

# Informal Joint Performance and Audit Scrutiny Committee



**Forest Heath**  
District Council

<b>Title:</b>	<b>Agenda</b>									
<b>Date:</b>	<b>Wednesday 27 July 2016</b>									
<b>Time:</b>	<b>5.00 pm (PLEASE NOTE TIME AND VENUE)</b>									
<b>Venue:</b>	<b>Conference Chamber West West Suffolk House</b> Western Way Bury St Edmunds									
<b>Full Members:</b>	<p style="text-align: center;"><b>Chairman</b> Louis Busuttill</p> <p style="text-align: center;"><b>Vice Chairman</b> Colin Noble</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;"><u>Conservative Members (8)</u></td> <td style="width: 33%;">Michael Anderson Chris Barker John Bloodworth Rona Burt</td> <td style="width: 33%;">Louis Busuttill Louise Marston Christine Mason Colin Noble</td> </tr> <tr> <td><u>West Suffolk Independent (1)</u></td> <td>Simon Cole</td> <td></td> </tr> <tr> <td><u>UKIP (1)</u></td> <td>Peter Ridgwell</td> <td></td> </tr> </table>	<u>Conservative Members (8)</u>	Michael Anderson Chris Barker John Bloodworth Rona Burt	Louis Busuttill Louise Marston Christine Mason Colin Noble	<u>West Suffolk Independent (1)</u>	Simon Cole		<u>UKIP (1)</u>	Peter Ridgwell	
<u>Conservative Members (8)</u>	Michael Anderson Chris Barker John Bloodworth Rona Burt	Louis Busuttill Louise Marston Christine Mason Colin Noble								
<u>West Suffolk Independent (1)</u>	Simon Cole									
<u>UKIP (1)</u>	Peter Ridgwell									
<b>Substitutes:</b>	Named substitutes are not appointed									
<b>Interests – Declaration and Restriction on Participation:</b>	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.									
<b>Quorum:</b>	Three Members									
<b>Committee administrator:</b>	<b>Christine Brain</b> Democratic Services Officer (Scrutiny) <b>Tel:</b> 01638 719729 <b>Email:</b> <a href="mailto:christine.brain@westsuffolk.gov.uk">christine.brain@westsuffolk.gov.uk</a>									

<b>5.00PM</b>	Informal discussions with St Edmundsbury Borough Council’s Performance and Audit Scrutiny Committee on the three substantive items listed below under Items 5 to 7 inclusive, to be held in <b><u>Conference Chamber West.</u></b>
<b>5.30PM</b>	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 <b><u>Conference Chamber East.</u></b>

All Members of St Edmundsbury Borough Council’s Performance and Audit Scrutiny Committee will be in attendance to enable informal discussions on the reports listed in Items 5 to 7 below to take place between the two authorities.

**COUNCILLORS**

Conservative Members (8)	Sarah Broughton Betty McLatchy Paula Wade	Carol Bull Karen Richardson Patricia Warby	Beccy Hopfensperger Peter Thompson
--------------------------	---	--	---------------------------------------

Charter Member (1) David Nettleton

UKIP Member (1) Barry Robbins

**SUBSTITUTES**

Conservative Members (3)	Jeremy Farthing	David Roach	Ivor McLatchy
--------------------------	-----------------	-------------	---------------

Charter Member (1) Diane Hind

UKIP Member (1) John Burns

On the conclusion of the informal joint discussions, Members of Forest Heath’s Performance and Audit Scrutiny Committee will withdraw from Conference Chamber West to **Conference Chamber East** to hold their formal meeting as follows:

# Public Information

<b>Venue:</b>	<b>West Suffolk House</b> Western Way Bury St Edmunds Suffolk, IP33 3YU	Tel: 01284 763233 Email: <a href="mailto:democratic.services@westsuffolk.gov.uk">democratic.services@westsuffolk.gov.uk</a> Web: <a href="http://www.westsuffolk.gov.uk">www.westsuffolk.gov.uk</a>
<b>Access to agenda and reports before the meeting:</b>	Copies of the agenda and reports are open for public inspection at the above address and at Forest Heath District Council, Mildenhall at least five clear days before the meeting. They are also available to view on our website.	
<b>Attendance at meetings:</b>	The Council actively welcomes members of the public and the press to attend its meetings and holds as many of its meetings as possible in public.	
<b>Public speaking:</b>	<p>Members of the public who live or work in West Suffolk are invited to put one question or 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.</p> <p>A person who wishes to speak must register at least 15 minutes before the time the meeting is scheduled to start.</p> <p>There is an overall time limit of 15 minutes for public speaking, which may be extended at the Chairman's discretion.</p>	
<b>Disabled access:</b>	<p>West Suffolk House has facilities for people with mobility impairments including a lift and wheelchair accessible WCs. However in the event of an emergency use of the lift is restricted for health and safety reasons.</p> <p>Visitors parking is at the car park at the front of the building and there are a number of accessible spaces.</p>	
<b>Induction loop:</b>	An Induction loop is available for meetings held in the Conference Chamber and some other meeting rooms.	
<b>Recording of meetings:</b>	<p>The Council may record this meeting and permits members of the public and media to record or broadcast it as well (when the media and public are not lawfully excluded).</p> <p>Any member of the public who attends a meeting and objects to being filmed should advise the Committee Administrator who will instruct that they are not included in the filming.</p>	

**Agenda**  
**Procedural Matters**  
**Part 1(A) - Public**

- 1. Substitutes**
- 2. Apologies for Absence**
- 3. Minutes** **1 - 8**

To confirm the minutes of the meeting held on 25 May 2016 (copy attached).
- 4. Public Participation**

Members of the public who live or work in Forest Heath are invited to put one question/statement of not more than 3 minutes duration relating to items to be discussed in Part 1 of the agenda only. If a question is asked and answered within 3 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.

*(Following the informal discussions held with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee on Items 5 to 7 below, Members are reminded that no further debate shall take place. However, Members are requested to either formally note/resolve Items 5 to 7 below).*
- 5. Balanced Scorecard and Quarter 1 Performance Report 2016-2017** **9 - 24**

Report No: **PAS/FH/16/015**  
*(For reference purposes, St Edmundsbury Borough Council's Report Number is PAS/SE/16/013)*
- 6. West Suffolk Strategic Risk Register Monitoring Report - June 2016** **25 - 40**

Report No: **PAS/FH/16/016**  
*(For reference purposes, St Edmundsbury Borough Council's Report Number is PAS/SE/16/014)*
- 7. Work Programme Update** **41 - 46**

Report No: **PAS/FH/16/017**  
*(For reference purposes, St Edmundsbury Borough Council's Report Number is PAS/SE/16/015)*

**Part 1(B) – Public**

- |           |   |                |
|-----------|---|----------------|
| <b>8.</b> | <b>Financial Performance Report (Revenue and Capital) -<br/>Quarter 1 (April to June 2016)</b>      | <b>47 - 66</b> |
|           | Report No: <b>PAS/FH/16/018</b>   |                |
| <b>9.</b> | <b>Annual Treasury Management Report 2015-2016 and<br/>Investment Activity (April to June 2016)</b> | <b>67 - 92</b> |
|           | Report No: <b>PAS/FH/16/019</b>   |                |

This page is intentionally left blank

# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

**Notes of Informal Discussions held on Wednesday 25 May 2016 at  
5.00pm in Conference Chamber West, at West Suffolk House,  
Western Way, Bury St Edmunds**

PRESENT: St Edmundsbury Borough Council (SEBC)

Councillors Sarah Broughton, Beccy Hopfensperger, Betty McLatchy, David Nettleton, Karen Richardson, Barry Robbins, Peter Thompson, Paula Wade and Patricia Warby.

Forest Heath District Council (FHDC)

Councillor Louis Busuttil  
(Chairman for the informal discussions)

Councillors Simon Cole, Louise Marston, Christine Mason, Bill Sadler and Peter Ridgwell.

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

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

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

- (1) Internal Audit Annual Report (2015-2016) and Outline Internal Audit Plan (2016-2017).
- (2) Balanced Scorecards and Quarter 4 Performance Report 2015-2016.
- (3) West Suffolk Strategic Risk Register Quarterly Monitoring Report – March 2016.
- (4) 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 – 4 above. On this occasion however, there were no questions/statements from members of the public.

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

1. **Internal Audit Annual Report (2015-2016) and Outline Internal Audit Plan (2016-2017)**

*(Councillor Beccy Hopfensperger arrived at 5.06pm during the consideration of this item).*

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 across West Suffolk (Appendix A) and provided details of the Outline Internal Audit Plan for 2016-2017 (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, including relevant completed checklists (Appendix B).

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

Members scrutinised the report and asked questions to which officers responded. In particular members discussed the definition of large write-offs, which members were advised was defined in the Council's Constitution.

2. **Balanced Scorecards Quarter 4 Performance Report 2015-2016**

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 2015-2016 and an overview of performance against those indicators for the fourth quarter of 2015-2016. The six balanced scorecards (attached at Appendices A to F) were linked to the Head of Service areas, which presented the fourth 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 first and second quarters of the 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. As a result of this, four service areas were now achieving over 90% performance on invoices paid within 30 days.

Members considered the report and did not raise any issues.

3. **West Suffolk Strategic Risk Register Quarterly Monitoring Report – March 2016**

The Service Manager (Resources 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 March 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 March 2016 had been removed from the Register. There had been no new risks or amendments made to any existing risks or any existing risks closed since the Strategic Risk Register was last reported to the Committee.

Members considered the report and did not raise any issues.

4. **Work Programme Update**

The Head of Resources and Performance presented the report, which provided information on the current status of each Committee’s Work Programme for 2016-2017.

Members considered the report and did not raise any issues.

On the conclusion of the informal joint discussions at 5.16pm, Members of Forest Heath District Council’s Performance and Audit Scrutiny Committee withdrew from Conference Chamber West to Conference Chamber East to hold their formal meeting.

The Chairman then formally opened the Forest Heath District Council’s Performance and Audit Scrutiny Committee in Conference Chamber East at 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 25 May 2016** at **5.30 pm** in the **Conference Chamber East, West Suffolk House, Western Way, Bury St Edmunds, IP33 3YU**

Present: **Councillors**

**Chairman** Louis Busuttil

Simon Cole  
Louise Marston  
Christine Mason

Peter Ridgwell  
Bill Sadler

**By Invitation:**

Stephen Edwards

Portfolio Holder for Resources and  
Performance

## 87. **Substitutes**

There were no substitutes declared.

## 88. **Apologies for Absence**

Apologies for absence were received from Councillors Michael Anderson and Colin Noble.

Councillor John Bloodworth was also unable to attend the meeting.

## 89. **Minutes**

The minutes of the meeting held on 28 January 2016, were unanimously accepted by the Committee as an accurate record and signed by the Chairman.

## 90. **Public Participation**

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

## 91. **Internal Audit Annual Report (2015-2016) and Outline Internal Audit Plan (2016-2017) (Report No: PAS/FH/16/008)**

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/16/008.

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

With the vote being unanimous, it was

**RESOLVED:**

That:-

1. The Internal Audit Plan for 2016-2017, attached as Appendix C to Report No: PAS/FH/16/008, 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 2015-2016 and the Managing the Risk of Fraud, Theft and Corruption Report, as set out in Appendices A and D to Report No: PAS/FH/16/008, be noted.

92. **Balanced Scorecards Quarter 4 Performance Report 2015-2016 (Report No: PAS/FH/16/009)**

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/16/009.

Members has scrutinised the report and there being no decision required, the Committee **noted** the Council's performance using the Balanced Scorecards for Quarter 4, 2015-2016.

93. **West Suffolk Strategic Risk Register Quarterly Monitoring Report - March 2016 (Report No: PAS/FH/16/010)**

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/16/010.

Members had scrutinised the report and there being no decision required, the Committee **noted** the contents of the Quarter 4 West Suffolk Risk Register monitoring report.

94. **Work Programme Update (Report No: PAS/FH/16/011)**

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/16/011.

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

95. **Ernst and Young - Certification of Claims and Returns Annual Report (2014-2015) (Report No: PAS/FH/16/012)**

The Committee received Report No: PAS/FH/16/012, which updated members on the outcome of the annual audit of grant claims by Ernst and Young (EY) as detailed in their Certification of Claims and Returns Annual Report 2014-2015, attached as Appendix A.

Mark Hodgson, Executive Director from EY presented this report, which summarised the results of the certification work that had been undertaken by EY by staff 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. Mark also drew relevant details from the report to Members' attention and explained the one claim relating to the Housing Benefits Subsidy Claim.

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

96. **Ernst and Young - Presentation of the External Audit Plan and Fees 2015-2016 and 2016-2017 Indicative Fees (Report No: PAS/FH/16/013)**

The Committee received Report No: PAS/FH/16/013, 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 approach and scope for the 2015-2016 audit along with the planned fees to complete the work. The report also provided the Committee with a basis to review the 2016-2017 indicative fees (Appendix B).

Mark Hodgson 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 2016. Mark also drew member's attention to the financial statement risks; the value for money conclusion; and the indicative audit fee for 2016-2017 and how the scale fee was based.

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

97. **Financial Outturn Report (Revenue and Capital) 2015-2016 (Report No: PAS/FH/16/014)**

The Committee received Report No: PAS/FH/16/014, which updated Members on the 2015-2016 outturn revenue and capital position. Attached at Appendix A was the revenue outturn position as at 31 March 2016, which

currently showed an outturn break-even position. An analysis of revenue variances for 2015-2016 was attached as Appendix B.

Attached as Appendix C was the Council's capital outturn position. The Council had spent £5,881,404 of its capital budget of £11,668,584 as at 31 March 2016, which showed a net underspend of £5,787,180.

Appendix D to the report set out a summary of the earmarked reserves for the year 2015-2016.

The Committee then scrutinised the report and asked questions to which Officers duly responded. In particular, a Member raised the issue of land drainage rates and asked whether any reimbursements were available from Central Government. The Head of Resources and Performance stated that no separately identified amount was included within the Council's finance settlement from central Government. However, this point would be fed back to central Government for future consideration (such as Business Rates Retention Scheme).

There being no decision required, the Committee **noted** the 2015-2016 outturn revenue and capital outturn positions as set out in Appendices A and C to Report No: PAS/FH/16/014.

The Meeting concluded at 6.00 pm

**Signed by:**

**Chairman**

---

This page is intentionally left blank

# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Balanced Scorecard and Quarter 1 Performance report 2016-2017</b>	
<b>Report No:</b>	<b>PAS/FH/16/015</b>	
<b>Report to and date:</b>	<b>Performance and Audit Scrutiny Committee</b>	27 July 2016
<b>Portfolio holder:</b>	Steven Edwards Portfolio Holder for Resources and Performance <b>Tel:</b> 01638 660518 <b>Email:</b> <a href="mailto:steven.edwards@forest-heath.gov.uk">steven.edwards@forest-heath.gov.uk</a>	
<b>Lead officer:</b>	Rachael Mann Head of Resources and Performance <b>Tel:</b> 01638 719245 <b>Email:</b> <a href="mailto:rachael.mann@westsuffolk.gov.uk">rachael.mann@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	This report sets out the West Suffolk Balanced Scorecards being used to measure the Council's performance for 2016-17 and an overview of performance against those indicators for the first quarter of 2016-17.	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>Members are requested to review the Council's performance using Balanced Scorecards for Quarter 1, 2016-2017 and identify any further information required or make recommendations where remedial action or attention is required to address the Council's performance.</b>	

<b>Key Decision:</b> <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>		<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
<b>Consultation:</b>		<ul style="list-style-type: none"> <li>This report has been prepared in consultation with all relevant staff and Leadership Team.</li> </ul>	
<b>Alternative option(s):</b>		<ul style="list-style-type: none"> <li>The option of doing nothing may result in poor performance, monitoring performance can highlight where remedial action may be needed</li> </ul>	
<b>Implications:</b>			
<i>Are there any <b>financial</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li>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.</li> </ul>	
<i>Are there any <b>staffing</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
<i>Are there any <b>ICT</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
<i>Are there any <b>legal and/or policy</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li>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.</li> </ul>	
<i>Are there any <b>equality</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
	Low/Medium/ High*		Low/Medium/ High*
Failure to achieve optimum or target performance which may impact on resources	High	Regular reporting of performance to Joint Leadership Team, Portfolio Holders and to PASC can highlight where remedial action may be needed.	Medium
<b>Ward(s) affected:</b>		All Ward	
<b>Background papers:</b>		None	



<b>Documents attached:</b>	Appendix A – 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
----------------------------	--

---

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

### **1.1 Performance Measures**

- 1.1.1 Attached at **Appendices A to F** are the current Balanced Scorecards (based on Head of Service area) which present Quarter 1 2016/17 performance. 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 rating, details of this are highlighted in the comments box.
- 1.1.2 The information included in the report has been provided by Heads of Service and service managers. Most indicators report performance against an agreed target using a traffic light system with additional commentary provided for performance indicators below optimum performance. Other KPIs report a data value only (e.g. no target performance) in order to track performance over time.

### **1.2 Quarter 1 Performance**

- 1.2.1 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". In the previous financial year, against these indicators, almost all service areas had 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.
- 1.2.2 The finance and performance team have been 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 taken place to help improve debt collection performance.
- 1.2.3 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 month of June, with two service areas being over 95%.

		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	(£20,731.00)	-	M	Cumulative		See budget monitoring for more details.	SATISFACTION	Number of formal complaints	9	No Target	B	Period only		All relating to ARP	
		Year end forecast variance (under) / over spend against budget - SEBC	£ 329,893.00	-	M	Cumulative		See budget monitoring for more details.		Number of formal compliments	0	No Target	B	Period only			
		Income generated from SLAs	(£45,970.07)	(£116,916.00)	M	Cumulative		Most SLA income relating to ARP will be received at the end of the year	CUSTOMERS	ORGANISATIONAL	Organisational year end forecast variance (under) / over spend against budget - FHDC *	£ 865.00	-	M	Cumulative		See budget monitoring for more details.
		% return on the investment of reserves and balances - FHDC	0.99	1.50	Q	Cumulative		Due to increase in short term investments			Organisational year end forecast variance (under) / over spend against budget - SEBC *	(£176,017.00)	-	M	Cumulative		See budget monitoring for more details.
		% return on the investment of reserves and balances - SEBC	0.87	0.90	Q	Cumulative		Please enter a comment to explain variance			Total income generated by organisation £ *	(£7,275,995.74)	(£7,005,907.97)	M	Cumulative		
	FINANCE & PERFORMANCE	% of non-disputed invoices paid within 30 days	98.26	95.00	M	Period only		115 invoices processed in June.	% of total non-disputed invoices paid within 30 days *	93.17	95.00	M	Cumulative		1,318 invoices processed in June.		
		% of debt over 90 days old	17.97	10.00	M	Cumulative		FHDC debt £0.00 - 0.00% over 90 days. SEBC debt £1,769.50 - 17.97% over 90 days.	% of total debt over 90 days old *	62.25	10.00	M	Cumulative		FHDC debt £111,792.86 - 63.70% over 90 days. SEBC debt £446,661.31 - 61.89% over 90 days.		

