

Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title:	Agenda										
Date:	Thursday 27 July 2017										
Time:	5.00 pm										
Venue:	Conference Chamber West West Suffolk House Western Way Bury St Edmunds										
Full Members:	<p style="text-align: center;">Chairman Sarah Broughton Vice Chairman Patricia Warby</p> <p><u>Conservative Members (9)</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Sarah Broughton</td> <td style="width: 33%;">David Roach</td> </tr> <tr> <td>Beccy Hopfensperger</td> <td>Andrew Smith</td> </tr> <tr> <td>Betty Mclatchy</td> <td>Peter Thompson</td> </tr> <tr> <td>Jane Midwood</td> <td>Patricia Warby</td> </tr> <tr> <td>Karen Richardson</td> <td></td> </tr> </table> <p><u>UKIP Member (1)</u> Barry Robbins</p>	Sarah Broughton	David Roach	Beccy Hopfensperger	Andrew Smith	Betty Mclatchy	Peter Thompson	Jane Midwood	Patricia Warby	Karen Richardson	
Sarah Broughton	David Roach										
Beccy Hopfensperger	Andrew Smith										
Betty Mclatchy	Peter Thompson										
Jane Midwood	Patricia Warby										
Karen Richardson											
Substitutes:	<p><u>Conservative Members (3)</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Jeremy Farthing</td> <td style="width: 33%;">Ivor Mclatchy</td> </tr> <tr> <td>Susan Glossop</td> <td></td> </tr> </table> <p><u>UKIP Member (1)</u> John Burns</p>	Jeremy Farthing	Ivor Mclatchy	Susan Glossop							
Jeremy Farthing	Ivor Mclatchy										
Susan Glossop											
Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.										
Quorum:	Four Members										
Committee administrator:	Christine Brain Democratic Services Officer (Scrutiny) Tel: 01638 719729 Email: christine.brain@westsuffolk.gov.uk										

5.00pm	Informal discussions with Forest Heath District Council's Performance and Audit Scrutiny Committee on the three substantive items listed under Items 5 to 7 inclusive, to be held in Conference Chamber West .
5.15pm	The formal meeting of the Performance and Audit Scrutiny Committee will commence at 5.15pm or immediately following the conclusion of the informal discussions, whichever is the later, in Conference Chamber West .

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

COUNCILLORS

Conservative
Members (8)

Michael Anderson
Rona Burt
Christine Mason

Chris Barker
Louis Busuttill
Colin Noble

John Bloodworth
Simon Cole

West Suffolk
Independent (1)

Vacancy

UKIP (1)

Peter Ridgwell

On the conclusion of the informal discussions, Forest Heath District Council's Performance and Audit Scrutiny Committee will withdraw from Conference Chamber West to Conference Chamber East to hold their formal meeting and St Edmundsbury's Performance and Audit Scrutiny Committee will continue its meeting in **Conference Chamber West** as follows:

Public Information

Venue:	West Suffolk House Western Way Bury St Edmunds Suffolk IP33 3YU	Tel: 01284 763233 Email: democratic.services@westsuffolk.gov.uk Web: www.westsuffolk.gov.uk
Access to agenda and reports before the meeting:	Copies of the agenda and reports are open for public inspection at the above address at least five clear days before the meeting. They are also available to view on our website.	
Attendance at meetings:	The Borough 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.	
Public speaking:	<p>Members of the public who live or work in the Borough 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>	
Disabled access:	<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 lifts is restricted for health and safety reasons.</p> <p>Visitor parking is at the car park at the front of the building and there are a number of accessible spaces.</p>	
Induction loop:	An Induction loop is available for meetings held in the Conference Chamber.	
Recording of meetings:	<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. Substitutions**

Any Member who is substituting for another Member should so indicate, together with the name of the relevant absent Member.
- 2. Apologies for Absence**
- 3. Minutes** **1 - 10**

To confirm the minutes of the meeting held on 25 May 2017 (copy attached).
- 4. Public Participation**

Members of the public who live or work in the Borough are invited to put one question or 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 of the meeting is scheduled to start. There is an overall time limit of 15 minutes of public speaking, which may be extended at the Chairman's discretion.

