formal meeting commencing at 5.30pm.

With St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee's meeting similarly being held in Conference Chamber West at 5.30pm.

Performance and Audit Scrutiny Committee



Forest Heath
District Council

Minutes of a meeting of the **Performance and Audit Scrutiny Committee** held on **Wednesday 27 July 2016** at **5.30pm** at the **Conference Chamber East, West Suffolk House, Western Way, Bury St Edmunds IP33 3YU**

Present: **Councillors**

Chairman Louis Busuttill

Vice Chairman Colin Noble

Michael Anderson

Rona Burt

Chris Barker

Christine Mason

John Bloodworth

Peter Ridgwell

By invitation:

Stephen Edwards

Portfolio Holder for
Resources and
Performance

98. **Substitutes**

There were no substitutes declared.

99. **Apologies for Absence**

Apologies for absence were received from Councillors Simon Cole and Louise Marston.

100. **Minutes**

The minutes of the meeting held on 25 May 2016, were unanimously accepted by the Committee as an accurate record and signed by the Chairman.

101. **Public Participation**

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

102. **Balanced Scorecard and Quarter 1 Performance Report 2016-2017 (Report No: PAS/FH/16/015)**

Further to the joint informal discussions held prior to the meeting with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/FH/16/015.

Members had scrutinised the report and there being no decision required, the Committee **noted** the Council's performance using the Balanced Scorecards for Quarter 1, 2016-2017.

103. **West Suffolk Strategic Risk Register Monitoring Report - June 2016 (Report No: PAS/FH/16/016)**

Further to the joint informal discussions held prior to the meeting with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/FH/16/016.

Members had scrutinised the report and there being no decision required, the Committee **noted** the contents of the Quarter 1 West Suffolk Risk Register monitoring report.

104. **Work Programme Update (Report No: PAS/FH/16/017)**

Further to the joint informal discussions held prior to the meeting with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/FH/16/017.

Members had scrutinised the report and there being no decision required, the Committee **noted** the contents of the work programme for 2016-2017.

105. **Financial Performance Report (Revenue and Capital) - Quarter 1 (April to June 2016) (Report No: PAS/FH/16/018)**

The Committee received Report No: PAS/FH/16/018, which set out the financial performance for the first quarter of 2016-2017 and forecasted outturn position for 2016-2017.

Attached at Appendix A and B to the report was details of the Council's revenue performance and year end forecasted outturn position. Appendix C to the report set out the Council's capital financial position for the first three months of 2016-2017, which showed expenditure of £1,019,000. Finally, a summary of the earmarked reserves was attached at Appendix D, along with the forecast year end position for 2016-2017.

The Resources and Performance Team would continue to work with Budget Holders to monitor capital spend and project progress closely for the remainder of the financial year and an updated position would be presented to the Committee on a quarterly basis.

The Committee scrutinised the report in detail, Officers provided particular explanation on the variances set out in Paragraphs 1.2.3 and outlined the reasoning for these.

There being no decisions required, the Committee **noted** the Quarter 1 performance and the 2016-2017 year end forecast financial position.

106. **Annual Treasury Management Report 2015-2016 and Investment Activity (April to June 2016) (Report No: PAS/FH/16/019)**

The Committee received Report No: PAS/FH/16/019 which summarised:

- (a) The Council's Annual Treasury Management Investment Activities for the year 2015-2016; and
- (b) Provided a summary of the investment activity for the first three months of the 2016-2017 financial year.

The Committee scrutinised the Annual Treasury Management Report 2015-2016 and the Investment Activity for 1 April 2016 to 30 June 2016, and asked a number of questions to which officers duly responded.

Officers made particular reference to the implications of Brexit on the financial forecast; the long-term impact of which was unknown. Members were assured that Officers would continue to monitor the situation closely and would provide regular updates to the Committee.

Lastly, Members were advised that future Statements of Compliance (attached at Appendix 5) would include the name of the Senior Auditor who had signed the document.

The Committee noted the investment activity for April to June 2016, and with the vote being unanimous, it was

RECOMMENDED

That subject to the approval of full Council, the Annual Treasury Management Report for 2015-2016, attached as Attachment 1 to Report No: PAS/FH/16/019 be approved.

The meeting concluded at 5.45pm

Signed by:

Chairman