		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	Q	Period only		This indicator is currently being developed	OUTCOMES	ARP	% Collection of Council Tax - FHDC	29.12	29.08	M	Cumulative		The amount collected as at end of June 2016 is £7,743,192
		ICT	% of ICT Helpdesk calls completed 'on time' as defined in SLAs	94.76	90.00	Q	Period only					% Collection of Council Tax - SEBC	29.60	29.43	M	Cumulative	
	ARP		Days taken to process Housing Benefit new claims and changes - FHDC	7.40	8.00	M	Period only					% Collection of Business Rates - FHDC	29.86	28.49	M	Cumulative	
			Days taken to process Housing Benefit new claims and changes - SEBC	6.80	8.00	M	Period only					% Collection of Business Rates - SEBC	30.75	31.08	M	Cumulative	
										BUSINESS RATES	Business Rate Growth - FHDC	22,947,002	22,143,933	M	Cumulative		This is the forecast business rates figure. FHDC will receive 40% share of growth, which will be £321,204 based on this forecast.
											Business Rate Growth - SEBC	47,382,408	45,886,675	M	Cumulative		This is the forecast business rates figure. SEBC will receive 40% share of growth which will be £598,293 based on this forecast.

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

RISK	RISK ID NUMBER	Type	Title	Description - What are we trying to avoid?	WS Inherent Risk	WS Residual Risk	Last updated
	WS1 A	Financial	Poor financial management	Failure in specific areas to achieve projected income, or expenditure exceeds the approved budgets (revenue or capital).	Probability - 3; Impact - 5	Probability - 2; Impact - 3	June 2016
	WS1 B	Financial	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 MTF5 theme such as behaving more commercially or being an investing authority.	Probability - 3; Impact - 4	Probability - 2; Impact - 4	June 2016
	WS6 (on all scorecards)	Political	Managing public / councillor expectations with less resources	Falling short of providing the level of service that the public and councillors expect and demand.	Probability - 5; Impact - 4	Probability - 3; Impact - 4	June 2016
	WS7	Technological / Financial / Customer	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.	Probability - 4; Impact - 4	Probability - 3; Impact - 4	June 2016
	WS7a	Technological	ICT integration	Integration of ICT across services and systems not being achieved.	Probability - 4; Impact - 4	Probability - 3; Impact - 4	June 2016
	WS11	Economic / Financial / Competitive	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.	Probability - 4; Impact - 4	Probability - 3; Impact - 3	June 2016
	WS13	Partnership / Financial	Partner / Public Sector failure	Partners or partnerships failing; cost shunting (transfer of costs between partners); partnerships not achieving desired outcomes.	Probability - 4; Impact - 4	Probability - 3; Impact - 4	June 2016
	WS14 (on all scorecards)	Physical / Social / Legal	Service failure through unplanned events	Reduced level or failure to deliver services to both internal and external clients due to unforeseen events.	Probability - 3; Impact - 4	Probability - 2; Impact - 2	June 2016
	WS18	Customer / Financial / Professional	Managing poor performance	Risk of individual services having below par performance levels and possible dips in performance while establishing new service models.	Probability - 4; Impact - 4	Probability - 3; Impact - 3	June 2016

This page is intentionally left blank

		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	7,709.00	-	M	Cumulative		See budget monitoring for more details.	CUSTOMERS	SATISFACTION	% Customer satisfaction with customer service - overall journey	50.00	80.00	Q	Period only		The drop in customer satisfaction is due to feedback regarding Garden Waste charges and difficulties with the Housing Options Homelink website in May / June.
		Year end forecast variance (under) / over spend against budget - SEBC	11,253.00	-	M	Cumulative		See budget monitoring for more details.			Number of formal complaints	0	No target	B	Period only		
		% of non-disputed invoices paid within 30 days	94.34	95.00	M	Cumulative		53 invoices processed in June.			Number of formal compliments	8	No target	B	Cumulative		Customer Services - 8
		% of debt over 90 days old	0.00	10.00	M	Cumulative		FHDC debt £0 - 0% over 90 days. SEBC debt £0 - 0% over 90 days.									
		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	35,488	29,500	M	Period only		Aim to maximise.	OUTCOMES	CUSTOMER SERVICES	% of issues resolved at first point of contact with Customer Services - telephone	95.00	80.00	M	Cumulative		
		Number of unique page views to the West Suffolk councils website	110,445	150,000	M	Period only		Aim to maximise.			% of issues resolved at first point of contact with Customer Services - face to face	84.00	80.00	M	Cumulative		
		Number of online forms completed	3,201	1,250	M	Period only		Online totals have increased due to the popularity of the Garden Waste subscription scheme.									
		Number of page views to the West Suffolk intranet	371,421	123,500	M	Period only		The top 10 Intranet pages have all seen an increase.									
	CUSTOMER SERVICES	% of telephone calls answered	83.00	90.00	Q	Period only		The was a 44% increase in the total number of calls received in Q1 in comparison to the same period last year (Q1 2015-16, 38,162 calls received / Q1 2016-17, 54,916 calls received). The uplift in calls was due to the unprecedented interest in the Garden Waste subscription service, EU referendum queries and queries due to difficulties with the Housing Options Homelink website in May / June.									
		Number of face to face contacts (not including visitor management)	5,443	6,000	M	Period only											

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

RISK	RISK ID NUMBER	Type	Title	Description - What are we trying to avoid?	WS Inherent Risk	WS Residual Risk	Last updated
	WS2	Customer	Maintain and promote our public image, maintain effective communications	Council services and decisions being misrepresented in the media (including social media) which undermines public trust and confidence. Councils' 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.	Probability - 3; Impact - 3	Probability - 3; Impact - 2	June 2016
	WS3	Customer	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.	Probability - 3; Impact - 4	Probability - 2; Impact - 4	June 2016
	WS6 (on all scorecards)	Political	Managing public / councillor expectations with less resources	Falling short of providing the level of service that the public and councillors expect and demand.	Probability - 4; Impact - 5	Probability - 3; Impact - 4	June 2016
	WS8a	Political / Social	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.	Probability - 4; Impact - 5	Probability - 3; Impact - 4	June 2016
	WS14 (on all scorecards)	Physical / Social / Legal	Service failure through unplanned events	Reduced level or failure to deliver services to both internal and external clients due to unforeseen events.	Probability - 3; Impact - 4	Probability - 2; Impact - 2	June 2016
	WS19	Economic / Social	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.	Probability - 4; Impact - 2	Probability - 2; Impact - 2	June 2016

This page is intentionally left blank

		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments		
RESOURCES	FINANCIAL	Year end forecast variance against budget - FHDC	(£14,166.00)	-	M	Cumulative		See budget monitoring for more details	CUSTOMERS	SATISFACTION	Number of formal complaints	0	No target	B	Period only		No complaints in this period.
		Year end forecast variance against budget - SEBC	(£12,512.00)	-	M	Cumulative		See budget monitoring for more details			Number of formal compliments	0	No target	B	Period only		No compliments in this period.
		% of non-disputed invoices paid within 30 days	100.00	95.00	M	Cumulative		40 invoices processed in June.		% on-line electoral registration *	98.00	95.00	A	Cumulative			
		% of debt over 90 days old	100.00	10.00	M	Cumulative		3 Invoices in total, all in dispute. FHDC debt £2,740.69 - 100.00% over 90 days. SEBC debt £1,041.60 - 100.00% over 90 days.		Customer Services % of answered calls - elections	75.00	90.00	Q	Cumulative		The Customer Service Team handled the equivalent of one years Elections call volumes in one quarter. (2015-16 yearly Elections volumes, 7,535 / Q1 2016-17 7,557). The uplift in calls due to the unprecedented interest in the EU referendum.	
	STAFF	Average number of sick days lost per FTE per annum*	6.81	6.50	Q	Cumulative											
		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments		
INTERNAL PROCESSES	HR	Time taken to complete recruitment process - advert to offer (days)	21.76	35.00	Q	Period only			OUTCOMES	HUMAN RESOURCES	% Voluntary staff turnover *	9.06	7-12	Q	Cumulative		
								% successful staff appointments *			100.00	85.00	Q	Cumulative			
										HEALTH & SAFETY	Reported incidence of injuries, diseases and dangerous occurrences *	0	10	Q	Cumulative		No reported incidents

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

RISK	RISK ID NUMBER	Type	Title	Description - What are we trying to avoid?	WS Inherent Risk	WS Residual Risk	Last updated
	WS4	Professional	Staff retention (professional staff / technical staff). Staff	Lack of staff skills, experience and capacity could prevent delivery of services and high levels of performance. Failure to have	Probability - 5; Impact - 4	Probability - 3; Impact - 4	June 2016
	WS6 (on all scorecards)	Political	Managing public / councillor expectations with less resources	Falling short of providing the level of service that the public and councillors expect and demand.	Probability - 5; Impact - 4	Probability - 3; Impact - 4	June 2016
	WS14 (on all scorecards)	Physical / Social / Legal	Service failure through unplanned events	Reduced level or failure to deliver services to both internal and external clients due to unforeseen events.	Probability - 3; Impact - 4	Probability - 2; Impact - 2	June 2016
	WS16	Legal	Breach of data protection and information security	Failure to ensure the accuracy and control of data. Not using good practice when handling data. Damage to council's	Probability - 4; Impact - 4	Probability - 2; Impact - 3	June 2016
	WS20	Physical	Implementation of the Corporate Health and Safety	Failure to ensure the safety and well being of staff. Failure to provide safe and healthy environment for visitors and the	Probability - 2; Impact - 5	Probability - 1; Impact - 5	June 2016

This page is intentionally left blank



		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	£ 92,976.00	0.00	M	Cumulative		See budget monitoring for more details.	CUSTOMERS	SATISFACTION	Number of formal complaints	15	No target	B	Period only	Planning - 13, Licensing - 1, Land Charges - 1	
		Year end forecast variance (under) / over spend against budget - SEBC	£ 129,314.00	0.00	M	Cumulative		See budget monitoring for more details.			Number of formal compliments	27	No target	B	Period only	Building Control - 4, Planning - 14, Land Charges - 2, Enforcement - 3, Regulatory - 4	
		Spend on professional fees in relation to planning appeals	£ 7,000	No Target	M	Cumulative		Various expenditure, anticipating higher costs in quarter 2 due to appeals in the pipeline.									
		Income received against budget	(£691,848.00)	(£696,885.75)	M	Cumulative		Currently on target for income received in the first quarter.									
		% of non-disputed invoices paid within 30 days	98.26	95.00	M	Cumulative		115 invoices processed in June.									
		% of debt over 90 days old	45.51	10.00	M	Period only		FHDC total debt £4,647.50 - 59.82% over 90 days. SEBC total debt £3,109.53 - 24.12% over 90 days.									
		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	89.00	60.00	M	Period only		FHDC - 2 applications determined, 2 in time - 100%. SEBC - 7 applications determined, 6 in time - 85.71%	OUTCOMES	ARP	New and existing businesses benefitting from the Council's Business Grant schemes	0	Data missing	Q	Cumulative	No grants were made in this quarter due to the money allocated to MENTA being fully utilised.	
		% of minor planning applications determined within 8 weeks	77.00	65.00	M	Period only		FHDC - 11 applications determined, 9 in time - 81.82%. SEBC - 15 applications determined, 11 in time - 73.33%			Renewable energy generated on Council properties (KWh)	185,112	No Target	Q	Cumulative	The 13% reduction on the equivalent 2015/16 generation figure is predominantly weather related.	
		% of other planning applications determined within 8 weeks	78.00	80.00	M	Period only		FHDC - 24 applications determined, 22 in time - 91.67%. SEBC - 87 applications determined, 65 in time - 74.71%			Number of solar PV rent-a-roof schemes delivered	0	No Target	Q	Cumulative	No sites have come forward for this quarter	
	PLANNING ENFORCEMENT	Number of new enforcement cases opened	44	No Target	M	Period only		There were 28 cases opened in SEBC and 16 cases opened in FHDC			% of food businesses receiving a top food hygiene rating (rating of 5)	79.00	60.00	Q	Cumulative		
		Number of enforcement cases closed	27	No Target	M	Period only		There were 17 cases closed in SEBC and 10 cases closed in FHDC									
		Total number of enforcement cases open	282	No Target	M	Period only		There were 187 open cases in SEBC and 95 open cases in FHDC									

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

RISK	RISK ID NUMBER	Type	Title	Description - What are we trying to avoid?	WS Inherent Risk	WS Residual Risk	Last updated
	WS6 (on all scorecards)	Political	Managing public / councillor expectations with less resources	Falling short of providing the level of service that the public and councillors expect and demand.	Probability - 5; Impact - 4	Probability - 3; Impact - 4	June 2016
WS8b	Political / Social	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.	Probability - 4; Impact - 5	Probability - 3; Impact - 4	June 2016	
WS14 (on all scorecards)	Physical / Social / Legal	Service failure through unplanned events	Reduced level or failure to deliver services to both internal and external clients due to unforeseen events.	Probability - 3; Impact - 4	Probability - 2; Impact - 2	June 2016	
WS12	Partnership	Loss of a key employer (for example USAFE, Racing Industry, Greene King, WS Hospital, Centre Parcs, British Sugar) - See WS2 for USAFE	Failure to retain major employers in the area and the economic impact that it would have	Probability - 3; Impact - 5	Probability - 2; Impact - 5	June 2016	
WS22	Economic / Social	Effects of the closure of RAF Mildenhall	Negative impact on the local economy, families and community or the housing market	Probability - 5; Impact - 4	Probability - 5; Impact - 2	June 2016	

This page is intentionally left blank

FY 2016 - 2017

WEST SUFFOLK - OPERATIONS BALANCED SCORECARD

Appendix E

MONTH Jun 16 QUARTER Apr 16 - Jun 16

HALF YEARLY Oct 15 - Mar 16

\* These indicators are at organisational level ANNUAL


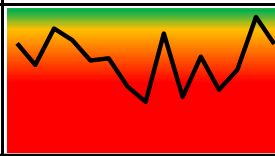
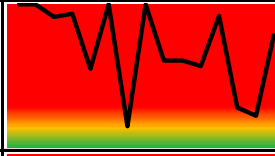
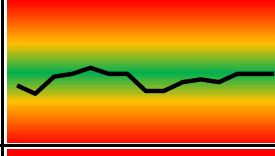
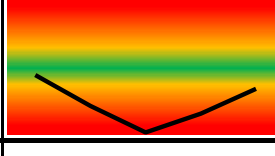
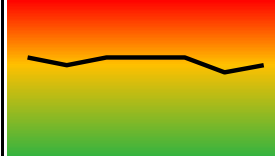

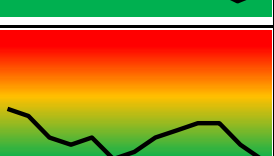
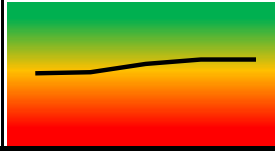
Apr 15 - Mar 16

		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments		
RESOURCES	FINANCIAL	Year end forecast variance against budget - FHDC	£ 15,048.00	-	M	Cumulative		See budget monitoring for more details.	CUSTOMERS	SATISFACTION	Number of formal complaints	9	No target	B	Period only	Waste - 1, Parks - 3, Property - 4, Parking - 1	
		Year end forecast variance against budget - SEBC	(£556,345.00)	-	M	Cumulative		See budget monitoring for more details.			Number of formal compliments	43	No target	B	Period only	Landscapes - 3, Waste - 32, Parking - 1, Property - 4, Parks - 3	
		Income from entire property portfolio	(£979,814.56)	(£963,347.00)	M	Cumulative				% of calls answered - Waste	85.00	90.00	Q	Period only		This drop in performance is due to the Customer Service Team having to answer an additional 5,500 calls for the Garden Waste subscription scheme in Q1 alongside increased call volumes for Elections and Housing.	
		Income from waste & street scene services	(£1,584,016.11)	(£1,420,974.00)	M	Cumulative				% of calls answered - Apex Box Office	87.00	90.00	Q	Period only		A 44% increase in the total number of calls received by the Customer Service Team for Q1 in comparison to the same period last year has resulted in a drop in the call answer rate for the Apex.	
		% of non-disputed invoices paid within 30 days	92.71	95.00	M	Cumulative		974 invoices processed in June.									
		% of debt over 90 days old	61.80	10.00	M	Period only		FHDC debt £97,969.29 - 60.49% over 90 days. SEBC debt £431,976.78 - 62.09% over 90 days.									
		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments		
INTERNAL PROCESSES	WASTE MANAGEMENT	Number of household bins not collected as scheduled -per 10,000 properties	6.17	8.25	M	Period only			OUTCOMES	WASTE MANAGEMENT	% of household waste recycled and composted	41.82	51.00	Q	Cumulative	Reduction in % recycled due to less compostable waste being collected - target to be reviewed.	
																Residual household waste lower in Q1 of 2016/17 compared to the same period in 2015/16 (140kg compared to 144kg).	
											PROPERTY	% of industrial units that are vacant	6.67	8.25	M	Cumulative	

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

RISK	RISK ID NUMBER	Type	Title	Description - What are we trying to avoid?	WS Inherent Risk	WS Residual Risk	Last updated
	WS6 (on all scorecards)	Political	Managing public / councillor expectations with less resources	Falling short of providing the level of service that the public and councillors expect and demand.	Probability - 5; Impact - 4	Probability - 3; Impact - 4	June 2016
WS14 (on all scorecards)	Physical / Social / Legal	Service failure through unplanned events	Reduced level or failure to deliver services to both internal and external clients due to unforeseen events.	Probability - 3; Impact - 4	Probability - 2; Impact - 2	June 2016	

This page is intentionally left blank

		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	(£10,251.00)	-	M	Cumulative		See budget outturn report for more details.	CUSTOMERS	SATISFACTION	Number of formal complaints	7	No target	B	Period only		Housing Standards 1, Housing Options 6
		Year end forecast variance (under) / over spend against budget - SEBC	£ 14,323.00	-	M	Cumulative		See budget outturn report for more details.			Number of formal compliments	1	No target	B	Period only		Housing Options
		DFG mandatory grants paid £	£ 14,653.00	£ 210,300.00	M	Cumulative		The HIA service didn't 'go live' until 1 May 16 . Work is ongoing to monitor/improve the performance, along with the approach to delivery and securing of sufficient funding.		SERVICE	Customer Services % of answered calls - housing	80.00	90.00	Q	Cumulative		48% uplift in Housing calls for Q1 in comparison to the same period last year has resulted in a drop in the answering rate (Q1 2015-16, 3,485 calls received / Q1 2016-17, 5,158 calls received). The uplift in calls was due to difficulties with the Housing Options Homelink website in May / June and increased call volumes for the Garden Waste subscription service and EU referendum.
		% of non-disputed invoices paid within 30 days	90.20	95.00	M	Cumulative		51 invoices processed in June.			% Private Rented Sector properties with rent at or below the Local Housing Allowance Rate	4.00	4.00	Q	Cumulative		
		% of debt over 90 days old	79.54	10.00	M	Cumulative		FHDC debt £6,412.14 - 100.00% over 90 days. SEBC debt £6,637.90 - 59.78% over 90 days.									
		STAFF	Cases per member of staff - Housing Options	24.00	20-30	M	Period only			Within target range despite increasing complexity and new computer system being introduced							
		Cases per member of staff - Housing Standards	42.00	50-60	Q	Cumulative		Monitoring is ongoing so that cases are managed effectively, updated and closed within appropriate timeframes, to enable the team to deliver.									
		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments		
INTERNAL PROCESSES	HUMAN RESOURCES	Average time taken to make decisions on homelessness applications (days)	16	14	Q	Period only		No change from last quarter. Currently looking at processes to see whether the target of 14 is actually achievable due to increasing complexity of cases and the need for further checks.	OUTCOMES	HOUSING OPTIONS	Numbers in Bands A & B	883	1,300	M	Cumulative		Within target range.
		Additional housing units registered with WSLP	13	15	Q	Period only		Securing additional units continues to prove to be difficult due to pressure in the private rented sector. Project review currently underway			Household numbers in B&B	2	10	M	Cumulative		B&B is only used for very short term emergencies since increase in temporary accommodation available to the council.
	STRATEGIC HOUSING	Empty properties brought back into use through Council intervention	5	2	Q	Period only		A number of properties are now being considered for further enforcement actions, with the background work being carried out to facilitate this.		STRATEGIC HOUSING	Number of new affordable homes delivered available for occupation	51	55	Q	Cumulative		Completion dates for the units at Barrow were expected to be this quarter but only 2 were sold. The remaining 4 should be next month.
	% of units that are affordable on S106 sites	30.00	30.00	Q	Period only		We continue to secure 30% target figure	HOUSING STANDARD S		Private sector Properties brought up to standard	17	15	Q	Cumulative		All private rented houses reflecting timely enforcement actions following work that has been ongoing to make homes safe for tenants.	