(Following the informal discussions held with Forest Heath District 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/recommend Items 5 to 7 below).
- 5. Balanced Scorecards and Quarter 1 Performance Report 2017-2018** **11 - 24**

Report No: **PAS/SE/17/015**
(For reference purposes, Forest Heath District Council's Report Number is PAS/FH/17/017)
- 6. West Suffolk Strategic Risk Register Monitoring Report - June 2017** **25 - 44**

Report No: **PAS/SE/17/016**
(For reference purposes, Forest Heath District Council's Report Number is PAS/FH/17/018)
- 7. Work Programme Update** **45 - 48**

Report No: **PAS/SE/17/017**
(For reference purposes, Forest Heath District Council's Report Number is PAS/FH/17/019)

Part 1(B) - Public

- | | |
|---|----------------|
| 8. Annual Performance Report for The Apex 2016-2017 | 49 - 60 |
| Report No: PAS/SE/17/018 | |
| 9. Financial Performance Report (Revenue and Capital) - Quarter 1 (April to June 2017) | 61 - 82 |
| Report No: PAS/SE/17/019 | |
| 10. Annual Treasury Management Report 2016-2017 and Investment Activity (April to June 2017) | 83 - 98 |
| Report No: TMS/SE/17/003 will be considered by the Treasury Management Sub-Committee on 17 July 2017. The Chairman/Assistant Director (Resources and Performance) will update the Committee verbally on any issues or recommendations arising from the consideration of this report. | |

Part 2 – Exempt

NONE

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Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

**Notes of Informal Discussions held on Thursday 25 May 2017 at
5.00pm in Conference Chamber West, West Suffolk House,
Western Way, Bury St Edmunds**

PRESENT: St Edmundsbury Borough Council (SEBC)

Councillors Patrick Chung, Beccy Hopfensperger, Betty McLatchy, Ivor McLatchy, Jane Midwood, Barry Robbins, Andrew Smith, Peter Thompson, Frank Warby and Patricia Warby.

Forest Heath District Council (FHDC)

Councillor Louis Busuttil
(Chairman of the informal discussions)

Councillor Chris Barker.

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

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

REMEMBRANCE:

Prior to the commencement of the meeting, the Committee observed a one minute silence in memory of Councillor Angela Rushen and Councillor Bill Sadler who had recently passed away. A one minute silence was also observed following the tragic incident in Manchester.

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

- (1) Internal Audit Charter;
- (2) Internal Audit Annual Report 2016-2017 and Outline Internal Audit Plan 2017-2018;
- (3) Balanced Scorecards and Quarter 4 Performance Report 2016-2017
- (4) Balanced Scorecards Indicators and Targets for 2017-2018;
- (5) West Suffolk Strategic Risk Register Quarterly Monitoring Report – March 2017;
- (6) 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 the 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 – 6 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 Charter**

The Service Manager (Internal Audit) presented the report, which asked Members to scrutinise and approve an updated version of the Internal Audit Charter, attached at Appendix A to the report.

The Charter had been revised to take into account recent revisions to the Public Sector Internal Audit Standards, and now included a 'Mission' for the Internal Audit Section and 'Core Principles' for the professional practice of internal auditing.

Members scrutinised the revised Charter and asked questions to which officers responded

2. **Internal Audit Annual Report 2016-2017 and Outline Internal Audit Plan 2017-2018**

[Councillor Beccy Hopfensperger arrived at 5.10pm 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 2017-2018 (Appendix C). The report also showed progress made during the year in developing and maintaining an anti-fraud and anti-corruption culture and published 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. The Committee noted the positive self-assessment and wished to congratulate the Audit Team on its work.

3. **Balanced Scorecards Quarter 4 Performance Report 2016-2017**

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

Members were reminded that in quarters 1 and 2, performance indicator against the "% telephone calls answered" was below target across all service areas. However, during quarters 4 and 4, performance had increased and exceeded target levels. Since quarter 3, there had been a slight increase corporately in the performance against the target indicator "% of non-disputed invoices paid within 30 days". The finance and performance team would continue to work with service areas to try and improve further the target indicator.

There had also been a slight decrease corporately in the performance indicator against "% of total debt over 90 days". Although the figure had risen, the total level of debt over 90 days had reduced from £631k to £487k.

The Senior Business Partner (Resources and Performance) took the Committee through each of the Balanced Scorecards one by one and highlighted some key successes and some which were below optimum performance where the Council's attention may be required to address those not meeting specified targets.

Members considered the report in detail. In particular discussions were held on:

- Planning and Growth Balanced Scorecard: "enforcement cases" and questioned whether there was any merit in quantifying in days, which officers agreed to look into.
- Operations Balanced Scorecard: "% of debt over 90 days old" – The Council was pursuing through legal action.

4. **Balanced Scorecards Indicators and Targets for 2017-2018**

The Senior Business Partner (Resources and Performance) presented the report, which set out the proposed West Suffolk Balanced Scorecards indicators and targets to be used to measure the Council's performance for 2017-2018. The

proposed five balanced scorecards were attached at Appendices A to E, and were linked to the Assistant Director Service areas.

Members were asked to scrutinise the proposed balanced scorecard indicators and targets for 2017-2018, and identify any further information required for their use commencing in Quarter 1, which would be presented to the Committee in July 2017.

Members considered the report in detail and did not raise any issues.

5. **West Suffolk Strategic Risk Register Quarterly Monitoring Report – March 2017**

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 April 2017 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 2017 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.

With regards to the impact of Brexit, the group would continue to monitor the situation as it developed, amending existing and / or adding new risks where necessary. Any changes would be reported at each meeting of the Committee in the normal manner.

The Service Manager (Resources and Performance) circulated at the meeting an overall picture of the residual risks.

Members considered the report and in particular noted that the dots were generally moving in the right direction and were stable.

6. **Work Programme Update**

The Assistant Director (Resources and Performance) presented the report, which provided information on the current status of each Committee's Work Programme for 2017-2018.

Members considered its work programme for 2017-2018, and did not raise any issues.

On the conclusion of the informal joint discussions at 5.45pm, Members of Forest Heath District Council's Performance and Audit Scrutiny Committee withdrew from Conference Chamber West to Conference Chamber East to hold their formal meeting.

The Chairman then formally opened the St Edmundsbury Borough Council Performance and Audit Scrutiny Committee in Conference Chamber West at 5.52pm.

Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Minutes of a meeting of the **Performance and Audit Scrutiny Committee** held on **Thursday 25 May 2017** at **5.52pm** at the **Conference Chamber, West Suffolk House**, Western Way, Bury St Edmunds IP33 3YU

Present: **Councillors**

Chairman Patricia Warby

Beccy Hopfensperger
Betty Mclatchy
Jane Midwood

Andrew Smith
Peter Thompson
Barry Robbins

Substitutes attending:

Ivor Mclatchy
Patrick Chung

Frank Warby

By Invitation:

Ian Houlder, Cabinet Member for Resources and Performance

140. **Substitutions**

There following substitutions were declared:

Councillor Patrick Chung for Councillor David Roach.
Councillor Ivor Mclatchy for Councillor Karen Richardson.
Councillor Frank Warby for Councillor Sarah Broughton.

141. **Apologies for Absence**

Apologies for absence were received from Councillors Sarah Broughton, Karen Richardson and David Roach.

142. **Minutes**

The minutes of the meeting held on 25 January 2017 were unanimously accepted by the Committee as an accurate record and signed by the Chairman.

143. **Public Participation**

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

144. Internal Audit Charter

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/SE/17/006.

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

Councillor Frank Warby moved the recommendation, this was duly seconded by Councillor Patrick Chung, and with the vote being unanimous, it was:

RESOLVED

That the Internal Audit Charter attached as Appendix A to Report No: PAS/SE/17/006, be approved.

145. Internal Audit Annual Report (2016-2017) and Outline Internal Audit Plan (2017-2018)

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/SE/17/007.

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

Councillor Betty McLatchy moved the recommendation, this was duly seconded by Councillor Beccy Hopfensperger, and with the vote being unanimous, it was:

RESOLVED:

That:

- (1) The Internal Audit Plan for 2017-2018, attached as Appendix C to Report No: PAS/SE/17/007, 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 2016-2017 and the Managing the Risk of Fraud, Theft and Corruption Report, as set out in Appendices A and D to Report No: PAS/SE/17/007, be noted.

146. Balanced Scorecards and Quarter 4 Performance Report 2016-2017

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/SE/17/008.

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

147. Balanced Scorecards Indicators and Targets for 2017/2018

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/SE/17/009.

Members had scrutinised the report, and there being no decision required, the Committee **noted** the Council's performance indicators to be used in 2017-2018.

148. West Suffolk Strategic Risk Register Quarterly Monitoring Report - March 2017

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/SE/17/010.