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

RISK	RISK ID NUMBER	Type	Title	Description - What are we trying to avoid?	WS Inherent Risk	WS Residual Risk	Last updated
	WS6 (on all scorecards)	Political	Managing public / councillor expectations with less resources	Falling short of providing the level of service that the public and councillors expect and demand.	Probability - 5; Impact - 4	Probability - 3; Impact - 4	June 2016
	WS8c	Political / Social	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.	Probability - 5; Impact - 5	Probability - 4; Impact - 4	June 2016
	WS14 (on all scorecards)	Physical / Social / Legal	Service failure through unplanned events	Reduced level or failure to deliver services to both internal and external clients due to unforeseen events.	Probability - 3; Impact - 4	Probability - 2; Impact - 2	June 2016
	WS21	Social / Legal	Safeguarding children and vulnerable adults	Children and vulnerable adults being treated in an improper manner and not in accordance with legislation.	Probability - 3; Impact - 4	Probability - 2; Impact - 4	June 2016

This page is intentionally left blank

# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>West Suffolk Strategic Risk Register Quarterly Report – June 2016</b>	
<b>Report No:</b>	<b>PAS/FH/16/016</b>	
<b>Report to and date:</b>	<b>Performance and Audit Scrutiny Committee</b>	27 July 2016
<b>Portfolio holder:</b>	Stephen Edwards Portfolio Holder for Resources and Performance <b>Tel:</b> 01638 660158 <b>Email:</b> <a href="mailto:stephen.edwards@forest-heath.gov.uk">stephen.edwards@forest-heath.gov.uk</a>	
<b>Lead officer:</b>	Joanne Howlett Service Manager (Finance and Performance) <b>Tel:</b> 01284 757264 <b>Email:</b> <a href="mailto:joanne.howlett@westsuffolk.gov.uk">joanne.howlett@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	To review the West Suffolk Strategic Risk Register Quarterly Monitoring Report	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>It is <u>RECOMMENDED</u> that Members scrutinise the updated West Suffolk Strategic Risk Register at Appendix 1 and refer any major issues requiring attention to Cabinet.</b>	
<b>Key Decision:</b>  <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
<b>Consultation:</b>	• <b>Not Applicable</b>	
<b>Alternative option(s):</b>	• <b>Not Applicable</b>	

<b>Implications:</b>			
Are there any <b>financial</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li>There are no direct financial or budget implications arising from this report. Specific risks associated with finance and resources are included in the West Suffolk Strategic Risk Register at Appendix 1</li> </ul>	
Are there any <b>staffing</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
Are there any <b>ICT</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
Are there any <b>legal and/or policy</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
Are there any <b>equality</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
See individual assessments against each risk as detailed in Appendix 1			
<b>Ward(s) affected:</b>		All Wards	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		None	
<b>Documents attached:</b>		Appendix 1 - West Suffolk Strategic Risk Register 2016/2017	



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

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

- 1.1.1 The West Suffolk Strategic Risk Register is updated regularly by the Risk Management Group. The Group is comprised of service representatives, including Health and Safety, supported by a Director and the Portfolio Holder for Resources, Governance and Performance. Heads of Service may be required to provide further information as requested by the Group.
- 1.1.2 At its most recent assessment in June 2016, 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 2016 have been removed from the register.

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

- 1.2.1 Following consideration by the group, it was felt that the Probability rating allocated to the Residual Risk of WS7, Poor Project Management, be increase from 2 to 3.

### **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 EU Referendum**

- 1.4.1 Although at the time of writing this report the full impact of the decision to leave the EU is not known, minor amendments have been made to some of the existing actions and controls to address immediate concerns. However, the group will continue to monitor the situation as it develops over the next quarter, amending existing and / or adding news risks where necessary. These changes will be reported at the next meeting in the normal manner.

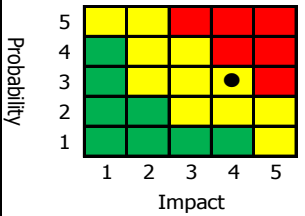
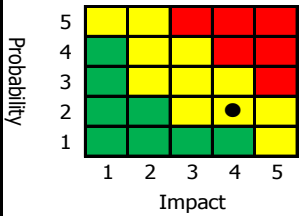
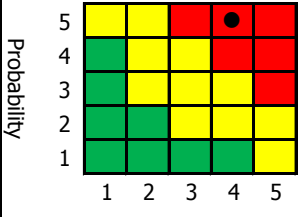
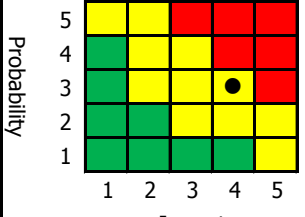
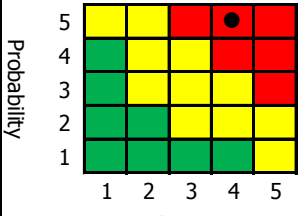
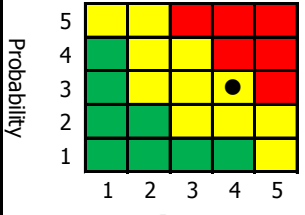
### **1.5 Reason for Recommendation**

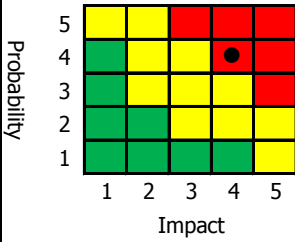
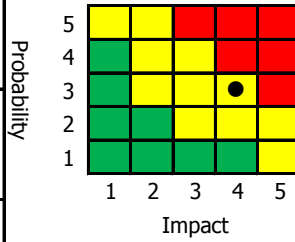
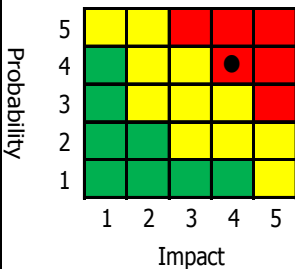
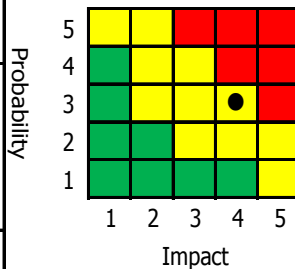
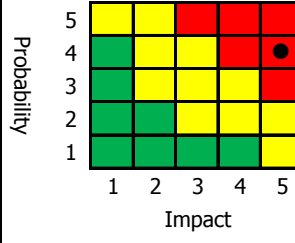
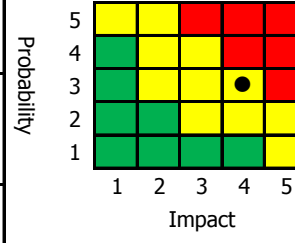
- 1.5.1 The Council's Strategic Plan for 2013/2014, adopted by the Council in February 2014, includes three key priority areas supported by a range of actions to deliver specific outcomes.
- 1.5.2 The West Suffolk Strategic Risk Register identifies and records the level of risk associated with delivering 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.

Type: A = Action, C = Control												
RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Type	Summary of Controls / 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).		C	1) Monthly monitoring reports (revenue and capital) to budget holders. Quarterly revenue and capital monitoring reports to PASC.	Head of Resources & Performance	N/A	N/A	
							C	2) Business rate retention income and localising of Council tax being monitored monthly by Finance and ARP	Head of Resources & Performance	N/A	N/A	
							C	3) Regular meetings between budget holders and Resources and Performance business advisors/partners	Service Managers / Business Partners / Advisers	N/A	N/A	
							C	4) Scrutiny of financial reports by LT and Members through Performance and Audit Scrutiny Committee	LT	N/A	N/A	
							A	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 Completed	
							A	6) Strengthen the overall Performance Management Framework. E.g. Balanced Scorecards, PDRs, (also see WS18).	Head of Resources & Performance	Apr-15	01/03/2016 Completed	
							C	7) Monitoring of investment decisions and original business cases targets/outcomes through an Officer group.	Head of Resources & Performance	N/A	N/A	
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, 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		A	1) Budget preparation for 2017/18 - 2019/20 ,re-focus on MTFS, and uncertainty regarding Business Rate Retention in 2020 continues to challenge all six MTFS themes. Proposals include LT peer scrutiny.	LT	N/A	31/03/2016 Completed	
							C	2) Demand trends and financial implications validated as part of budget setting. Using monitoring reports to identify trends.	Service Managers / Business Partners / Advisers	N/A	N/A	
							C	3) Medium Term Financial Strategy update - including review of assumptions, sensitivity analysis and review of reserve and balance levels	Head of Resources and Performance	N/A	N/A	
							C	4) Scrutiny of financial reports by LT and Members through Performance and Audit Scrutiny Committee	LT	N/A	N/A	
							C	5) Monitor Government statements on future of local government funding	LT	N/A	N/A	
							C	6) New investment proposals to be considered through the Councils governance and decision making process including challenge by the Officer programme and investment groups.	LT	N/A	N/A	
							C	7) Use of data and intelligence in forecasting future scenarios.	LT	N/A	N/A	
							C	8) Keep a careful eye on Brexit implications re European funding and service delivery	LT	N/A	N/A	
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.).		C	1) Monitor media coverage through daily media alerts and, where appropriate, provide a robust response.	Comms Team	N/A	N/A	
							C	2) Positively engage with social media to disseminate positive stories about West Suffolk and address errors or misrepresentation	Comms Team	N/A	N/A	
							C	3) Train and support staff and Members in proactive communications and dealing with media.	Comms Team	N/A	N/A	

Type: A = Action, C = Control												
RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Type	Summary of Controls / 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
					This could also potentially impact on our ability to recruit staff in competitive market.		C	4) Deliver a communications work programme which focuses on proactive communications.	Comms Team	N/A	On-going	
				A			5) Ensure that appropriate communications planning and support are identified for strategic projects as per individual project plans	Comms Team	Aug-14	On-going		
				C			6) Carry out timely and proportionate consultation that is available in an accessible format for everyone who wants to give us their views on a particular matter.	Policy Team	N/A	N/A		

Type: A = Action, C = Control												
RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Type	Summary of Controls / 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 (Customer Access Strategy)	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.		C	1) Continue to develop new web presence with full digital by default capability.	Head of Families & Communities	N/A	N/A	
							C	2) Clear and consistent public communications to explain changes to services and establish realistic expectations of service levels.	Service Manager (Corporate Communications)	N/A	N/A	
							C	3) Continuing development to ensure web site remains fit for purpose.	Head of Families & Communities	N/A	N/A	
							C	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 Performance	N/A	Completed	
							A	5) Anglia Revenues Partnership, (ARP), Strategic (Transformation) Plan outlining the future role of ARP to be developed.	Director (JC)	Jul-16	Mar-17	
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.		A	1) Continue to develop corporate training programme in place (including induction) for staff and members	HR Business Partner	Jun-14	On-going	
							A	2) To review Workforce/OD Strategy to include recruitment; succession planning; talent management and pay and reward	HR Business Partner	Jun-14	On-going	
							C	3) Regular evaluate outcome of Performance Reviews to identify talent management to inform succession planning	Head of HR, Legal and Democratic Services	N/A	N/A	
							C	4) Consistent and regular communication to staff, including opportunities for feedback. New intranet now rolled out to facilitate this objective.	Service Manager (Corporate Communications)	N/A	N/A	
							A	5) Annual workforce monitoring data presented to the West Suffolk Joint Staff Consultative Panel; no significant issues raised.	Head of HR, Legal & Democratic Services / HR Business Partner	Jun-14	On-going	
							A	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	Jun-14	On-going	
WS6	10-Jul-14	Political	Chief Executive	Managing public / councillor expectations with less resources	Falling short of providing the level of service that the public and councillors expect and demand.		C	1) Understand and communicate priorities and expectations through Strategic Plan and MTFs	LT	N/A	Oct-17	
							C	2) Assign dedicated corporate project resources to support new projects as they arise.	LT	N/A	N/A	
							A	3) Review and align service and skilled resources available to the strategic plan including communicate resources.	LT	Jun-14	On-going	
							C	4) Regular monitoring and update discussions with portfolio holders on the corporate project plan progress	LT	N/A	N/A	

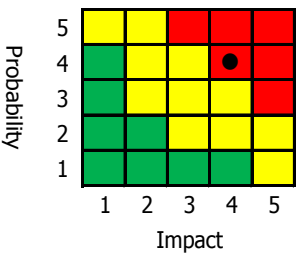
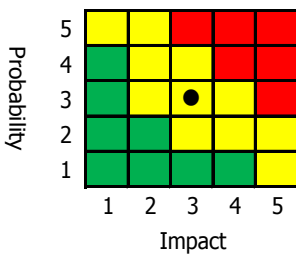
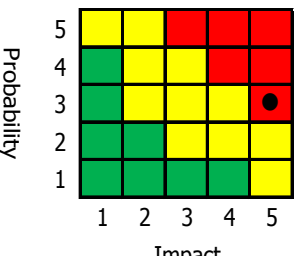
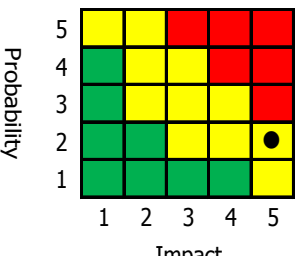
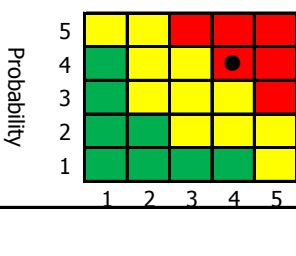
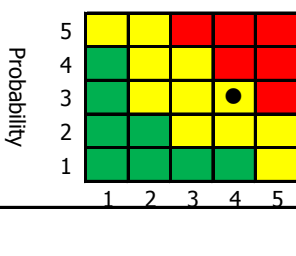
Type: A = Action, C = Control												
RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Type	Summary of Controls / Actions - What we are doing / need to do to prevent it.	Who is responsible for the actions	Start date	Target completion date/ Complete	WS Residual Risk
								C	5) Regular monitoring of Balanced Scorecards to include complaints, compliments and trends.			
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.		A	1) Maintain and develop an efficient project management framework and team (led by Service Manager Corporate Policy).	Service Manager Corporate Policy	Jun-14	On-going	
							A	2) Development and ongoing oversight of corporate project plan, to avoid concurrent demands on support services	Service Manager Corporate Policy	Jun-14	On-going	
							A	3) Training of all staff involved in project work in core project management skills	L&D team	Jun-14	On-going	
							C	4) Project support and resources to be included in further project business cases, including ICT support	LT	N/A	N/A	
							C	5) Early identification of Corporate capacity / priorities as part of business plan / project initiation. Review of project workstream to assist with prioritisation.	LT	N/A	N/A	
							C	6) Carry out Project Health Checks.	LT	N/A	N/A	
WS7a	10-Jul-14	Technological	Head of Resources and Performance	ICT integration	Integration of ICT across services and systems not being achieved. Failure to keep Business Applications aligned.		A	1) Maintain alignment of ICT infrastructure and corporate systems through corporate project plan	Infrastructure Support Manager	Jun-14	On-going	
							A	2) Continued Business Applications integration / 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)	Jun-14	System updates and improvements continue to be made	
							C	3) Regular review of both integration programmes through corporate projects plan.	Service Manager Corporate Policy/ LT	N/A	N/A	
							C	4) Monthly testing of the Council PSN compliance including the checking and monitoring of new and existing staff. No tolerance approach adopted.	Infrastructure Support Manager	N/A	N/A	
							A	5) Development of a West Suffolk Information Strategy and links to the wider public sector integration agenda (Transformation Challenge Award). Recruitment of ICT Manager.	Service Manager (ICT)	Jun-14	Dec-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		C	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)	N/A	N/A	
							C	2) Continue to develop the Families and Communities Officers role and new ways of working with councillors and the wider team.	Service Manager (Families & Communities)	N/A	N/A	
							A	3) Locality budgets and Community Chest funds available. Ensure both are used effectively and as intended.	Service Manager (Families & Communities)	Oct-13	On-going	

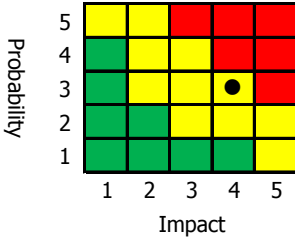
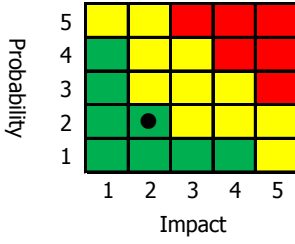
Page 32

Type: A = Action, C = Control													
RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Type	Summary of Controls / 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:		C	1) Developing engagement with the two Local Enterprise Partnerships. Deliver Six Point Plan for Jobs and Growth. Monitoring the local economy.	Head of Planning & Growth	N/A	N/A		
					(i) beneficial growth that enhances prosperity and quality of life			C					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
					(ii) existing businesses that are thriving and new businesses brought to the area			C					3) Support to WSC, SCC, UCS and other agencies involved with skills development. Monitoring attainment levels.
					(iii) people with the educational attainment and skills needed in our local economy			C					4) Continue to develop close working relationships with Whitehall, Norfolk partners, LEPS to influence the design of any devolution agreements and business rates retention schemes.
					(iv) vibrant, attractive and clean high streets, village centres and markets			A					5) Development and delivery of Local Plans
								A					6) Continued development of enterprise zones. Development of a joint plan for 2020/21.
	(c)		Head of Housing / Head of Planning & Growth	Failure to deliver; Housing Agenda	Opportunities being missed to create or influence the provision of:		C	1) West Suffolk Housing strategy adopted, implementation of agreed Action Plan, with annual monitoring	Head of Housing	N/A	N/A		
				(i) sufficient housing for current and future generations, including more affordable homes and improvements to existing housing	C			2) Sub-regional Strategic Housing Market Assessment completed 2008 to identify levels of need, with annual updates and reviews.					
				(ii) new developments that are fit for the future, properly supported by infrastructure, and that build communities, not just housing	C			3) Local Investment Plan 2014-18 approved by HCA, now working with RP partners to deliver. Quarterly monitoring of plan and annual review.					
				(iii) homes that are flexible for people's changing needs	C			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.					
					A			5) Review of the West Suffolk Lettings Partnership scheme in securing tenancies in the private sector.					
					A			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 completed September 2015, new service to be introduced May 2016.					
					A			7) Establishment of commercial Housing Development Company in partnership with Suffolk County Council to build open market, private rented and affordable housing - Council Approved November 2015, Company incorporation 15 March 2016. First draft of Business and Delivery Plan due to be presented to the Councils by the end of July 16.					
					A			8) Monitor new Housing & Planning Bill proposals - a watching brief. Briefing note on housing aspects of the Housing & Planning Bill circulated to senior officers and members in March 16. Responses to DCLG consultation being made as released by the DCLG.					