Members had scrutinised the report, and there being no decision required, the Committee **noted** the contents of the Quarter 4 West Suffolk Strategic Risk Register Monitoring Report 2016-2017.

149. Work Programme Update

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/SE/17/011.

Members considered the report, and there being no decision required, the Committee **noted** the contents of its forward work programme for 2017-2018.

150. Ernst and Young - Certification of Claims and Returns Annual Report 2015-2016

The Committee received Report No: PAS/SE/17/012, which updated members on the outcome of the annual certification of grant claims by Ernst and Young (EY) as detailed in their Certification of Claims and Returns Annual Report 2015-2016, attached as Appendix A.

Mark Hodgson, Executive Director from EY presented the report, which summarised the results of the certification work that had been undertaken by EY staff as part of the annual audit of grant claims to government departments and also set out the scale fee for carrying out this work. He explained that from 1 April 2015, the duty to make arrangements for the certification of relevant claims and returns, and to prescribe scale fees for this work was delegated to the Public Sector Audit Appointments Ltd (PSAA) by the Secretary of State for Communities and Local Government.

Mark Hodgson drew relevant details from the report to Members' attention, and explained the one claim relating to the Housing Benefits Subsidy Claim. He also informed Members that the PSAA had determined an indicative scale fee for 2015-2016 for the audit of the Housing benefits subsidy claim of £30,822. However, EY were proposing a reduction of £6,100 to the fee to reflect the reduced amount of audit work that needed to be completed resulting in an actual fee of £24,722 (subject to PSAA agreement).

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

151. **Ernst and Young - External Audit Plan and Fees 2016-2017 and 2017-2018 Indicative Fees**

The Committee received Report No: PAS/SE/17/013, which set out how EY intended to carry out their responsibilities as the Council's external auditors.

The purpose of the report was to provide the Committee with a basis to review EY's proposed approach and scope for the 2016-2017 audit along with the planned fees to complete the work as set out in the Audit Plan (Appendix A) . The report also provided the Committee with a basis to review 2017-2018 indicative fees (Appendix B).

Mark Hodgson (Executive Director) from EY presented the report, which summarised EY's assessment of the key risks which drive the development of an effective audit for 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 their treatment prior to the issuing of the Annual Governance Report and Audit Opinion (due to be issued by EY in September 2017. Mark Hodgson drew relevant details from the report to Members' attention.

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

152. **Financial Performance Report (Revenue and Capital) Outturn - 2016-2017**

The Committee received Report No: PAS/SE/17/014, which set out the financial performance for 2016-2017.

Attached at Appendix A was the revenue outturn position as at 31 March 2017, which showed an overall underspend of £160,000. In accordance with the recommendations from report COU/SE/17/004 (Budget and Council Tax Setting: 2017-2018 and Medium Term Financial Strategy 2017-2021) the underspend of £160,000 had been transferred to the Council's Invest to Save Reserve, included in Appendix D.

An analysis of revenue variances for 2016-2017 was attached as Appendix B.

Attached as Appendix C was the Council's capital financial position for the year end 2016-2017, which showed expenditure of £3,802,446.

Appendix D to the report set out a summary of earmarked reserves for the year end position for 2016-2017.

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

In particular members discussed the "street lighting renewals", and noted that street lighting was currently being upgraded to the latest standards and once completed would then be transferred to Suffolk County Council.

There being no decision required, the Committee **noted** the 2016-2017 revenue outturn and capital outturn positions as set out in Appendices A and C to Report No: PAS/SE/17/014

The Meeting concluded at 6.08 pm

Signed by:

Chairman

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Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Balanced Scorecard and Quarter 1 Performance report 2017-2018	
Report No:	PAS/SE/17/015	
Report to and dates:	Performance and Audit Scrutiny Committee	27 July 2017
Portfolio holder:	Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: ian.houlder@stedsbc.gov.uk	
Lead officer:	Rachael Mann Assistant Director (Resources and Performance) Tel: 01638 719245 Email: rachael.mann@westsuffolk.gov.uk	
Purpose of report:	This report sets out the West Suffolk Balanced Scorecards being used to measure the Council's performance for 2017-18 and an overview of performance against those indicators for the first quarter of 2017-18.	

Recommendation:		Performance and Audit Scrutiny Committee:	
		<p>Members are requested to review the Council's performance using Balanced Scorecards for Quarter 1, 2017-2018 and identify any further information required or make recommendations where remedial action or attention is required to address the Council's performance.</p>	
Key Decision:		<p><i>Is this a Key Decision and, if so, under which definition?</i></p> <p>Yes, it is a Key Decision - <input type="checkbox"/></p> <p>No, it is not a Key Decision - <input checked="" type="checkbox"/></p>	
(Check the appropriate box and delete all those that do not apply.)			
Consultation:		<ul style="list-style-type: none"> This report has been prepared in consultation with all relevant staff and Leadership Team. 	
Alternative option(s):		<ul style="list-style-type: none"> The option of doing nothing may result in poor performance, monitoring performance can highlight where remedial action may be needed 	
Implications:			
<p>Are there any financial implications? If yes, please give details</p>		<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none"> While there are no direct financial or budget implications arising from this report, it is possible that any recommendations of the Committee may have some resource implications. For example, resources may need to be reallocated to improve performance in a future period. 	
<p>Are there any staffing implications? If yes, please give details</p>		<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none"> 	
<p>Are there any ICT implications? If yes, please give details</p>		<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none"> 	
<p>Are there any legal and/or policy implications? If yes, please give details</p>		<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none"> There are no legal implications from this report. Poor performance levels may impact on the Council's ability to implement its policies or high-level strategies. 	
<p>Are there any equality implications? If yes, please give details</p>		<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <ul style="list-style-type: none"> 	
Risk/opportunity assessment:		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
	Low/Medium/ High*		Low/Medium/ High*

Failure to achieve optimum or target performance which may impact on resources	High	Regular reporting of performance to Joint Leadership Team, Portfolio Holders and to PASC can highlight where remedial action may be needed.	Medium
Ward(s) affected:		All Ward	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		PASC May 2017 - Balanced Scorecards Targets 2017-18	
Documents attached:		<p>Appendix A – Resources and Performance Balanced Scorecard</p> <p>Appendix B – Families and Communities Balanced Scorecard</p> <p>Appendix C – Human Resources, Legal and Democratic Balanced Scorecard</p> <p>Appendix D – Planning & Regulatory Balanced Scorecard</p> <p>Appendix E – Operations Balanced Scorecard</p>	

1. Key issues and reasons for recommendation(s)

1.1 Performance Measures

1.1.1 Attached at **Appendices A to E** are the current Balanced Scorecards (based on Assistant Director area) which present Quarter 1 2017/18 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 Red-Amber-Green (RAG) rating, details of this are highlighted in the comments box.

1.1.2 The information included in the report has been provided by Assistant Directors 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 New indicators have been added for the 2017/18 Financial year due to the change in organisational structure and a review process at the end of the previous financial year.

1.2.2 Within Resources and Performance the “% of non-disputed invoices paid within 30 days” corporate indicator across both councils shows we have achieved positive results in the first quarter, reporting 94.30% of invoices paid within 30 days. The finance and performance team will continue to work with service areas to try and improve performance against this indicator to achieve the 95% target, with monthly business intelligence reports being sent out with details of all invoices processed.

1.2.3 A Balanced Scorecard for the Growth service area is currently under review and will be available for Quarter 2 reporting 2017/18.