							Type: A = Action, C = Control					
RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Type	Summary of Controls / 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



Type: A = Action, C = Control												
RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Type	Summary of Controls / 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; or fails to take account of wider changes in national and local government legislation and policy (including EU).		C	1) Keep a watching brief on, and disseminate information on new policies, funding models and opportunities through DCLG, RSN, LGA, EELGA etc.	Policy Team	N/A	N/A	
							C	2) Maintain good relationships with public sector partners, e.g. CCG, SCOLT, SCEG, ARP authorities to hear of, and take opportunities arising from opportunities for partnership working.	Chief Executive and Directors	N/A	N/A	
							C	3) Robust business cases for identified opportunities.	LT	N/A	N/A	
							C	4) Keeping a watching brief on the new/changing National policies with Suffolk colleagues, including Brexit and local government funding changes and play an active part in the Devolution process for Norfolk, Suffolk and the wider East Anglia area, (also see WS8(b) 4).	Chief Executive and Directors	N/A	N/A	
							A	5) Lead the integration and rationalisation of the public estate through membership, and local leadership, of the Government's One Public Estate Programme.	Director	Jul-14	On-going	
							A	6) LT document "West Suffolk: Promoting Physical Activity"			Completed	
							A	Explore shared services opportunities with other Local Authorities	LT	Apr-15	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) Please see Risk WS22 for USAFE.	Failure to retain major employers in the area and the economic impact that it would have		A	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.	Head of Planning & Growth	Jun-14	On-going	
							C	2) Ensuring there is sufficient employment land / premises for expansion.	Head of Planning & Growth	N/A	N/A	
							C	3) Understand skills shortage and requirements by linking business to education providers and encourage businesses to take on apprentices.	Head of Planning & Growth	N/A	N/A	
							A	4) Help businesses access third party funding.	Head of Planning & Growth	Jun-14	On-going	
							A	5) Further development of the six point jobs and growth plan.	Head of Planning & Growth	Jun-14	On-going	
							A	6) In the worst case scenario (actions 1 - 5 ineffective) 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			
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.		C	1) Ensure robust SLA (Service Level Agreement) & Joint Venture arrangements are in place. Ensure good due diligence procedures are used.	All HoS	N/A	N/A	
							C	2) Regular monitoring of arrangements / outcomes.	All HoS	Jun-14	N/A	
							A	3) Regular meetings with key partners, including fortnightly Suffolk CEO meetings to discuss impact and potential response of the Suffolk wide system. Ensure effective engagement in the Transformation Challenge Award.	All HoS	Jun-14	On-going	

Type: A = Action, C = Control												
RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Type	Summary of Controls / 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
						Impact	A	4) Ensure effective engagement in the Transformation Challenge Award.	CEO and LT	Jun-14	On-going	Impact
							C	5) Understand the cumulative impact of complex partnership delivery arrangements.	CEO and LT	Dec-15	N/A	
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.		A	1) Services must have a workable Business Continuity Plan in place.	Heads of Service/All staff	Aug-14	On-going	
							C	2) Combined West Suffolk Business Continuity Plan is in place for major identified threats, regularly reviewed and practised.	LT	N/A	N/A	
							C	3) Appointed officers within each service to be responsible for the continuity plans.	Heads of Service / Appointed Officers	N/A	N/A	

Type: A = Action, C = Control												
RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Type	Summary of Controls / 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. Damage to council's reputation. Damage to individuals. Avoid legal challenge. Prevent potential claims for compensation.		C	1) Information governance group coordinates councils' approach to risks.	Director	N/A	N/A	
							C	2) Records Management Working Group to coordinate councils' approach to records management.	Director	N/A	N/A	
							C	3) Regular buildings checks to ensure information is held securely.	Service Manager (Internal Audit)	N/A	N/A	
							A	4) Entrance barriers to staff entrance at WSH now installed. Barriers to other entry points to be kept under review with partners at SCC.	Service Manager (Property Services)	Aug-14	Nov-15 Barriers to staff entrance completed	
							A	5) Improve staff and member communication on good practices and data security.	Service Manager (Corporate Communications)	Apr-14	On-going	
							A	6) Information Security e-learning - 1st phase, existing officers, completed. All new staff and members to complete module as part of induction programme.	Director	Apr-14	On-going	
WS18	10-Jul-14	Customer Financial Professional	Head of Resources & Performance	Poor Performance Management	Risk of individual services having below par performance levels and possible dips in performance while establishing new service models.		C	1) Performance and Audit Scrutiny Committee (PASC) receive comprehensive performance monitoring report.	Head of Resources & Performance / R&P Business	N/A	N/A	
							A	2) Early identification, reporting and monitoring of potential problem areas.	Service Managers / Business Partners / Advisers	Aug-14	On-going	
							C	3) Strengthen the overall Performance Management Framework- review of the Balanced Scorecard as a performance management tool.	Head of Resources & Performance	N/A	N/A	
							C	4) Use PDR's to aid early identification of potential problem areas.	Line Managers	N/A	N/A	
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.		C	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.	Head of Housing/ Planning & Growth/Operations	N/A	N/A	
							A	2) Monitor, research and analysis around demographics through DCLG, ONS, LGA, LGC and other sources and share key findings with relevant services.	Policy Team	Jun-14	On-going	
							A	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.	Policy Team	Jun-14	On-going	

Type: A = Action, C = Control												
RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Type	Summary of Controls / Actions - What we are doing / need to do to prevent it.	Who is responsible for the actions	Start date	Target completion date/ Complete	WS Residual Risk
WS20	10-Jul-14	Physical	Head of Human Resources, Legal & Democratic Services	Implementation of the Corporate Health and Safety Policy	Failure to ensure the safety and well being of staff. Failure to provide safe and healthy environment for visitors and the general public. Risk of HSE (Health & Safety Executive) prosecutions.		C	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	N/A	N/A	
							A	2) Well being programme in place.	Health & Safety Manager	Jun-14	On-going	
							C	3) Requirement for all staff to complete online H&S training and members to complete appropriate H&S induction programme.	Health & Safety Manager	N/A	N/A	
							A	4) Communications to staff.	Health & Safety Manager	Jun-14	On-going	
							A	5) Appropriate insurances in place and regularly reviewed.	Health & Safety Manager	Jun-14	On-going	
							C	6) Continue a programme of health and safety audits according to H&S Risk.	Health & Safety Manager	N/A	N/A	
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.		A	1) Working in Countywide safeguarding partnership.	Head of Housing	Jul-09	On-going	
							C	2) Safe recruitment procedures are adopted for all staff recruitment.	Head of HR, Legal & Dem Services	Jul-09	On-going	
							A	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	Jun-14	On-going	
							C	4) Operational links into the MASH (Multi Agency Safeguarding Hub) to be reviewed to ensure appropriate referrals are being made.	Head of Housing	N/A	N/A	
							A	5) Ensure appropriate training is provided to front-line staff.	Head of Families & Communities	Nov-15	01/04/2016 Initial training completed - continued ongoing development.	
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		A	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	
							A	2) Co-ordinate and lead the Forest Heath member-led local Mildenhall and Lakenheath Airbases Group	Chief Executive	Mar-15	On-going	
							A	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	Mar - 16 Completed	
							A	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	Feb-15	On-going	

Type: A = Action, C = Control												
RISK ID NUMBER	Date risk added to register	Type	Current Owner	Title	Description - What are we trying to avoid?	WS Inherent Risk	Type	Summary of Controls / 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
							A	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	

This page is intentionally left blank

# Informal Joint Performance and Audit Scrutiny Committee



<b>Title of Report:</b>	<b>Work Programme Update</b>	
<b>Report No:</b>	<b>PAS/FH/16/017</b>	
<b>Report to and date:</b>	<b>Performance and Audit Scrutiny Committee</b>	27 July 2016
<b>Chairman of the Committee:</b>	Louis Busuttil Chairman of the Performance and Audit Scrutiny Committee <b>Tel:</b> 01638 810517 <b>Email:</b> <a href="mailto:louis.busuttil@forest-heath.gov.uk">louis.busuttil@forest-heath.gov.uk</a>	
<b>Lead officer:</b>	Christine Brain Democratic Services Officer (Scrutiny) <b>Tel:</b> 01638 719729 <b>Email:</b> <a href="mailto:Christine.brain@westsuffolk.gov.uk">Christine.brain@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	1. Members are asked to consider and <b>note</b> the current status of its Work Programme attached at <b>Appendix 1(A)</b> .  2. Attached at <b>Appendix 1(B)</b> , for information is the current position of the Work Programme for St Edmundsbury Borough Councils Performance and Audit Scrutiny Committee.	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>It is <u>RECOMMENDED</u> that:</b>  <b>Members consider and <u>note</u> the current status of its Work Programme for 2016-2017.</b>	

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

Description	Lead Officer
<b>22 September 2016 (Time: 6.00pm)</b>	
EY – Presentation of 2015-2016 ISA 260 Annual Results Report to those charged with Governance	Head of Resources and Performance
West Suffolk Annual Governance Statement 2015-2016	Head of Resources and Performance
2015-2016 Statement of Accounts	Head of Resources and Performance
Appointment of External Auditors	Head of Resources and Performance
Annual Corporate Environmental Statement 2015-2016	Environment Manager
Delivering a Sustainable Budget 2017-2018	Head of Resources and Performance
Work Programme Update	Democratic Services Officer (Scrutiny)
<b>24 November 2016 (Time: 5.00pm)</b> <b>Informal Joint Meeting</b> <b>(Hosted by Forest Heath District Council)</b>	
<b>Joint Reports</b>	
Mid-year Internal Audit Progress Report 2016-2017	Service Manager (Internal Audit)
Balanced Scorecards Quarter 2 Performance Report 2016-2017	Head of Resources and Performance
West Suffolk Strategic Risk Register Quarterly Monitoring Report – September 2016	Head of Resources and Performance
Work Programme Update	Democratic Services Officer (Scrutiny)
<b>Forest Heath Specific Reports</b>	
EY – Presentation of Annual Audit Letter 2015-2016	Head of Resources and Performance
Financial Performance Report (Revenue and Capital) Quarter 2 – 2016-2017	Head of Resources and Performance
Delivering a Sustainable Budget 2017-2018 Update	Head of Resources and Performance
Mid-Year Treasury Management Report and Investment Activity (April – September 2016)	Head of Resources and Performance



<b>25 January 2017 (Time: 5.00pm)</b> <b>Informal Joint Meeting</b> <b>(Hosted by St Edmundsbury Borough Council)</b>	
<b>Joint Reports</b>	
Balanced Scorecards Quarter 3 Performance Report 2016-2017	Head of Resources and Performance
West Suffolk Strategic Risk Register Quarterly Monitoring Report – December 2016	Head of Resources and Performance
Work Programme Update	Democratic Services Officer (Scrutiny)
<b>Forest Heath Specific Reports</b>	
Financial Performance Report (Revenue and Capital) Quarter 3 – 2016-2017	Head of Resources and Performance
Delivering a Sustainable Budget 2017-2018 Update	Head of Resources and Performance
Treasury Management Report 2016-2017 - Investment Activity (April – December 2016)	Head of Resources and Performance
Annual Treasury Management and Investment Strategy Statements 2017-2018	Head of Resources and Performance
<b>25 May 2017 (Time: 5.00pm)</b> <b>Informal Joint Meeting</b> <b>(Hosted by Forest Heath District Council)</b>	
<b>Joint Reports</b>	
Internal Audit Annual Report (2016-2017) and Outline Internal Audit Plan (2017-2018)	Service Manager (Internal Audit)
Balanced Scorecard and Quarter 4 Performance Report 2016-2017	Head of Resources and Performance
West Suffolk Strategic Risk Register – Quarter 4	Head of Resources and Performance
Work Programme Update	Democratic Services Officer (Scrutiny)
<b>Forest Heath Specific Reports</b>	
EY – Certification of Claims and Returns Annual Report 2015-2016	Head of Resources and Performance
EY – Presentation of the External Audit Plan and Fees 2016-2017 and 2017-2018 Indicative Fees	Head of Resources and Performance
Financial Outturn Report (Revenue and Capital) 2016-2017	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 (St Edmundsbury Borough Council)

Description	Lead Officer
<b>21 September 2016 (Time: 5.00pm)</b>	
EY – Presentation of 2015-2016 ISA 260 Annual Results Report to those charged with Governance	Head of Resources and Performance
West Suffolk Annual Governance Statement 2015-2016	Head of Resources and Performance
2015-2016 Statement of Accounts	Head of Resources and Performance
Appointment of External Auditors	Head of Resources and Performance
Enterprise Zones: Memorandum of Understanding	Principal Growth Officer
Delivering a Sustainable Budget 2017-2018	Head of Resources and Performance
Work Programme Update	Democratic Services Officer (Scrutiny)
<b>24 November 2016 (Time: 5.00pm) Informal Joint Meeting (Hosted by Forest Heath District Council)</b>	
<b>Joint Reports</b>	
Mid-year Internal Audit Progress Report 2016-2017	Service Manager (Internal Audit)
Balanced Scorecards Quarter 2 Performance Report 2016-2017	Head of Resources and Performance
West Suffolk Strategic Risk Register Quarterly Monitoring Report – September 2016	Head of Resources and Performance
Work Programme Update	Democratic Services Officer (Scrutiny)
<b>St Edmundsbury Specific Reports</b>	
EY – Presentation of Annual Audit Letter 2015-2016	Head of Resources and Performance
Financial Performance Report (Revenue and Capital) Quarter 2 – 2016-2017	Head of Resources and Performance
Delivering a Sustainable Budget 2017-2018 Update	Head of Resources and Performance
Mid-Year Treasury Management Report and Investment Activity (April – September 2016)	Head of Resources and Performance

**25 January 2017 (Time: 5.00pm)**  
**Informal Joint Meeting**  
**(Hosted by St Edmundsbury Borough Council)**

<b>Joint Reports</b>	
Balanced Scorecards Quarter 3 Performance Report 2016-2017	Head of Resources and Performance
West Suffolk Strategic Risk Register Quarterly Monitoring Report – December 2016	Head of Resources and Performance
Work Programme Update	Democratic Services Officer (Scrutiny)
<b>St Edmundsbury Specific Reports</b>	
Financial Performance Report (Revenue and Capital) Quarter 3 – 2016-2017	Head of Resources and Performance
Delivering a Sustainable Budget 2017-2018 Update	Head of Resources and Performance
Treasury Management Report 2016-2017 - Investment Activity (April – December 2016)	Head of Resources and Performance
Annual Treasury Management and Investment Strategy Statements 2017-2018	Head of Resources and Performance

**25 May 2017 (Time: 5.00pm)**  
**Informal Joint Meeting**  
**(Hosted by Forest Heath District Council)**

<b>Joint Reports</b>	
Internal Audit Annual Report (2016-2017) and Outline Internal Audit Plan (2017-2018)	Service Manager (Internal Audit)
Balanced Scorecard and Quarter 4 Performance Report 2016-2017	Head of Resources and Performance
West Suffolk Strategic Risk Register – Quarter 4	Head of Resources and Performance
Work Programme Update	Democratic Services Officer (Scrutiny)
<b>St Edmundsbury Specific Reports</b>	
EY – Certification of Claims and Returns Annual Report 2015-2016	Head of Resources and Performance
EY – Presentation of the External Audit Plan and Fees 2016-2017 and 2017-2018 Indicative Fees	Head of Resources and Performance
Financial Outturn Report (Revenue and Capital) 2016-2017	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

This page is intentionally left blank

# Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Financial Performance Report (Revenue and Capital) Quarter 1 (2016-2017)</b>	
<b>Report No:</b>	<b>PAS/FH/16/018</b>	
<b>Report to and date:</b>	<b>Performance and Audit Scrutiny Committee</b>	27 July 2016
<b>Portfolio holder:</b>	Stephen Edwards Portfolio Holder for Resources and Performance <b>Tel:</b> 01638 660518 <b>Email:</b> Stephen.edwards@forest-heath.gov.uk	
<b>Lead officer:</b>	Rachael Mann Head of Resources and Performance <b>Tel:</b> 01638 719245 <b>Email:</b> rachael.mann@westsuffolk.gov.uk	
<b>Purpose of report:</b>	This report sets out the Financial Performance for the first quarter of 2016-17 and forecasted outturn position for 2016-17.	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>Members are requested to <u>note</u> the 2016-2017 year end forecast financial position and forward any relevant issues or comments to Cabinet for their consideration.</b>	
<b>Key Decision:</b>  (Check the appropriate box and delete all those that <b><u>do not</u></b> apply.)	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	

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

Treasury Management	Medium	Treasury Management Policy and Procedures are in place	Low
Fluctuation in Business rate retention yield	High	Work with ARP to understand the variance to deliver a realistic forecast.	Medium
<b>Ward(s) affected:</b>		All Ward	
<b>Background papers:</b>		None	
<b>Documents attached:</b>		<p>Appendix A – Revenue budget summary, for the period April to June 2016.</p> <p>Appendix B – Revenue budget detail, for the period April to June 2016.</p> <p>Appendix C – Capital budget summary, for the period April to June 2016.</p> <p>Appendix D – Earmarked Reserves for 2016/17</p>	

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

### 1.1 Key Issues

- 1.1.1 This is the first quarter financial monitoring report for Forest Heath District Council; whilst it is still early in the year we have included forecast outturn figures for large variance items we are aware of. We will continue to monitor the position throughout the year and will update members on 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 over/(under) spends can be found in the table at 1.2.3.
- 1.1.3 The Council's capital financial position is summarised below at 1.3. 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 2016/17.

### 1.2 Revenue Performance

- 1.2.1 The current forecast position for the year end is expected to be on budget. Explanations of the main year end forecast over / (under) spends can be found in the table at 1.2.3 below.
- 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 forecast variances over £25,000 are explained in the table below.

<b>Year end forecast variance: Over / (under) spend £000s</b>	<b>Explanation</b>
58	<b>General Fund Adjustments:</b> Additional income from the Suffolk Business Rates Pool offset by an overspend on Business Rate Levy payable due to more business rate growth than included in the budget. This additional growth income will be retained in the Collection Fund to be redistributed in future years.
(35)	<b>Council Tax Administration:</b> Administration Subsidy Grant is higher than budgeted due to the government's decision to merge in New Burdens funding. It is also anticipated that income from court costs recovered will exceed expectations.



25	<b>Development Control:</b> Higher than budgeted advertising costs, plus additional costs associated with recruitment.
65	<b>Environmental Management:</b> Underachievement of budgeted feed-in-tariffs due to changes in Government Legislation and less take-up than initially anticipated.
30	<b>Waste and Cleansing Operatives:</b> Forecasted additional spend on agency staff.
27	<b>Recycling Collection (Blue Bin):</b> Increased cost due to reduction in worldwide commodity prices for recyclable materials resulting in an increased gate fee at the Material Recovery Facility (MRF). The net recycling credit from Suffolk County Council that was budgeted at £34/tonne has therefore dropped to £27/tonne.
(70)	<b>Interest Receivable:</b> Includes the sum of £70k which was received in 2016/17 in respect of early redemption fees from an investment which was due to mature later on this year.