		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	(£36,739.00)	-	M	Cumulative		Expected underspends within Corporate (£14k) and General Fund (£20k). As detailed in the budget monitoring report.	CUSTOMERS	SATISFACTION	Number of formal complaints	27	No Target	B	Period only		All complaints relate to ARP.
		Year end forecast variance (under) / over spend against budget - SEBC	£ 4,552.00	-	M	Cumulative		Slight overspends expected within Internal Audit (£4k), ICT (£4k) and Business Rate Admin (£4k) offset partly by an expected underspend in R&P (£11k). As detailed in the budget monitoring			Number of formal compliments	0	No Target	B	Period only		
		Income generated from SLAs	(£317,496.66)	(£314,657.73)	M	Cumulative		Income currently slightly exceeding expectations, and expected to be in line as at the year end		Organisational year end forecast variance (under) / over spend against budget - FHDC *	(£27,869.00)	-	M	Cumulative		R&P (£-37k), HR & LD £18k, F&C (£-17k), P&R £96k, Ops (£-61k), Growth (£-27k). As detailed in the budget monitoring report.	
		% return on the investment of reserves and balances - FHDC	0.67	0.75	Q	Cumulative		£33k Interest received to date, against a budget of £45k. Full year budget totals £181k.		Organisational year end forecast variance (under) / over spend against budget - SEBC *	(£95,110.00)	-	M	Cumulative		R&P £5k, HR & LD £8k, F&C (£-33k), P&R £66k, Ops (£-165k), Growth £25k. As detailed in the budget monitoring report.	
		% return on the investment of reserves and balances - SEBC	0.61	0.55	Q	Cumulative		£88k Interest received to date, against a budget of £61k. Full year budget totals £251k.		Total income generated by organisation £ *	(£9,134,911.00)	(£9,005,751.48)	M	Cumulative		Income currently exceeding Budget.	
	FINANCE & PERFORMANCE	% of non-disputed invoices paid within 30 days	98.53	95.00	M	Period only		86 invoices processed in June.		% of total non-disputed invoices paid within 30 days *	94.30	95.00	M	Cumulative		1,352 invoices processed in June.	
		% of debt over 90 days old	0.41	10.00	M	Cumulative		SEBC debt £14k - 0.0% over 90 days. FHDC debt £59k - 0.51% over 90 days.		% of total debt over 90 days old *	42.89	10.00	M	Cumulative		SEBC debt £663k - 45.16% over 90 days. FHDC debt £131k - 31.43% 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 *	94.56	100.00	M	Period only			OUTCOMES	ARP	% Collection of Council Tax - FHDC	28.98	28.69	M	Cumulative		The amount collected as at the end of June is £8,096,580.
	ICT	% of ICT Helpdesk calls completed 'on time' as defined in SLAs	93.46	90.00	Q	Period only		% Collection of Council Tax - SEBC			29.15	28.84	M	Cumulative		The amount collected as at the end of June is £16,892,888.	
	ARP	Days taken to process Housing Benefit new claims and changes - FHDC	8.38	8.00	M	Period only		% Collection of Business Rates - FHDC			28.10	27.06	M	Cumulative		The amount collected as at the end of June is £6,886,707.	
		Days taken to process Housing Benefit new claims and changes - SEBC	7.81	8.00	M	Period only		% Collection of Business Rates - SEBC			32.48	30.71	M	Cumulative		The amount collected as at the end of June is £14,421,878.	
										BUSINESS RATES	Business Rate Growth - FHDC	23,728,878	23,031,392	M	Cumulative		This is the forecast business rates figure. FHDC will receive 40% share of growth which will be £278,994 based on this forecast.
											Business Rate Growth - SEBC	44,510,431	42,479,078	M	Cumulative		This is the forecast business rates figure. SEBC will receive 40% share of growth which will be £812,541 based on this forecast.

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 2017
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 MTFs theme such as behaving more commercially or being an investing authority.	Probability - 3; Impact - 4	Probability - 2; Impact - 4	June 2017
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 2017
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 2017
WS7a	Technological	ICT integration	Integration of ICT across services and systems not being achieved.	Probability - 4; Impact - 4	Probability - 3; Impact - 4	June 2017
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 2017
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 2017
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 2017
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 2017

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		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments		
RESOURCES	FINANCIAL	Year end forecast variance (under) / over spend against budget - FHDC	(16,637.00)	-	M	Cumulative		Housing Options (£-18k), Customer Services £10k, Policy (£5k). As detailed in the budget monitoring report.	CUSTOMERS	SATISFACTION	% Customer satisfaction with customer service - overall journey	82.00	80.00	Q	Period only		82% satisfaction for Q1
		Year end forecast variance (under) / over spend against budget - SEBC	(33,452.00)	-	M	Cumulative		Families & Communities (£-22k), Policy (£-21k) Housing Options (£-4k), Customer Services £10k. As detailed in the budget monitoring report.			Number of formal complaints	0	No target	B	Cumulative		
		% of non-disputed invoices paid within 30 days	92.31	95.00	M	Cumulative		104 undisputed invoices processed in June			Number of formal compliments	12	No target	B	Cumulative		All compliments relate to Customer Services.
		% of debt over 90 days old	92.75	10.00	M	Cumulative		FHDC debt £343.72 - 85% over 90 days, all of the over 90 days debt is with legal. SEBC debt £8,803.52 - 93% over 90 days, 68% of the over 90 days debt is with legal.			% of telephone calls answered	92.00	90.00	M	Period only		Above target overall
INTERNAL PROCESSES	COMMUNICATIONS	Number of unique users of the West Suffolk councils website	43,591	37,583	M	Period only		Slight decrease following on from elections and Bury Town Centre Masterplan last month.	OUTCOMES	CUSTOMER SERVICES	Number & % of contacts - phone	58	55	Q	Period only		46,032 calls for Q1
		Number of unique page views to the West Suffolk councils website	147,462	116,667	M	Period only		Despite a drop in the number of users, page views have increased - so visitors are looking at more pages			Number & % of contacts - face to face	16	15	Q	Period only		12,675 face to face contacts
	Number of applications processed for Housing register	111	60	M	Period only		Focused week on clearing backlog of applications submitted	Number & % of contacts - online			26	30	Q	Period only		20,596 online forms and emails. Is likely to decrease in Q2-4 as Garden waste subscriptions reduce. Note that currently this indicator only measures emails and online forms to the customer service team. Further work to be completed in the next few months to collate and record the number of online applications received, particularly for planning and housing services.	
	Average time taken to make decisions on homelessness applications (days)	9	21	M	Period only		Emphasis from officers on closing straightforward cases.	Advice & Prevention cases currently open or closed during the month		49	40	M	Period only		Move over to new service structure		
								Household Numbers in B&B		12	15	M	Period only		Officers continuing to look at alternate options and quicker move on		
								Numbers in Bands A & B		1061	No target	M	Period only		Please enter a comment to explain variance		

	RISK ID NUMBER	Type	Title	Description - What are we trying to avoid?	WS Inherent Risk	WS Residual Risk	Last updated
RISK	WS2	Customer	Maintain and promote our public image, maintain effective communication	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 2017
	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 2017
	WS6 (on all scorecards)	Political	Managing public /	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 2017
	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 2017
	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 2017
	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 2017

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		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments		
RESOURCES	FINANCIAL	Year end forecast variance against budget - FHDC	£ 17,957.00	-	M	Cumulative		Small overspends expected within Legal & HR services as detailed in the budget monitoring report	CUSTOMERS	SATISFACTION	Number of formal complaints	2	No target	B	Period only		1 Legal, 1 HR.
		Year end forecast variance against budget - SEBC	£ 7,621.00	-	M	Cumulative		Overspends expected within HR (£14k) & Legal (£5k) partly offset by an underspend in Training (£12k). As detailed in the budget monitoring report.			Number of formal compliments	1	No target	B	Period only		1 HR.
		% of non-disputed invoices paid within 30 days	94.57	95.00	M	Cumulative		92 Undisputed invoices processed in June		% response rate to Annual Canvass	91.76	95.00	A	Cumulative		The number of registered voters is currently at a high of 120,769, which includes 4087 whom were newly registered between 3.5.17 and 22.5.17, when the General Election was called.	
		% of debt over 90 days old	0.00	10.00	M	Cumulative		No debt over 90 days for FHDC or SEBC		Customer Services % of answered calls - elections	94.00	90.00	M	Period only		Significantly reduced calls in June	
	STAFF	Average number of sick days lost per FTE per annum*	6.65	6.50	Q	Cumulative		The indicator shows improvement since last quarter - a third of the long term absence is attributable to staff that have since left our employment for various reasons linked to their health. This is 6 employees with significant health issues.									
		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)	25.56	35.00	Q	Period only		This is a very high level of performance by the HR team but needs possible review to maximise potential applicants over a longer period to maximise effective recruitment rather than speed.	OUTCOMES	HUMAN RESOURCES	% Voluntary staff turnover *	9.41	7-12	Q	Cumulative		a healthy voluntary staff turnover within target
		% successful staff appointments *	94.17	85.00	Q	Cumulative		effective recruitment and induction resulting in sound appointments being made									
		Reported incidence of injuries, diseases and dangerous occurrences *	0	2	Q	Cumulative		None reported in first quarter									

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	Jun-17
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	Jun-17	
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	Jun-17	
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	Jun-17	
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	Jun-17	