#### 1.2.4 **Compostable Collection (Brown Bin)**

1.2.5 The report SE/PAS/15/029 "Subscription Charge for the Brown Bin Service" was presented to this committee on 25 November 2015. This report outlined the rationale behind the proposed charging regime, and modelled a number of potential scenarios and outcomes which might arise as a result of the introduction of a subscription service. This report agreed that the subscription would be fixed for a three year period, and that the budget would be reviewed annually once a better understanding of the take-up is available.

1.2.6 There are a number of variables that impact upon arrangements for sharing costs and benefits with Suffolk County Council that are still to be fully understood and agreed. As such this report assumes that the budget position on the Garden Waste Collection service is broadly in line with the cost neutral (status quo) and safe assumptions that were presented in the original report. It is envisaged that a more complete position will be available later in the financial year when there will be a fuller understanding of the impact to waste collection and disposal and cost sharing arrangements are confirmed.

#### 1.3 **Capital Position**

1.3.1 The following table is a high level summary of capital expenditure against budget for 2016/17. 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.

<b>Service Area</b>	<b>2016/17 Budget</b>	<b>2016/17 Actual Spend to Date</b>	<b>2016/17 Forecast Spend</b>	<b>2016/17 Carried Forward</b>	<b>2016/17 Forecast Over / (under) Spend</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Planning & Growth	2,646	0	290	2,356	0
Housing	4,315	16	2,265	2,050	0
Resources & Performance	5,312	350	4,812	500	0
Families & Communities	36	8	36	0	0
Operations	2,786	645	2,462	284	(40)
<b>Totals:</b>	<b>15,095</b>	<b>1,019</b>	<b>9,865</b>	<b>5,190</b>	<b>(40)</b>

Summary by Head of Service

Appendix A

Page 53

Head of Service	Expenditure Budget to Date £	Income Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Actual to Date £	Over/(Under) Spend to Date £	Variance to Date %	Y/E Forecast Variance £
Head of Resources & Performance	7,134,642	(16,683,836)	(9,549,194)	6,306,987	(16,194,695)	(9,887,708)	(338,514)	3.54%	(20,732)
Head of Human Resources, Legal & Democratic Services	237,161	(25,722)	211,439	231,091	(1,094)	229,997	18,558	8.78%	(14,166)
Head of Families and Communities	393,700	(131,951)	261,748	371,547	(121,442)	250,105	(11,643)	4.45%	7,708
Head of Planning and Growth	504,127	(333,693)	170,434	508,120	(307,394)	200,726	30,292	17.77%	92,977
Head of Operations	1,719,547	(1,310,334)	409,213	1,368,105	(1,234,625)	133,480	(275,733)	67.38%	15,047
Head of Housing	149,299	(9,429)	139,870	140,875	(11,276)	129,599	(10,271)	7.34%	(10,251)
<b>TOTALS:</b>	<b>10,138,476</b>	<b>(18,494,965)</b>	<b>(8,356,490)</b>	<b>8,926,725</b>	<b>(17,870,526)</b>	<b>(8,943,801)</b>	<b>(587,311)</b>	<b>7.03%</b>	<b>70,583</b>
Interest Receivable	0	(87,501)	(87,501)	0	(79,887)	(79,887)	7,614	8.70%	(69,719)
Interest Payable	0	0	0	0	0	0	0	0.00%	0
Minimum Revenue Provision	0	0	0	0	0	0	0	0.00%	0
<b>TOTALS:</b>	<b>10,138,476</b>	<b>(18,582,466)</b>	<b>(8,443,991)</b>	<b>8,926,725</b>	<b>(17,950,413)</b>	<b>(9,023,688)</b>	<b>(579,697)</b>	<b>6.87%</b>	<b>864</b>

This page is intentionally left blank

Detail by Head of Service

Appendix B

HEAD OF RESOURCES & PERFORMANCE

Cost Centre Description	Expenditure Budget to date £	Income Budget to date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Variance to Date £	Variance to Date %	Y/E Forecast Variance £	Year End Variance Notes
Resources & Performance	89,238	0	89,238	74,139	0	74,139	(15,099)	16.92%	735	
Grants to Organisations	42,121	0	42,121	42,121	0	42,121	0	0.00%	0	
General Fund Adjustments	2,132,730	(12,112,966)	(9,980,236)	2,136,933	(12,006,529)	(9,869,596)	110,640	1.11%	57,962	£123k additional levy payable due to more business rates collectable, offset by an anticipated extra £97k income from the Suffolk Business Rate Pool. In addition a budgeted transfer from the Business Rates Equalisation Reserve has only been partly made due to insufficient funds in the reserve.
<b>Resources &amp; Performance:</b>	<b>2,264,089</b>	<b>(12,112,966)</b>	<b>(9,848,877)</b>	<b>2,253,193</b>	<b>(12,006,529)</b>	<b>(9,753,336)</b>	<b>95,541</b>	<b>0.97%</b>	<b>58,697</b>	
Internal Audit	17,679	(3,024)	14,655	16,354	0	16,354	1,699	11.59%	638	
<b>Internal Audit:</b>	<b>17,679</b>	<b>-3,024</b>	<b>14,655</b>	<b>16,354</b>	<b>0</b>	<b>16,354</b>	<b>1,699</b>	<b>11.59%</b>	<b>638</b>	
ICT	177,590	(33,540)	144,050	125,972	0	125,972	(18,078)	12.55%	(20,162)	
<b>ICT:</b>	<b>177,590</b>	<b>-33,540</b>	<b>144,050</b>	<b>125,972</b>	<b>0</b>	<b>125,972</b>	<b>(18,078)</b>	<b>12.55%</b>	<b>(20,162)</b>	
Anglia Revenues Partnership	226,140	(1,749)	224,391	101,435	(27,618)	73,817	(150,574)	67.10%	0	
Council Tax Administration	375	(84,488)	(84,113)	446	(114,354)	(113,908)	(29,795)	35.42%	(34,687)	Additional Council Tax Administration Subsidy received due to the merging of New Burdens Grant, along with anticipated additional court costs recovered above the budgeted level.
Business Rate Administration	150	(24,000)	(23,850)	352	(25,710)	(25,358)	(1,508)	6.32%	(2,842)	
Housing Benefits	4,107,426	(4,199,907)	(92,481)	3,448,918	(3,860,084)	(411,166)	(318,685)	344.60%	0	
<b>Anglia Revenues Partnership:</b>	<b>4,334,091</b>	<b>-4,310,144</b>	<b>23,947</b>	<b>3,551,151</b>	<b>(4,027,766)</b>	<b>(476,615)</b>	<b>(500,562)</b>	<b>2090.29%</b>	<b>(37,529)</b>	
Corporate Expenditure	341,193	(224,162)	117,031	359,696	(160,400)	199,296	82,265	70.29%	(23,066)	
Non-Distributed Costs	0	0	0	600	0	600	600	0.00%	600	
<b>Corporate Expenditure:</b>	<b>341,193</b>	<b>-224,162</b>	<b>117,031</b>	<b>360,296</b>	<b>(160,400)</b>	<b>199,896</b>	<b>82,865</b>	<b>70.81%</b>	<b>(22,466)</b>	
Emergency Planning	0	0	0	22	0	22	22	0.00%	90	
<b>Emergency Planning:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22</b>	<b>0</b>	<b>22</b>	<b>22</b>	<b>#DIV/0!</b>	<b>90</b>	
<b>TOTALS: RESOURCES &amp; PERFORMANCE</b>	<b>7,134,642</b>	<b>(16,683,836)</b>	<b>(9,549,194)</b>	<b>6,306,988</b>	<b>(16,194,695)</b>	<b>(9,887,707)</b>	<b>(338,513)</b>	<b>3.54%</b>	<b>(20,732)</b>	

Detail by Head of Service

HEAD OF HUMAN RESOURCES, LEGAL & DEMOCRATIC SERVICES

Cost Centre Description	Expenditure Budget to date £	Income Budget to date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Variance to Date £	Variance to Date %	Y/E Forecast Variance £	Year End Variance Notes
Human Resources & Payroll	58,593	(17,463)	41,130	57,232	(550)	56,682	15,552	37.81%	(1,675)	
<b>Human Resources:</b>	<b>58,593</b>	<b>-17,463</b>	<b>41,130</b>	<b>57,232</b>	<b>(550)</b>	<b>56,682</b>	<b>15,552</b>	<b>37.81%</b>	<b>(1,675)</b>	
Health & Safety	13,569	(438)	13,131	11,070	0	11,070	(2,061)	15.70%	(715)	
<b>Health &amp; Safety:</b>	<b>13,569</b>	<b>-438</b>	<b>13,131</b>	<b>11,070</b>	<b>0</b>	<b>11,070</b>	<b>(2,061)</b>	<b>15.70%</b>	<b>(715)</b>	
Central Training Services	18,459	0	18,459	10,332	0	10,332	(8,127)	44.03%	(4,752)	
<b>Learning &amp; Development:</b>	<b>18,459</b>	<b>0</b>	<b>18,459</b>	<b>10,332</b>	<b>0</b>	<b>10,332</b>	<b>(8,127)</b>	<b>44.03%</b>	<b>(4,752)</b>	
Legal Services	39,075	(3,633)	35,442	53,887	(2,974)	50,913	15,471	43.65%	1,615	
<b>Legal Services:</b>	<b>39,075</b>	<b>-3,633</b>	<b>35,442</b>	<b>53,887</b>	<b>(2,974)</b>	<b>50,913</b>	<b>15,471</b>	<b>43.65%</b>	<b>1,615</b>	
Democratic Services	21,930	0	21,930	17,109	0	17,109	(4,821)	21.98%	(7,277)	
Members Allowances & Expenses	54,909	0	54,909	52,164	0	52,164	(2,745)	5.00%	(4,062)	Underspend on members allowances due to vacancy
Mayoralty & Civic Functions	717	0	717	5,795	0	5,795	5,078	708.23%	2,925	
<b>Democratic Services:</b>	<b>77,556</b>	<b>0</b>	<b>77,556</b>	<b>75,068</b>	<b>0</b>	<b>75,068</b>	<b>(2,488)</b>	<b>3.21%</b>	<b>(8,414)</b>	
Electoral Registration	13,413	(363)	13,050	6,134	0	6,134	(6,916)	53.00%	(3,849)	
Election Expenses	16,496	(3,825)	12,671	17,366	2,430	19,796	7,125	56.23%	3,624	
<b>Elections:</b>	<b>29,909</b>	<b>-4,188</b>	<b>25,721</b>	<b>23,500</b>	<b>2,430</b>	<b>25,930</b>	<b>209</b>	<b>0.81%</b>	<b>(225)</b>	
<b>TOTALS: HR &amp; DEMOCRATIC SERVICES</b>	<b>237,161</b>	<b>-25,722</b>	<b>211,439</b>	<b>231,089</b>	<b>(1,094)</b>	<b>229,995</b>	<b>18,556</b>	<b>8.78%</b>	<b>(14,166)</b>	

Detail by Head of Service

HEAD OF FAMILIES & COMMUNITIES

Cost Centre Description	Expenditure Budget to date £	Income Budget to date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Variance to Date £	Variance to Date %	Y/E Forecast Variance £	Year End Variance Notes
Policy	27,610	(1,821)	25,789	25,483	(1,821)	23,662	(2,127)	8.25%	4,212	
<b>Policy:</b>	<b>27,610</b>	<b>-1,821</b>	<b>25,789</b>	<b>25,483</b>	<b>(1,821)</b>	<b>23,662</b>	<b>(2,127)</b>	<b>8.25%</b>	<b>4,212</b>	
Communications	17,295	0	17,295	15,587	0	15,587	(1,708)	9.88%	929	
Website and Intranet	11,344	0	11,344	7,004	0	7,004	(4,340)	38.26%	(4,338)	
<b>Communications:</b>	<b>28,639</b>	<b>0</b>	<b>28,639</b>	<b>22,591</b>	<b>0</b>	<b>22,591</b>	<b>(6,048)</b>	<b>21.12%</b>	<b>(3,409)</b>	
Customer Services	71,857	0	71,857	77,288	0	77,288	5,431	7.56%	11,504	
Bus Stations	23,646	(1,533)	22,112	13,153	(492)	12,661	(9,451)	42.74%	(3,358)	
<b>Customer Services:</b>	<b>95,503</b>	<b>-1,533</b>	<b>93,969</b>	<b>90,441</b>	<b>(492)</b>	<b>89,949</b>	<b>(4,020)</b>	<b>4.28%</b>	<b>8,146</b>	
Community Development	36,393	(984)	35,409	31,728	(1,005)	30,723	(4,686)	13.23%	(3,763)	
Community Chest - Families & Communities	201,181	(127,613)	73,568	189,761	(118,045)	71,716	(1,852)	2.52%	0	
Health, Culture & Arts	4,374	0	4,374	9,000	0	9,000	4,626	105.76%	0	
Community Centres	0	0	0	2,544	(80)	2,464	2,464	0.00%	2,522	
<b>Families &amp; Communities:</b>	<b>241,948</b>	<b>-128,597</b>	<b>113,351</b>	<b>233,033</b>	<b>(119,130)</b>	<b>113,903</b>	<b>552</b>	<b>0.49%</b>	<b>(1,241)</b>	
<b>TOTALS: FAMILIES &amp; COMMUNITIES</b>	<b>393,700</b>	<b>-131,951</b>	<b>261,748</b>	<b>371,548</b>	<b>(121,443)</b>	<b>250,105</b>	<b>(11,643)</b>	<b>4.45%</b>	<b>7,708</b>	

Detail by Head of Service

Appendix B

HEAD OF PLANNING & GROWTH

Cost Centre Description	Expenditure Budget to date £	Income Budget to date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Variance to Date £	Variance to Date %	Y/E Forecast Variance £	Year End Variance Notes
Development Control	78,351	(150,724)	(72,373)	100,352	(151,300)	(50,948)	21,425	29.60%	24,766	Overspend due to higher than budgeted advertising costs, plus additional anticipated costs associated with recruitment.
<b>Development Control:</b>	<b>78,351</b>	<b>-150,724</b>	<b>-72,373</b>	<b>100,352</b>	<b>(151,300)</b>	<b>(50,948)</b>	<b>21,425</b>	<b>29.60%</b>	<b>24,766</b>	
Planning Policy	174,287	(13,596)	160,691	168,857	(18,556)	150,301	(10,390)	6.47%	(8,457)	
Local Plan	30,474	(28,749)	1,725	18,040	0	18,040	16,315	945.80%	(1,359)	
<b>Place Shaping:</b>	<b>204,761</b>	<b>-42,345</b>	<b>162,416</b>	<b>186,897</b>	<b>(18,556)</b>	<b>168,341</b>	<b>5,925</b>	<b>3.65%</b>	<b>(9,816)</b>	
Land Charges	13,404	(31,650)	(18,246)	7,354	(23,759)	(16,405)	1,841	10.09%	(1,984)	
Building Control	29,523	(30,924)	(1,401)	23,203	(28,211)	(5,008)	(3,607)	257.46%	7,079	
Planning & Regulatory Support	39,147	0	39,147	39,228	0	39,228	81	0.21%	5,069	
<b>Business (BC &amp; Support):</b>	<b>82,074</b>	<b>-62,574</b>	<b>19,500</b>	<b>69,785</b>	<b>(51,970)</b>	<b>17,815</b>	<b>(1,685)</b>	<b>8.64%</b>	<b>10,164</b>	
Prevention of Pollution	10,437	(2,379)	8,058	10,390	(812)	9,578	1,520	18.86%	2,454	
Environmental Management	6,129	(21,210)	(15,081)	5,755	(1,468)	4,287	19,368	128.43%	65,069	Underachievement of budgeted Feed-In-Tariffs due to changes in Government Legislation and less take up than initially anticipated.
Drinking Water Quality	3,408	(63)	3,345	3,574	(2,415)	1,159	(2,186)	65.35%	(1,670)	
Climate Change	20,210	(12,878)	7,332	30,960	(22,878)	8,082	750	10.23%	790	
Home Energy Conservation	1,551	(663)	888	0	0	0	(888)	100.00%	1,729	
<b>Environment:</b>	<b>41,735</b>	<b>-37,193</b>	<b>4,542</b>	<b>50,679</b>	<b>(27,573)</b>	<b>23,106</b>	<b>18,564</b>	<b>408.72%</b>	<b>68,372</b>	
Licensing	15,759	(21,009)	(5,250)	7,190	(10,120)	(2,930)	2,320	44.19%	3,603	
Hackney Carriage & Private Hire Licensing	594	(13,053)	(12,459)	427	(12,599)	(12,172)	287	2.30%	386	
Food Safety	14,820	(126)	14,694	9,194	(306)	8,888	(5,806)	39.51%	(919)	
Health & Safety at Work Act/Enforcement	10,578	0	10,578	8,547	(150)	8,397	(2,181)	20.62%	(1,536)	
<b>Business Reg &amp; Licensing:</b>	<b>41,751</b>	<b>-34,188</b>	<b>7,563</b>	<b>25,358</b>	<b>(23,175)</b>	<b>2,183</b>	<b>(5,380)</b>	<b>71.14%</b>	<b>1,534</b>	
Economic Development & Growth	44,079	(6,018)	38,061	74,113	(34,821)	39,292	1,231	3.23%	(667)	
Strategic Tourism & Markets	7,587	0	7,587	4,205	0	4,205	(3,382)	44.58%	(2,665)	
Vibrant Town Centres	3,789	(651)	3,138	(3,269)	0	(3,269)	(6,407)	204.17%	1,289	
<b>Economic Development &amp; Growth:</b>	<b>55,455</b>	<b>-6,669</b>	<b>48,786</b>	<b>75,049</b>	<b>(34,821)</b>	<b>40,228</b>	<b>(8,558)</b>	<b>17.54%</b>	<b>(2,043)</b>	
<b>TOTALS: PLANNING &amp; GROWTH</b>	<b>504,127</b>	<b>-333,693</b>	<b>170,434</b>	<b>508,120</b>	<b>(307,395)</b>	<b>200,725</b>	<b>30,291</b>	<b>17.77%</b>	<b>92,977</b>	



Detail by Head of Service

Appendix B

HEAD OF OPERATIONS

Cost Centre Description	Expenditure Budget to date £	Income Budget to date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Variance to Date £	Variance to Date %	Y/E Forecast Variance £	Year End Variance Notes
Pool Cars	0	0	0	0	0	0	0	0.00%	0	
Vehicle Workshop Trading Account - FHDC	0	0	0	(49,437)	0	(49,437)	(49,437)	0.00%	0	
Depots	23,713	(3,018)	20,695	18,793	0	18,793	(1,902)	9.19%	2,771	
Waste & Cleansing Operatives	522,158	(186)	521,972	525,176	(60)	525,116	3,144	0.60%	29,943	Additional spend on Agency Staff.
Markets	12,483	(6,837)	5,646	9,632	(5,950)	3,682	(1,964)	34.79%	(1,803)	
<b>Operational:</b>	<b>558,354</b>	<b>-10,041</b>	<b>548,313</b>	<b>553,601</b>	<b>(6,010)</b>	<b>547,591</b>	<b>(722)</b>	<b>0.13%</b>	<b>30,911</b>	
Street Cleansing	17,391	(1,641)	15,750	(35,274)	(60)	(35,334)	(51,084)	324.34%	(2,587)	
Refuse Collection (Black Bin)	27,018	(2,934)	24,084	21,233	0	21,233	(2,851)	11.84%	(2,546)	
Recycling Collection (Blue Bin)	32,685	(23,800)	8,885	27,850	(7,917)	19,933	11,048	124.34%	27,456	Estimate based on 4100 Tonnes @ £34, The actual rate being received is £27.23 resulting in reduction of income of £27750
Compostable Collection (Brown Bin)	60,229	(69,301)	(9,072)	31,214	(233,646)	(202,432)	(193,360)	2131.39%	(108)	
Bulky, Fridges, Metal & Scrap Collection	4,014	(4,170)	(156)	3,834	(7,067)	(3,233)	(3,077)	1972.44%	(3,530)	
Clinical & Hazardous Waste Collection	1,413	(255)	1,158	672	0	672	(486)	41.97%	(461)	
Multi-Bank Recycling Sites	7,359	(10,099)	(2,740)	(1,819)	(3,216)	(5,035)	(2,295)	83.76%	(58)	
Trade Waste	20,922	(459,047)	(438,125)	10,483	(388,427)	(377,944)	60,181	13.74%	(3,144)	
<b>Waste - Business &amp; Commercial</b>	<b>171,031</b>	<b>-571,247</b>	<b>-400,216</b>	<b>58,193</b>	<b>(640,333)</b>	<b>(582,140)</b>	<b>(181,924)</b>	<b>45.46%</b>	<b>15,022</b>	
Property Services	74,463	(870)	73,593	82,144	(1,319)	80,825	7,232	9.83%	(1,413)	
<b>Property Maintenance:</b>	<b>74,463</b>	<b>-870</b>	<b>73,593</b>	<b>82,144</b>	<b>(1,319)</b>	<b>80,825</b>	<b>7,232</b>	<b>9.83%</b>	<b>(1,413)</b>	
Industrial & Business Units	135,968	(227,862)	(91,894)	57,334	(246,628)	(189,294)	(97,400)	105.99%	(21,554)	Rates on void properties presently underspent
Town Centres & Shops	15,078	(338,819)	(323,741)	221	(132,634)	(132,413)	191,328	59.10%	(16,151)	Rates on void properties presently underspent
<b>Property Management:</b>	<b>151,046</b>	<b>(566,681)</b>	<b>(415,635)</b>	<b>57,555</b>	<b>(379,262)</b>	<b>(321,707)</b>	<b>93,928</b>	<b>22.60%</b>	<b>(37,705)</b>	
Offices: College Heath Road	123,485	(7,002)	116,483	70,137	(15,001)	55,136	(61,347)	52.67%	(1,166)	
Offices: Brandon & Newmarket Guineas	12,692	0	12,692	16,596	0	16,596	3,904	30.76%	815	
Public Conveniences	18,877	0	18,877	(935)	(33)	(968)	(19,845)	105.13%	(3,686)	
CCTV	375	0	375	735	0	735	360	96.00%	10	
Green Travel Plan	0	0	0	0	(3,887)	(3,887)	(3,887)	0.00%	0	
District Highways Services	2,502	(180)	2,322	1,049	(500)	549	(1,773)	76.36%	(1,773)	
Land Drainage & Associated Works	74,500	0	74,500	0	0	0	(74,500)	100.00%	0	
<b>Facilities, CCTV &amp; Highways Services:</b>	<b>232,431</b>	<b>(7,182)</b>	<b>225,249</b>	<b>87,582</b>	<b>(19,421)</b>	<b>68,161</b>	<b>(157,088)</b>	<b>69.74%</b>	<b>(5,800)</b>	
Courier & Postal Service	14,418	0	14,418	9,477	0	9,477	(4,941)	34.27%	(4,941)	
Printing & Copying Service	12,882	(1,470)	11,412	10,272	3,181	13,453	2,041	17.88%	2,569	
<b>Central Services:</b>	<b>27,300</b>	<b>(1,470)</b>	<b>25,830</b>	<b>19,749</b>	<b>3,181</b>	<b>22,930</b>	<b>(2,900)</b>	<b>11.23%</b>	<b>(2,372)</b>	
Off Street Car Parks	128,766	(135,168)	(6,402)	139,363	(162,149)	(22,786)	(16,384)	255.92%	(5,787)	
<b>Car Parking:</b>	<b>128,766</b>	<b>(135,168)</b>	<b>(6,402)</b>	<b>139,363</b>	<b>(162,149)</b>	<b>(22,786)</b>	<b>(16,384)</b>	<b>255.92%</b>	<b>(5,787)</b>	

Detail by Head of Service

HEAD OF OPERATIONS (CONTINUED)

Cost Centre Description	Expenditure Budget to date £	Income Budget to date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Variance to Date £	Variance to Date %	Y/E Forecast Variance £	Year End Variance Notes
Leisure Services Management & Support	9,774	0	9,774	9,955	0	9,955	181	1.85%	561	
Arboriculture (Tree Maintenance Works)	9,138	0	9,138	10,118	0	10,118	980	10.72%	772	
Other Parks and Play Provision	65,814	(1,176)	64,638	89,628	(32,548)	57,080	(7,558)	11.69%	9,125	
Children's Play Areas	10,287	0	10,287	27,674	(14,585)	13,089	2,802	27.24%	(122)	
Sports & Leisure Centres	261,392	(11,250)	250,142	250,256	21,320	271,576	21,434	8.57%	(2,480)	
Leisure & Sports	10,732	(1,749)	8,983	9,480	0	9,480	497	5.53%	0	
<b>Leisure &amp; Cultural - Parks</b>	<b>367,137</b>	<b>(14,175)</b>	<b>352,962</b>	<b>397,111</b>	<b>(25,813)</b>	<b>371,298</b>	<b>18,336</b>	<b>5.19%</b>	<b>7,856</b>	
Arts, Heritage & Cultural Services	2,109	0	2,109	1,730	0	1,730	(379)	17.97%	(677)	
Shopmobility	5,834	0	5,834	5,042	0	5,042	(792)	13.58%	0	
Palace House and Stables	252	0	252	15,472	0	15,472	15,220	100.00%	15,012	
<b>Leisure &amp; Cultural - TIC &amp; Heritage:</b>	<b>8,195</b>	<b>0</b>	<b>8,195</b>	<b>22,244</b>	<b>0</b>	<b>22,244</b>	<b>14,049</b>	<b>171.43%</b>	<b>14,335</b>	
The Pavilion - Lady Wolverton Playingfield	825	(3,500)	(2,675)	0	(3,500)	(3,500)	(825)	30.84%	0	
<b>Leisure &amp; Cultural - Public Halls:</b>	<b>825</b>	<b>(3,500)</b>	<b>(2,675)</b>	<b>0</b>	<b>(3,500)</b>	<b>(3,500)</b>	<b>(825)</b>	<b>30.84%</b>	<b>0</b>	
<b>TOTALS: OPERATIONS</b>	<b>1,719,548</b>	<b>-1,310,334</b>	<b>409,214</b>	<b>1,368,105</b>	<b>(1,234,626)</b>	<b>133,479</b>	<b>(275,735)</b>	<b>67.38%</b>	<b>15,047</b>	

Detail by Head of Service

Appendix B

HEAD OF HOUSING

Cost Centre Description	Expenditure Budget to date £	Income Budget to date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Variance to Date £	Variance to Date %	Y/E Forecast Variance £	Year End Variance Notes
Housing Renewals	25,602	(51)	25,551	28,320	(50)	28,270	2,719	10.64%	3,533	
Burial of the Dead	2,190	(9)	2,181	2,249	1,759	4,008	1,827	83.77%	2,001	
Gypsies & Travellers	3,315	(9)	3,306	2,249	(8)	2,241	(1,065)	32.21%	233	
Other Public Health Services	29,797	(609)	29,188	32,771	(100)	32,671	3,483	11.93%	(10,413)	
<b>Public Health &amp; Housing:</b>	<b>60,904</b>	<b>(678)</b>	<b>60,226</b>	<b>65,589</b>	<b>1,601</b>	<b>67,190</b>	<b>6,964</b>	<b>11.56%</b>	<b>(4,646)</b>	
Housing Development & Strategy	17,862	(2,088)	15,774	9,196	(8,361)	835	(14,939)	94.71%	(7,586)	
<b>Housing Development &amp; Strategy:</b>	<b>17,862</b>	<b>(2,088)</b>	<b>15,774</b>	<b>9,196</b>	<b>(8,361)</b>	<b>835</b>	<b>(14,939)</b>	<b>94.71%</b>	<b>(7,586)</b>	
Homelessness	20,265	(2,688)	17,577	12,803	(3,072)	9,731	(7,846)	44.64%	(3,019)	
Housing Advice & Choice Based Lettings	36,123	(2,811)	33,312	28,111	363	28,474	(4,838)	14.52%	(3,641)	
Non-HRA Housing Properties	3,876	(1,164)	2,712	8,755	(1,809)	6,946	4,234	156.12%	2,573	
<b>Housing Options:</b>	<b>60,264</b>	<b>(6,663)</b>	<b>53,601</b>	<b>49,669</b>	<b>(4,518)</b>	<b>45,151</b>	<b>(8,450)</b>	<b>15.76%</b>	<b>(4,087)</b>	
Housing Business & Partnerships	10,269	0	10,269	16,421	0	16,421	6,152	59.91%	6,068	
<b>Housing Business &amp; Partnerships:</b>	<b>10,269</b>	<b>0</b>	<b>10,269</b>	<b>16,421</b>	<b>0</b>	<b>16,421</b>	<b>6,152</b>	<b>59.91%</b>	<b>6,068</b>	
<b>TOTALS: HOUSING:</b>	<b>149,299</b>	<b>-9,429</b>	<b>139,870</b>	<b>140,875</b>	<b>(11,278)</b>	<b>129,597</b>	<b>(10,273)</b>	<b>7.34%</b>	<b>(10,251)</b>	

This page is intentionally left blank

Project Description	2016-17 Full Year Budget	2016-17 Actual Spend to Date	2016-17 Forecast Actual Spend	2016-17 Carried Forward	2016-17 Year End Forecast Variance Over / (Under)	Notes
Home of Horseracing Project	4,711,885	350,326	4,711,885	0	0	Project nearing completion.
Sam Alper Industrial Development	1,250,877	354,917	1,250,877	0	0	Project progressing.
Omar Site - Brandon	325,956	214,220	325,956	0	0	Project likely to complete during July.
Vehicle & Plant Purchases	68,000	0	34,000	34,000	0	Requesting to carry forward balance on project due to timings of expected vehicle purchases.
Playground Improvements	60,000	4,381	60,000	0	0	
Historic Buildings Grant	40,250	0	40,250	0	0	Budget expected to be fully spent by the year end.
Private Sector Disabled Facilities Grants	259,764	9,579	259,764	0	0	The major spend on this project is anticipated to commence in the third quarter, however at this point we anticipate spending the full budget this year.
Private Sector Renewal Grants	500,650	6,876	500,650	0	0	To be considered as part of the MTFS review process.
<b>Asset Management Plan</b>						
Asset Management Plan	241,000	0	241,000	0	0	Funds to be allocated to projects as identified.
Swimming Pool Mildenhall	250,000	0	0	250,000	0	Not proposing to spend in 2016/17.
Leisure Centre Newmarket	150,000	0	150,000	0	0	Scheme Progressing - expected completion in this year.
Car Park Guineas Multi-storey	60,000	0	60,000	0	0	
Flowerpot Brandon	50,000	0	50,000	0	0	Scheme is dependent on Lease Proposals
Valley Way Newmarket Shops	11,407	35	5,704	0	(5,703)	Scheme completed.
1F Gregory road, Roof Renewal	25,000	10,289	25,000	0	0	Proposed completion of scheme August.
Craven Way, Newmarket	50,000	17,232	50,000	0	0	Scheme Progressing - Completion in this year.
James Carter Road, Industrial Major Unit Repairs	30,000	7,367	30,000	0	0	Scheme Progressing - Completion in this year.
Putney Close, Industrial Major Units Repairs	50,000	11,796	50,000	0	0	Scheme Progressing - Completion in this year.
Highbury Road, Industrial Fencing and Major Unit Repairs	30,000	26,970	30,000	0	0	Proposed completion of scheme July.
					0	
					0	
Guineas Car Park Energy Efficient Lighting	31,100	(2,700)	(2,700)	0	(33,800)	Scheme completed.

Project Description	2016-17 Full Year Budget	2016-17 Actual Spend to Date	2016-17 Forecast Actual Spend	2016-17 Carried Forward	2016-17 Year End Forecast Variance Over / (Under)	Notes
<b>Strategic Plan</b>						
Enterprise Hub/Innovation Park	1,450,000	0	0	1,450,000	0	Scheme to be considered as part of the MTFS review.
Wellington Street Newmarket - Wider Pedestrianisation Scheme	150,000	0	0	150,000	0	Newmarket Town centre Initiatives may require funding now BID in operation spend unlikely in 2016-17.
Housing Strategy	150,000	0	100,000	50,000	0	
Feasibility Studies	100,000	0	100,000	0	0	Funds to be allocated to projects, subject to requests.
Invest to Save Projects	500,000	0	0	500,000	0	
Rent-a-roof	1,005,655	0	250,000	755,655	0	
Harvey Adam Centre, Major Roofing Repairs	16,000	0	16,000	0	0	Scheme expected to be complete in 2016/17.
Holborn Avenue Shop Fronts	15,000	0	15,000	0	0	Scheme expected to be complete in 2016/17.
<b>Shared Service - Capital Requirements</b>						
Waste & Street Scene Back Office System	71,407	0	71,407	0	0	Scheme expected to be complete in 2016/17.
CRM Project	36,450	8,392	36,450	0	0	Scheme expected to be complete in 2016/17.
<b>PENDING ITEMS</b>						
Affordable Housing	405,000	0	405,000	0	0	To provide accommodation 3 units in Mildenhall looking to begin process in 2016-17 if the right properties can be identified, likely commencement towards the end of the year.
The range and delivery of options contained in the housing strategy document	3,000,000	0	1,000,000	2,000,000	0	
	<b>15,095,401</b>	<b>1,019,679</b>	<b>9,866,243</b>	<b>5,189,655</b>	<b>(39,503)</b>	

**Earmarked Reserves**

**Appendix D**

Reserve Details	2016/17 Opening Balance	2016/17 Budgeted Movement	2016/17 Budgeted Closing Balance	2016/17 Current Balance	2016/17 Forecast Closing Balance	2016/17 Forecast Variance (Under) / Over spent	Notes
Strategic Priorities & MTFS Reserve	6,193,266	229,224	6,422,490	6,717,868	6,422,542	(52)	
Invest to Save Reserve	215,197	(27,000)	188,197	221,027	191,042	(2,845)	
Risk/Recession Reserve	541,841	(120,518)	421,323	421,323	421,323	0	
BRR Equalisation Reserve	76,830	(113,318)	(36,488)	76,830	0	(36,488)	Full reserve balance taken as contribution, however lower than expected due to lower balance brought forward than originally anticipated.
Self Insured Fund	61,069	50,000	111,069	111,069	111,069	0	
Computer & Telephone Equipment Reserve	160,208	35,000	195,208	195,208	195,208	0	
HB Equalisation Reserve	161,321	0	161,321	161,321	161,321	0	No movement anticipated.
Interest Equalisation Reserve	69,719	0	69,719	69,719	69,719	0	No movement anticipated.
Professional Fees Reserve	35,000	35,000	70,000	70,000	70,000	0	
Single Regeneration Board	24,000	(24,000)	0	0	0	0	
ARP Reserve	302,876	0	302,876	302,876	302,876	0	No movement anticipated.
Vehicle & Plant Renewal Fund	213,601	162,000	375,601	443,601	409,601	(34,000)	Relates to vehicle spend carried forward to 2017/18 - see also Appendix C.
Waste Management Reserve	108,756	(41,000)	67,756	108,756	67,920	(164)	
Car Park Development Fund	56,170	0	56,170	56,170	56,170	0	
Commuted Maintenance Reserve	511,299	(7,944)	503,355	525,884	517,940	(14,585)	Additional contributions received in 2016/17.
Newmarket Stallion Reserve	22,459	0	22,459	22,459	22,459	0	No movement anticipated.
Leisure Reserve	27,932	0	27,932	27,932	27,932	0	No movement anticipated.
Communities against Drugs Reserve	30,000	0	30,000	30,000	30,000	0	To be used for evaluations in 2016/17 (?!).
Planning Reserve	23,700	(5,000)	18,700	133,700	0	18,700	Relates to timing of Local Plan spend.
Building Regulations Charging Reserve	1	0	1	1	1	0	No movement anticipated.
Planning Delivery Grant	94,716	(15,000)	79,716	94,716	79,716	0	
Local Land Charges Reserve	60,142	0	60,142	60,142	60,142	0	
Planning Policy Statement Climate Change	15,436	(12,857)	2,579	2,579	2,579	0	
S106 Monitoring Officer Reserve	78,201	0	78,201	72,395	72,395	5,806	Additional contributions received in 2016/17.
Implementing Smoke Free Legislation	7,758	0	7,758	7,758	7,758	0	
Economic Development Reserve (LABGI)	35,174	(56,979)	(21,805)	35,174	(0)	(21,805)	Reduced reserve contribution expected as a result of lower balance brought forward than anticipated.
Homelessness Legislation Reserve	127,736	(8,350)	119,386	127,736	121,474	(2,088)	
S106 Revenue Reserve	158,941	0	158,941	131,242	131,242	27,699	
Election Reserve	38,091	10,000	48,091	48,091	48,091	0	
Staff Training Reserve	22,582	0	22,582	22,582	22,582	0	
<b>Forest Heath Totals</b>	<b>9,474,022</b>	<b>89,258</b>	<b>9,563,280</b>	<b>10,298,159</b>	<b>9,623,102</b>	<b>(59,822)</b>	

This page is intentionally left blank



# Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Annual Treasury Management Report 2015/16 and Investment Activity (April – June 2016)</b>	
<b>Report No:</b>	<b>PAS/FH/16/019</b>	
<b>Report to and dates:</b>	<b>Performance and Audit Scrutiny Committee</b>	27 July 2016
<b>Portfolio holder:</b>	Stephen Edwards Portfolio Holder for Resources, Governance and Performance <b>Tel:</b> 01638 660518 <b>Email:</b> <a href="mailto:stephen.edwards@forest-heath.gov.uk">stephen.edwards@forest-heath.gov.uk</a>	
<b>Lead officer:</b>	Rachael Mann Head of Resources and Performance <b>Tel:</b> 01638 719245 <b>Email:</b> <a href="mailto:rachael.mann@westsuffolk.gov.uk">rachael.mann@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	To:  a) Present the Council's Annual Treasury Management Report summarising the investment activities for the year 2015/16; and  b) Provide a summary of investment activities for the first three months 2016/17 financial year.	

<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>It is <u>RECOMMENDED</u> that:</b>  <b>(1) Scrutinise the content of this report, including details of the treasury management performance for the first three months of the 2016-2017 financial year; and,</b>  <b>(2) Make recommendations to Cabinet and Council regarding the approval of the attached Annual Treasury Management Report for 2015-2016 (Attachment 1 refers).</b>
<b>Key Decision:</b>  <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>

<b>Consultation:</b>	<ul style="list-style-type: none"> <li>Treasury management activities are undertaken in consultation with CDCM/Tradition (the Council's appointed brokers for longer term investments) and also takes into account information obtained from other investment brokers and economic commentators. Any changes in strategies and policies are subject to approval by the Head of Resources and Performance, Cabinet and full Council.</li> </ul>
<b>Alternative option(s):</b>	<ul style="list-style-type: none"> <li>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 Council's borrowings, 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.</li> </ul>

<b>Implications:</b>	
<i>Are there any <b>financial</b> implications? If yes, please give details</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> • Please refer to the main report
<i>Are there any <b>staffing</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •
<i>Are there any <b>ICT</b> implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •

<i>Are there any <b>legal and/or policy</b> implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>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 2015/16. 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).</li> </ul>	
<i>Are there any <b>equality</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk (before controls)</b>	<b>Controls</b>	<b>Residual risk (after controls)</b>
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.	Medium
Bank / building society failure resulting in loss of Council funds.	High	Use of CDCM/Tradition 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
<b>Ward(s) affected:</b>		All Wards	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		CIPFA's revised Code of Practice for Treasury Management, (the Code), published in 2011.  Annual Treasury Management and Investment Strategy – 2015/16 ( <a href="#">COU/FH/15/003</a> )	

<b>Documents attached:</b>	Attachment 1 - Annual Treasury Management Report 2015/16  Appendix 1 – Temp Loans 2015/16  Appendix 2 – CDCM Investments 2015/16  Appendix 3 – Internally Managed Investments 2015/16  Appendix 4 – Comparison of Rates 2015/16  Appendix 5 – Statement of Compliance with the Treasury Management Code of Practice
----------------------------	---

---

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

### 1.1 Annual Report 2015/16

### 1.2 Interest Earned from Treasury Investments during the year

1.2.1 The table below summaries the interest earned during 2015/16.

1.2.2

<b>TREASURY MANAGEMENT – INTEREST EARNED SUMMARY</b>		
	<b>2015/16</b>	<b>2014/15</b>
	<b>£</b>	<b>£</b>
CDCM/ Tradition Investments	348,117.67	432,188.69
In-House Investments	43,990.05	20,294.63
Lloyds 95 day Notice Account	11,168.00	9,521.76
Barclays FIBCA	8,264.24	8,944.07
NatWest LSA	555.41	1,562.28
Santander 180 day Account	5,324.66	
<b>TOTAL INTEREST EARNED/ACCRUED</b>	<b>£417,402.03</b>	<b>£472,511.43</b>

1.2.3 The budgeted income from investments in 2015/16 was £379,500 (average rate of return of 1.75%). Interest actually earned during the year totalled £417,402 (average rate of return of 1.27%), an overachievement of interest of £37,902 but an under achievement of 0.48% on average rate of return.

1.2.4 The over achievement of interest earned was primarily due to higher cash balances being held during the year than originally budgeted for. This was as a result of timing differences in the receipts and payments of NNDR, an under spend on the Council's original capital programme and higher than predicted revenue reserve balances being held.

1.2.5 The Bank of England base rate remained at 0.5% throughout the whole of 2015/16 and the banks Funding for Lending Scheme also remained open during the year consequently interest rates offered by institutions remained low which resulted in a lower average rate of return being achieved by the council during 2015/16 than originally predicted.

### 1.3 Investment Activity during the year

1.3.1 The table below summaries the investment activities during 2015/16;

<b>TREASURY MANAGEMENT – INVESTMENT ACTIVITY SUMMARY</b>	
	<b>2015/16</b>
<b>Opening Balance 01 April 2015</b>	<b>28,585,000</b>
Investments made during the year (including transfers to business reserve accounts)	46,000,000
Sub Total	74,585,000
Investments realised during the year (including withdrawals from business reserve accounts)	45,095,000
<b>Closing Balance 31 March 2016</b>	<b>29,490,000</b>

1.3.2 During the fourth quarter of 2015/16 we were required to keep a substantial amount of money available for a major project. To achieve this investments were made for unusually short periods of time hence the high volume of investments and withdrawals'

#### **1.4 Investments held as at 31 March 2016**

1.4.1 The table below shows the investments held as at 31 March 2016;

<b>Investments Held as at 31 March 2016</b>				
<b>Counterparty</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Date Loaned</b>	<b>Date Returned</b>
Lloyds TSB Bank Plc	2,000,000	3.65%	17/05/12	15/05/17
Close Bros	3,000,000	2.05%	08/01/15	09/01/17
National Counties Building Society	2,500,000	1.75%	09/02/15	09/02/17
Principality Building Society	2,500,000	1.02%	10/08/15	08/08/16
Progressive Building Society	3,000,000	0.72%	01/12/15	01/06/16
West Bromwich Building Society	3,000,000	0.72%	01/12/15	01/06/16
Nottingham Building Society	1,500,000	0.57%	19/01/16	22/04/16
National Counties Building Society	500,000	0.45%	23/02/16	22/04/16
Newcastle Building Society	1,200,000	0.45%	15/03/16	15/04/16
Yorkshire Building Society	2,000,000	0.25%	15/03/16	01/04/16
Nottingham Building Society	500,000	0.40%	18/03/16	01/04/16
Coventry Building Society	1,200,000	0.41%	24/03/16	15/04/16
Principality Building Society	2,000,000	0.39%	31/03/16	22/04/16
Santander 180 day Account	1,000,000	1.15%	15/10/15	Call
Lloyds 95 Day Account	1,900,000	0.62%	Call	
Barclays FIBCA	1,690,000	0.40%	Call	
<b>TOTAL</b>	<b>29,490,000</b>			

#### **1.5 Market Activities**

1.5.1 Base rate remained at 0.5% throughout the year. Investment returns continue to be one to two basis points above or below base rate, depending on duration. New investments for one year or more are attracting returns of around 1%.

#### **1.6 Borrowings**

1.6.1 On 31 March 2008 the Council borrowed £4.0m from Barclays Bank Plc, to part fund the new Newmarket Leisure Centre. It is a long term loan, for 70 years, to 31 March 2078, at a rate of 4.24%, with interest payable in arrears on the 31 March and 30 September each year.

1.6.2 Interest paid on the Barclays loan during 2015/16 totalled £169,600.

## **1.7 Temporary Loans**

1.7.1 The only other debt that the Council has is on a short term basis (i.e. 364 days or less) in the form of temporary loans in accordance with the 2015/16 Treasury Management Strategy.

1.7.2 The balance of principal outstanding for temporary loans as at 31 March 2016 was £2,000. Loan number 1727 was repaid during the financial year 2015/16. The table below shows the temporary loans outstanding as at 31 March 2016.

<b>Temporary Loans as at 31 march 2015</b>			
<b>Loan number</b>	<b>Interest Rate</b>	<b>Maturity Date</b>	<b>Loan Amount</b>
1557	7 Day Average	7 Days Notice	1,000
1727	7 Day Average	7 Days Notice	<i>Repaid in year</i>
1735	7 Day Average	7 Days Notice	1,000
<b>Balance outstanding as at 31 march 2013</b>			<b>£2,000</b>

## **1.8 Average Rate of Return**

1.8.1 The table below shows the average rate of return for the various categories of investment against the 7 day average rate and 3 year – 7day average rate.

<b>Comparison of Average Rate of Return</b>				
	<b>Qtr 1</b>	<b>Qtr 2</b>	<b>Qtr 3</b>	<b>Qtr 4</b>
Temporary Investments	0.502%	0.532%	0.570%	0.574%
CDCM Investments	1.772%	1.780%	1.724%	1.699%
NatWest LSA	0.250%	0.250%	0.250%	0.250%
Barclays FIBCA	0.450%	0.450%	0.450%	0.449%
Santander 180 day Acc			1.151%	1.150%
7 Day Average	0.475%	0.476%	0.476%	0.475%
3 year – 7 Day Average	0.484%	0.484%	0.484%	0.484%
<b>Overall Average return on Investments</b>	<b>1.360%</b>	<b>1.340%</b>	<b>1.290%</b>	<b>1.270%</b>

## **2. Quarter One Report 2016/17**

### **Investment Activity: 1 April to 30 June 2016**

2.1.1 The total amount invested at 1 April 2016 was £29.49m and at 30 June 2016 £30.70m. 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 2016/17 Annual Treasury Management and Investment Strategy (report PAS/FH/16/007 refers) sets out the Council's projections for the current financial year. The budget for investment income in 2016/17 is £347,000 which is based on a 1.50% target average rate of return on investments.

2.1.3 As at the end of June 2016 interest actually earned during the first quarter of the financial year amounted to £79,527 (average rate of return of 1.00%) against a profiled budget for the period of £86,750; a budgetary deficit of £7,223. This budgetary deficit was 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. Shorter than usual investments have also been used in order to ensure liquidity of funds for a major capital project which is due to complete imminently.

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

<b>INTEREST EARNED &amp; AVERAGE RATE OF RETURN SUMMARY</b>			
<b>Investment Category</b>	<b>Total Average Investment</b>	<b>Average Rate of Return (%)</b>	<b>Interest Earned in Q1</b>
City Deposit Cash Managers	2,625,514	1.66%	58,017.67
Temporary Investments	1,919,998	0.39%	11,324.74
Lloyds 95 Day Account	2,283,333	0.62%	3,490.68
NatWest LSA	692,308	0.25%	431.82
Barclays FIBCA	2,257,472	0.45%	2,532.70
Santander 180 Day Account	1,000,000	1.15%	2,867.12
Santander 95 Day Account	500,000	0.90%	863.01
<b>Total Overall Average Return on Investments %</b>			<b>1.00%</b>
<b>Total Interest Earned - 1 April 2016 to 30 June 2016</b>			<b>79,527.74</b>

2.1.5 The table below summarises the investment activities during the period:

<b>TREASURY MANAGEMENT – INVESTMENT ACTIVITY SUMMARY</b>	
	<b>2016/17</b>
<b>Opening Balance 01 April 2016</b>	<b>29,490,000</b>
Investments made during the year (including transfers to business reserve accounts)	29,550,000
Sub Total	59,040,000
Investments realised during the year (including withdrawals from business reserve accounts)	28,340,000
<b>Closing Balance 30 June 2016</b>	<b>30,700,000</b>

2.1.6 The table below shows the list of investments held as at 30 June 2016:

<b>LIST OF INVESTMENTS HELD AS AT 30 JUNE 2016</b>				
<b>Counterparty</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Date Loaned</b>	<b>Date Returned</b>
Lloyds TSB Bank Plc	2,000,000	3.65%	17/05/12	15/05/17
Close Bros	3,000,000	2.05%	08/01/15	09/01/17
National Counties B/Soc	2,500,000	1.75%	09/02/15	09/02/17
Principality B/Soc	2,500,000	1.02%	10/08/15	08/08/16
Newcastle B/Soc	1,000,000	0.57%	15/06/16	26/09/16



National Counties B/Soc	1,500,000	0.45%	17/06/16	01/07/16
Yorkshire B/Soc	2,500,000	0.25%	29/06/16	06/07/16
Skipton B/Soc	2,500,000	0.25%	29/06/16	06/07/16
Coventry B/Soc	2,500,000	0.40%	30/06/16	07/07/16
Nottingham B/Soc	2,500,000	0.40%	30/06/16	07/07/16
Lloyds 95 Day Account	2,400,000	0.62%	01/04/16	No notice given
Barclays FIBCA	2,200,000	0.45%	Call	Account
NatWest LSA	2,100,000	0.25%	Call	Account
Santander 180 Day Acct	1,000,000	1.15%	01/04/16	No notice given
Santander 95 Day Acct	500,000	0.90%	22/04/16	No notice given
<b>TOTAL</b>	<b>30,700,000</b>			

2.1.7 The table below shows a summary of the funds held as at 30 June 2016:

<b>SUMMARY OF FUNDS HELD*</b>	
<b>Fund</b>	<b>£</b>
Revenue Reserves	10,298,157
Capital Receipts Reserves	16,555,971
General Funds Reserve	2,000,217
Cashflow Balances	1,845,655
<b>Total Value of Investments</b>	<b>30,700,000</b>

\* Further details of funds held by the Council can be found in the Quarterly Budget Outturn Reports presented to Performance and Audit Scrutiny committee.

## 2.2 Other Market Considerations

2.2.1 Following the majority vote in favour of leaving the European Union in the referendum held on 23 June, at the time of writing this report markets around the world were still coming to terms with the immediate reaction to the news and markets remain volatile. The treasury team will continue to closely monitor the situation and provide undated information as it becomes available.

2.2.2 Market Analysts have recently revised their prediction on base rate, and are now potentially predicting a base rate cut during 2016/17 with an increase not predicted until 2018, this is likely to have an adverse effect on the Council's average rate of return. Treasury management performance will continue to be closely monitored with further quarterly performance reports being brought to this sub-committee for scrutiny.

This page is intentionally left blank

**TREASURY MANAGEMENT ANNUAL REPORT 2015/16**

**INTRODUCTION**

1. Forest Heath District Council's Treasury Management Code of Practice is based on the 2011 Fully Revised Code recommended nationally by the Chartered Institute of Public Finance and Accountancy (CIPFA). The Code also incorporates revisions introduced by CIPFA in its document "Treasury Management in the Public Services – Code of Practice and Cross-Sectoral Guidance Notes.
2. Treasury Management in this context is defined as:-  
  
"The management of the Local Authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of the optimum performance consistent with those risks."
3. This Council has adopted the Code fully, and complies with its requirements. The primary requirement of the Code is the formulation and agreement by full Council of a Treasury Policy Statement (Treasury Management Code of Practice). This sets out Council and Committee responsibilities, as well as those of the Section 151 Officer (Head of Resources and Performance), in addition to the delegation and reporting arrangements. The Cabinet approved the Treasury Management Code of Practice for 2015/16 on 27 February 2015, (report COU/FH/15/003 refers).
4. A requirement of the Council's Treasury Management Code of Practice is the reporting to the Council of both the expected Treasury activity for the forthcoming financial year (the Treasury Management and Annual Investment Strategy Report) and subsequently the results of the Council's Treasury Management activities in that year (Treasury Management Annual Report).
5. This Report fulfils the requirements in accordance with **TMP6**, of the Treasury Management Code of Practice, which requires the submission of the Treasury Management Annual Report prior to 30 September following a financial year's end.

**BORROWING**

6. On the 31 March 2008 Forest Heath District Council borrowed £4.0M from Barclays Bank Plc, to part fund the new Newmarket Leisure Centre. It is a long term loan, for 70 years, to the 31 March 2078, at a rate of 4.24%, with interest payable in arrears on the 31 March and 30 September each year. The loan is on a LOBO basis, which stands for Lender's Option Borrower's Option, which gives the lender the opportunity to increase the interest rate at pre-set dates through the period of the loan, but also gives the Council the option to repay the loan and any accrued interest if they do not want to accept these new terms.
7. The first Lender's Option Date is the 31 March 2018 and thereafter, the last Business Day of each successive period of five years. Appropriate requirements for notice periods for the Lender and the Borrower are set out in the loan instrument.

8. On the 30 September 2015 interest was paid to Barclays Bank Plc in the sum of £84,567.67, and on the 31 March 2016 a further £85,032.33 was paid.
9. The only other debt that the Council has is on a short term basis (i.e. 364 days or less) in the form of temporary loans in accordance with the 2015/16 Treasury Management Strategy Report. These are detailed in the following paragraph.

#### TEMPORARY LOANS – SUMMARY POSITION

10. The balance of principal outstanding for temporary loans as at the 31 March 2016 was £2,000. One loan of £300 was repaid during the financial year 2015/16.
11. A list of temporary loans outstanding as at 31 March 2016 is shown in **Appendix 1**.

#### PUBLIC WORKS LOAN BOARD (PWLB)

12. No loans are outstanding with the Public Works Loan Board.

#### TREASURY MANAGEMENT STRATEGY

13. The strategy for Treasury Management during 2015/16 was reported to the Council on 27 February 2015.

#### INTEREST RATES

14. The Bank of England Base Rate remained at its historic low of 0.50% for the whole of 2015/16. Investment rates fluctuated during the year with investment returns on short term investments typically one or two basis points either side of the base rate. The Bank of England also announced that the Funding for Lending Scheme would remain open until 31 January 2018. This could mean that the reliance of financial institutions on the borrowing of wholesale funds (such as local authority investments) remains unchanged, resulting in a continued dampening of investment rates.
15. The Council's predicted average rate of return for the next 3 years, include in the Annual Treasury Management and Investment Statements 2016/17, is as follows:

<b>CDCM INTEREST RATE AVERAGE RATE OF RETURN PREDICTIONS</b>		
2016/17	2017/18	2018/19
1.50%	1.75%	2.00%

16. However following the recent referendum result there may be a need to revise these predictions. The treasury team will continue to closely monitor the situation and provide updated information as it becomes available.

#### COMPLIANCE WITH THE TREASURY MANAGEMENT STRATEGY & CODE OF PRACTICE

17. During the financial year 2015/16 the Council operated within the requirements of the approved Annual Treasury Management & Investment Strategy and Treasury Management Code of Practice.

## INVESTMENTS SUMMARY

18. The Council had five main investment categories in 2015/16 as follows:-

- Investments made on the advice of the brokers firm CDCM (Tradition)
- Internally Managed Temporary Investments by the Council
- NatWest Liquidity Select Call Account
- Barclays FIBCA Call Account
- Lloyds 95 day Notice Account
- Santander 180 day Notice Account

19. The overall amount of interest earned from investments (including accrued interest to 31 March 2016) in respect of the 2015/16 financial year totalled £417,402. This represents an increase of £37,902 against the budget of £379,500 as forecast in the Council's Medium Term Financial Strategy.

20. The tables below summarise the interest earned during 2015/16 and compares it to 2014/15 and total investments held as at 31 March 2016 compared to 31 March 2015.

<b>TREASURY MANAGEMENT – INTEREST EARNED SUMMARY</b>		
	<b>2015/16</b>	<b>2014/15</b>
	<b>£</b>	<b>£</b>
CDCM/ Tradition Investments	348,117.67	432,188.69
In-House Investments	43,990.05	20,294.63
Lloyds 95 day Notice Account	11,168.00	9,521.76
Barclays FIBCA	8,264.24	8,944.07
NatWest LSA	555.41	1,562.28
Santander 180 day Account	5,324.66	
<b>TOTAL INTEREST EARNED/ACCRUED</b>	<b>£417,402.03</b>	<b>£472,511.43</b>

<b>TOTAL VALUE OF INVESTMENTS (PRINCIPAL) HELD AT YEAR END</b>		
	<b>At 31 March 16</b>	<b>At 31 March 15</b>
	<b>£</b>	<b>£</b>
City Deposit Cash Managers Investments	16,000,000	20,500,000
Internally Managed Temporary Investments	8,900,000	4,600,000
Lloyds 95 day Notice Account	1,900,000	1,500,000
NatWest Liquidity Select Account	0	0
Barclays FIBCA	1,690,000	1,985,000
Santander 180 day Notice Account	1,000,000	
<b>Total Value of Investments</b>	<b>29,490,000</b>	<b>28,585,000</b>

## INVESTMENTS MADE THROUGH CITY DEPOSIT CASH MANAGERS (TRADITION) ADVICE

21. Maturing investments re-invested through City Deposit Cash Managers advice during the financial year totalled £13.0m. In addition £7.5m of CDCM investments made prior to 2015/16 were still in place during 2015/16. Interest earned during the year

on CDCM investments amounted to £348,117.67. **Appendix 2** contains details of individual investments.

22. The average rate of return from investments made through the advice of City Deposit Cash Managers was 1.699%. The table in **Appendix 4** compares the rates returned on the maturing investments during the year, compared to the Benchmark 3 year - 7 Day Average Rate of 0.484%.

23. A list of outstanding investments made on City Deposit Cash Managers advice, as at 31 March 2016 is shown below.

<b>CDCM Investments Held as at 31 March 2016</b>				
<b>Counterparty</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Date Loaned</b>	<b>Date Returned</b>
Lloyds TSB Bank Plc	2,000,000	3.65%	17/05/12	15/05/17
Close Bros	3,000,000	2.05%	08/01/15	09/01/17
National Counties Building Society	2,500,000	1.75%	09/02/15	09/02/17
Principality Building Society	2,500,000	1.02%	10/08/15	08/08/16
Progressive Building Society	3,000,000	0.72%	01/12/15	01/06/16
West Bromwich Building Society	3,000,000	0.72%	01/12/15	01/06/16
<b>TOTAL</b>	<b>16,000,000</b>			

#### INTERNALLY MANAGED TEMPORARY INVESTMENTS

24. Internally Managed Temporary Investments and re-investments totalling £41,800,000 were made during the 2015/16 financial year. Interest earned during the year on these investments amounted to £43,990.05. **Appendix 3** contains details of individual investments.

25. A list of outstanding Internally Managed Temporary Investments as at 31 March 2015 is shown below.

<b>Internally Managed Investments Held as at 31 March 2016</b>				
<b>Counterparty</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Date Loaned</b>	<b>Date Returned</b>
Nottingham Building Society	1,500,000	0.57%	19/01/16	22/04/16
National Counties Building Society	500,000	0.45%	23/02/16	22/04/16
Newcastle Building Society	1,200,000	0.45%	15/03/16	15/04/16
Yorkshire Building Society	2,000,000	0.25%	15/03/16	01/04/16
Nottingham Building Society	500,000	0.40%	18/03/16	01/04/16
Coventry Building Society	1,200,000	0.41%	24/03/16	15/04/16
Principality Building Society	2,000,000	0.39%	31/03/16	22/04/16
Santander 180 day Account	1,000,000	1.15%	15/10/15	Call
Lloyds 95 Day Account	1,900,000	0.62%	Call	
Barclays FIBCA	1,690,000	0.40%	Call	
<b>TOTAL</b>	<b>13,490,000</b>			

26. The average rate of return on Internally Managed Temporary Investments was 0.574%.

27. The table in **Appendix 4** illustrates the average monthly rate of return on Internally Managed Temporary Investments, compared to the 3 year - 7 Day Average Rate of 0.484%.
28. During the financial year there have been occasions when higher levels of funds have been held in the Council's current account (Lloyds General 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 fixed term investment or rates offered on short term investments were lower than the rate being paid by the current account, currently 0.4%. The Treasury Management Code of Practice does allow for this if the loss of interest (if there is any) does not exceed £25.

#### THE NATWEST LIQUIDITY SELECT ACCOUNT

29. The NatWest Liquidity Select Account (NatWest LSA) was opened 17 September 2012 to take advantage of the 0.85% rate of interest offered. As with all interest rates the NatWest LSA's rate has dropped over the course of last 2 years and remained at 0.25% during 2015/16.
30. Due to the low interest rate, limited use was made of this account during the year. Consequently interest earned on this account amounted to only £555.41.

#### THE BARCLAYS FIBCA ACCOUNT

31. The Barclays Fixed Interest Bearing Call Account (Barclays FIBCA) was opened 28 January 2013 to take advantage of the 0.7% rate of interest offered. The rate during the year was 0.40% which is still comparable to some instant access/short term investment rates available in the market.
32. Interest earned on this account during the year amounted to £8,264.24.
33. The balance held on the account as at the 31 March 2016 was £1,690,000.

#### THE LLOYDS 95 DAY NOTICE ACCOUNT

34. The Lloyds 95 Day Notice Account was opened 2 April 2013 to take advantage of the 0.75% rate of interest offered. The rate has reduced during to year to 0.62% which is still comparable with short term investment rates available in the market.
35. Interest earned on this account during the year amounted to £11,168.00.
36. During the course of the year an additional investment of £400,000 was made in this account. The balance held on the account as at the 31 March 2016 was £1,900,000.

#### SANTANDER 180 DAY NOTICE ACCOUNT

37. In October 2015 the Council opened a Santander 180 day Notice Account that offers a return of 1.15%, which is comparable to one year, fixed term rates currently available.
38. Interest earned on this account during the year amounted to £5,324.66.
39. The balance held on the account as at the 31 March 2016 was £1,000,000.

This page is intentionally left blank



**APPENDIX 1**

**LIST OF TEMPORARY LOANS OUTSTANDING AND TERMS OF LOANS AS AT 31 MARCH 2016**

<b>LOAN NUMBER</b>	<b>% RATE OF INTEREST</b>	<b>MATURITY DATE</b>	<b>LOAN AMOUNT (£)</b>
1557	7 Day Average Rate	7 Days Notice	1,000
1727	7 Day Average Rate	7 Days Notice	<i>Repaid in year</i>
1735	7 Day Average Rate	7 Days Notice	1,000
<b>Balance Outstanding as at 31 March 2016</b>			<b><u>2,000</u></b>

This page is intentionally left blank

<b>CDCM / TRADITION INVESTMENTS 2015/16</b>							<b>Appendix 2</b>
<b>Counterparty Name</b>	<b>Value / Balance £</b>	<b>Interest Rate %</b>	<b>Date Loaned</b>	<b>Date of Return</b>	<b>No. of Days</b>	<b>Total Interest Payable £</b>	<b>Interest Accrued 2015-16</b>
Lloyds TSB Bank Plc	2,000,000.00	3.650000	17-May-12	15-May-17	1824	364,800.00	73,200.00
Nottingham Building Society	1,500,000.00	3.150000	8-Oct-12	8-Oct-15	1095	141,750.00	24,595.89
Principality B/Soc	1,500,000.00	1.200000	10-Feb-14	10-Aug-15	546	26,926.03	6,460.27
Principality B/Soc	1,000,000.00	1.150000	14-Mar-14	10-Aug-15	514	16,194.52	4,127.40
Rothschild	3,000,000.00	2.450000	11-Jun-14	31-Mar-16	659	132,702.74	73,637.67
Clydesdale bank	3,000,000.00	0.800000	1-Aug-14	1-May-15	273	17,950.68	1,972.60
Close Bros Ltd	3,000,000.00	2.050000	8-Jan-15	9-Jan-17	732	123,336.99	61,668.49
National Counties Building Society	2,500,000.00	1.750000	9-Feb-15	9-Feb-17	731	87,619.86	43,869.86
Cumberland B/Society	3,000,000.00	0.510000	16-Mar-15	16-Jun-15	92	3,856.44	3,185.75
Clydesdale bank	3,000,000.00	0.400000	1-May-15	1-Jun-15	31	1,019.18	1,019.18
West Bromwich Building Society	3,000,000.00	0.680000	1-Jun-15	1-Dec-15	183	10,227.95	10,227.95
Progressive Building Society	3,000,000.00	0.660000	16-Jun-15	1-Dec-15	168	9,113.42	9,113.42
Principality B/Soc	2,500,000.00	1.020000	10-Aug-15	8-Aug-16	364	25,430.14	16,417.81
Nottingham Building Society	1,500,000.00	0.640000	8-Oct-15	15-Mar-16	159	4,181.92	4,181.92
Progressive Building Society	3,000,000.00	0.720000	1-Dec-15	1-Jun-16	183	10,829.59	7,219.73
West Bromwich Building Society	3,000,000.00	0.720000	1-Dec-15	1-Jun-16	183	10,829.59	7,219.73
							<b>348,117.67</b>

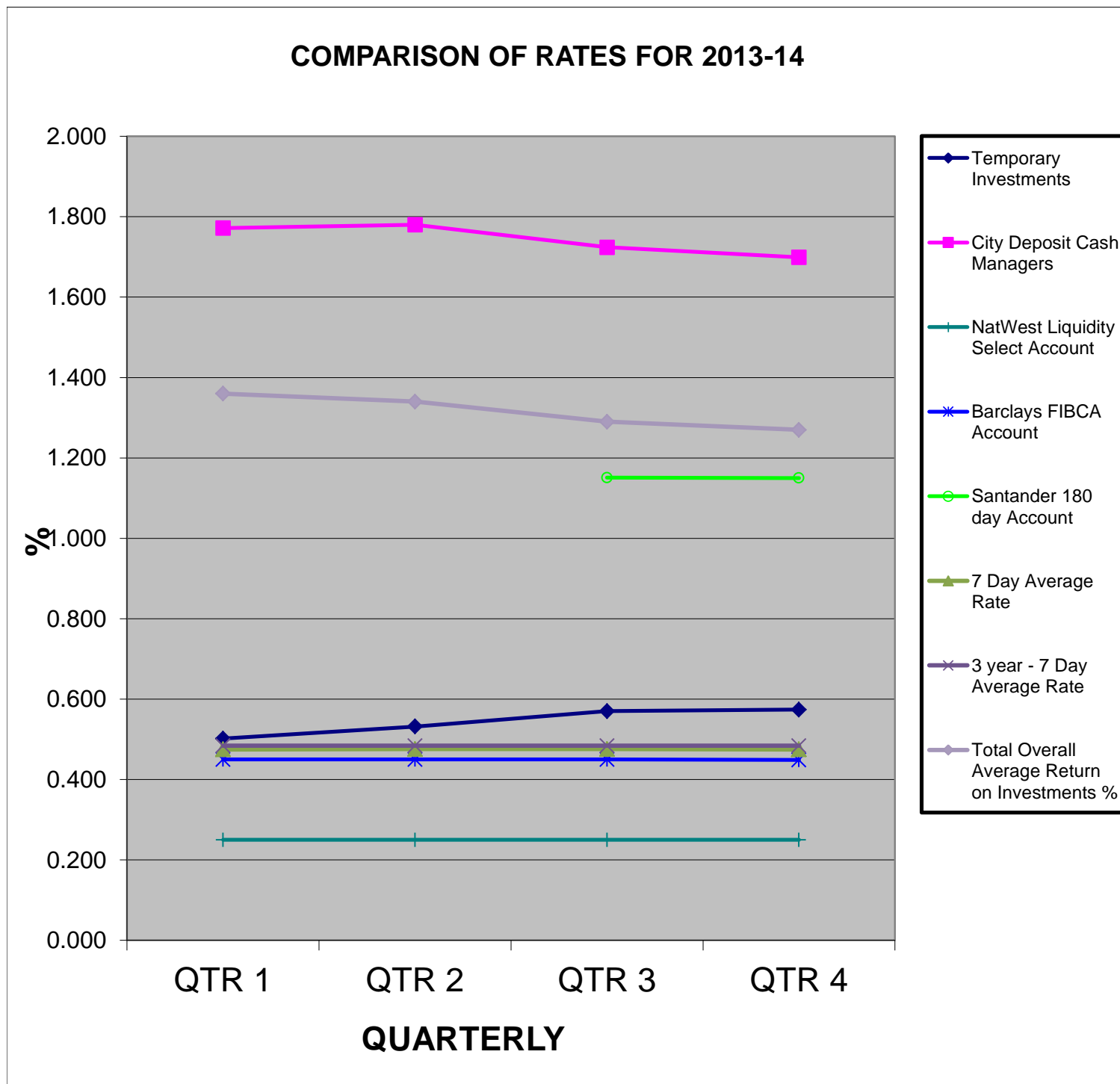
This page is intentionally left blank

INTERNALLY MANAGED INVESTMENTS 2015/16							Appendix 3
Counterparty Name	Value / Balance £	Interest Rate %	Date Loaned	Date of Return	No. of Days	Total Interest Payable £	Interest Accrued 2014-15
Nationwide Building Society	1,200,000.00	0.520000	9-Mar-15	22-Jun-15	105	1,795.07	1,401.86
Coventry Building Society	1,000,000.00	0.450000	9-Mar-15	19-May-15	71	875.34	591.78
Principality Building Society	1,200,000.00	0.430000	16-Mar-15	30-Apr-15	45	636.16	409.97
Nottingham Building Society	1,200,000.00	0.400000	23-Mar-15	24-Apr-15	32	420.82	302.47
Coventry Building Society	800,000.00	0.440000	1-Apr-15	22-May-15	51	491.84	491.84
Nottingham Building Society	800,000.00	0.580000	1-Apr-15	20-Jul-15	110	1,398.36	1,398.36
Principality Building Society	800,000.00	0.390000	15-Apr-15	11-May-15	26	222.25	222.25
Nationwide Building Society	800,000.00	0.410000	15-Apr-15	19-May-15	34	305.53	305.53
Nottingham Building Society	1,000,000.00	0.570000	24-Apr-15	31-Jul-15	98	1,530.41	1,530.41
Principality Building Society	900,000.00	0.570000	1-May-15	24-Aug-15	115	1,616.30	1,616.30
Principality Building Society	1,100,000.00	0.470000	11-May-15	23-Jun-15	43	609.07	609.07
Coventry Building Society	800,000.00	0.440000	22-May-15	27-Jul-15	66	636.49	636.49
Coventry Building Society	1,200,000.00	0.490000	1-Jun-15	21-Sep-15	112	1,804.27	1,804.27
Nationwide Building Society	800,000.00	0.770000	15-Jun-15	7-Mar-16	266	4,489.21	4,489.21
Principality Building Society	600,000.00	0.420000	23-Jun-15	20-Aug-15	58	400.44	400.44
Nationwide Building Society	1,200,000.00	0.710000	1-Jul-15	8-Feb-16	222	5,182.03	5,182.03
National Counties B/Society	1,000,000.00	0.440000	15-Jul-15	19-Aug-15	35	421.92	421.92
Yorkshire Building Society	2,000,000.00	0.250000	3-Aug-15	28-Aug-15	25	342.47	342.47
Nottingham Building Society	1,500,000.00	0.600000	17-Aug-15	22-Dec-15	127	3,131.51	3,131.51
National Counties B/Society	500,000.00	0.400000	20-Aug-15	7-Sep-15	18	98.63	98.63
Principality Building Society	500,000.00	0.470000	24-Aug-15	15-Oct-15	52	334.79	334.79
Principality Building Society	1,500,000.00	0.410000	28-Aug-15	14-Sep-15	17	286.44	286.44
Coventry Building Society	800,000.00	0.400000	28-Aug-15	14-Sep-15	17	149.04	149.04
National Counties B/Society	500,000.00	0.680000	7-Sep-15	23-Feb-16	169	1,574.25	1,574.25
Principality Building Society	1,500,000.00	0.750000	14-Sep-15	21-Mar-16	189	5,825.34	5,825.34
National Counties B/Society	500,000.00	0.660000	14-Sep-15	22-Feb-16	161	1,455.62	1,455.62
Coventry Building Society	800,000.00	0.400000	15-Sep-15	21-Sep-15	6	52.60	52.60
Nottingham Building Society	500,000.00	0.400000	15-Sep-15	25-Sep-15	10	54.79	54.79
Coventry Building Society	1,200,000.00	0.400000	1-Oct-15	15-Oct-15	14	184.11	184.11
Principality Building Society	500,000.00	0.440000	15-Oct-15	23-Nov-15	39	235.07	235.07
Coventry Building Society	1,200,000.00	0.570000	15-Oct-15	24-Mar-16	161	3,017.10	3,017.10
Nottingham Building Society	500,000.00	0.380000	15-Oct-15	26-Oct-15	11	57.26	57.26
Coventry Building Society	800,000.00	0.400000	2-Nov-15	19-Nov-15	17	149.04	149.04
Nottingham Building Society	500,000.00	0.620000	2-Nov-15	18-Mar-16	137	1,163.56	1,163.56
Principality Building Society	500,000.00	0.300000	1-Dec-15	21-Dec-15	20	82.19	82.19
Coventry Building Society	800,000.00	0.410000	1-Dec-15	21-Dec-15	20	179.73	179.73
Yorkshire Building Society	600,000.00	0.250000	15-Dec-15	23-Dec-15	8	32.88	32.88
Nottingham Building Society	1,300,000.00	0.420000	22-Dec-15	19-Jan-16	28	418.85	418.85
Coventry Building Society	800,000.00	0.400000	4-Jan-16	22-Jan-16	18	157.81	157.81
Principality Building Society	500,000.00	0.290000	4-Jan-16	22-Jan-16	18	71.51	71.51
Nottingham Building Society	1,500,000.00	0.570000	19-Jan-16	22-Apr-16	94	2,201.92	1,710.00
Coventry Building Society	800,000.00	0.420000	22-Jan-16	22-Feb-16	31	285.37	285.37
Principality Building Society	500,000.00	0.420000	8-Feb-16	14-Mar-16	35	201.37	201.37
National Counties B/Society	500,000.00	0.450000	23-Feb-16	22-Apr-16	59	363.70	234.25
Newcastle Building Society	1,200,000.00	0.450000	15-Mar-16	15-Apr-16	31	458.63	251.51
Yorkshire Building Society	2,000,000.00	0.250000	15-Mar-16	1-Apr-16	17	232.88	232.88
Nottingham Building Society	500,000.00	0.400000	18-Mar-16	1-Apr-16	14	76.71	76.71
Coventry Building Society	1,200,000.00	0.410000	24-Mar-16	15-Apr-16	22	296.55	107.84
Principality Building Society	2,000,000.00	0.390000	31-Mar-16	22-Apr-16	22	470.14	21.37
							<b>43,990.05</b>

This page is intentionally left blank

COMPARISON OF QUARTERLY RETURN ON INVESTMENTS WITH THE 7 DAY AVERAGE RATE OF RETURN 2015-2016

	QTR 1	QTR 2	QTR 3	QTR 4
Temporary Investments	0.502	0.532	0.570	0.574
City Deposit Cash Managers	1.772	1.780	1.724	1.699
NatWest Liquidity Select Account	0.250	0.250	0.250	0.250
Barclays FIBCA Account	0.450	0.450	0.450	0.449
Santander 180 day Account			1.151	1.150
7 Day Average Rate	0.475	0.476	0.476	0.475
3 year - 7 Day Average Rate	0.484	0.484	0.484	0.484
Total Overall Average Return on Investments %	1.360	1.340	1.290	1.270



This page is intentionally left blank



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

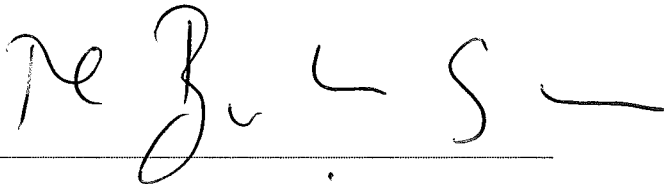
**Statement of Compliance with the Treasury Management Code of Practice**

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 2016, the Treasury Management Code of Practice has been substantially complied with.

Signed



Post

Senior Auditor

Date

4/7/16

This page is intentionally left blank