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		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments			
RESOURCES	FINANCIAL	Year end forecast variance (under) / over spend against budget - FHDC	£ 95,646.00	0.00	M	Cumulative		E24k Building Control, E22k Dev.Control, E20k Licencing, E17k Env Mgmt. As detailed in the budget monitoring report	CUSTOMERS	SATISFACTION	Number of formal complaints	10	No target	B	Period only	10 Development Control/Building Control		
		Year end forecast variance (under) / over spend against budget - SEBC	£ 66,057.00	0.00	M	Cumulative		E24k Building Control, E24k Env Mgmt. As detailed in the budget monitoring report.			Number of formal compliments	20	No target	B	Period only	15 - Development Control/Building Control, 1 - Land Charges, 4 - Environmental Health.		
		Spend on professional fees in relation to planning appeals	£ 12,845	No Target	M	Cumulative		All the legal fees relate to FHDC and ongoing actions			Number of successful appeals - Planning	1	No Target	M	Period only	1 successful appeal		
		Income received against budget	(£1,127,915.72)	-1181241.00	M	Cumulative		Income predominately relates to Solar Farm and Planning Application fees. Income forecast to be on budget this financial year			Application decisions needing an extension of time to complete	57	No Target	M	Period only	Out of the 153 applications 57 required an extension of time to complete		
	% of non-disputed invoices paid within 30 days	84.93	95.00	M	Period only		There were 73 Invoices paid of which 62 were paid within 30 days	Total validation backlog		85	No Target	M	Cumulative	This figure was taken 03/07/17, this work continuously fluctuates on a day to day basis				
	% of debt over 90 days old	53.55	10.00	M	Cumulative		Forest Heath debt outstanding £12596.14 of which 90.5% is over 90 days of this amount £540, is with legal leaving £10,852.14 outstanding. £4k of this is being paid in July. For St Edmundsbury total debt £2,898.97 of this £480 (16.6%) is over 90 days however this £480 is with legal.	% of invalid planning applications received		37.00	No Target	M	Period only	99 applications out of 269 were invalid and had to be reprocessed.				
	DFG mandatory grants paid £	21146.43	70063.00	M	Cumulative		We commenced performance conversations in July with the provider, with a view to implementing an improvement plan.											
	Staff	Cases per member of staff - Housing Standards	49.22	50.00	Q	Period only		Likely to increase further until the staffing in the team is brought back to the full establishment. Going through recruitment to ensure that both current and future demands on the service are met. The number also demonstrates the level of grant work that has to be managed, including those DFG requests with the HIA, with the team managing over 900 cases in total in this quarter.										
		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	100.00	60.00	M	Period only		9 Major applications were determined, 2 applications were determined within 13 weeks and 7 required an extension of time to determine	OUTCOMES	REGULATORY	% of food businesses receiving a top food hygiene rating (rating of 5)	81.00	60.00	Q	Period only		The number of top rated food premises has been maintained at 81.0% compared to 81.7% in the previous quarter and remains consistently above the 60.0% target.	
		% of minor planning applications determined within 8 weeks	100.00	65.00	M	Period only		40 minor applications were determined, 11 applications were determined within 8 weeks and 29 required an extension of time			HOUSING STANDARDS	Private sector Properties brought up to standard	32.00	15.00	Q	Cumulative		
		% of other planning applications determined within 8 weeks	97.12	80.00	M	Period only		Total of 104 other applications were determined which 101 applications were determined, 80 applications were determined within 8 weeks, 21 applications needed an extension of time and 3 were determined over the time limit				Renewable energy generated on Council properties (KWh)	182236.00	185112.00	Q	Period only		The portfolio is generally operating according to expecting standards. A small performance drop this quarter may be due to duller conditions during heavy rain storms while very hot spells are likely to have reduced performance in May and June. These are external factors beyond operational control. The portfolio will continue to be monitored and remedial action taken if possible.
	PLANNING ENFORCEMENT	Number of new enforcement cases opened	36	No Target	M	Period only		There were 36 new enforcement cases opened in June, 20 for SEBC and 16 for FHDC.		Renewable energy generated on Solar Farm (MWh)		4695.00	4791.00	Q	Period only		Toggam Solar is generating above predicted levels. As noted at other solar plant in the portfolio, a small generation drop this quarter may be due to duller conditions during heavy rain storms while very hot spells are likely to have reduced performance in May and June. These are external factors beyond operational control. The council continues to ensure that the site is being well maintained by its contractors.	
		Number of enforcement cases closed	16	No Target	M	Period only		There were 16 enforcement cases closed in June, 13 relating to SEBC and 3 relating to FHDC.		Value generated by Solar Farm (£)	488320.00	496000.00	Q	Period only		Income this quarter was very slightly below target resulting from a small drop in generation during May and June with the likely reasons given above.		
		Total number of enforcement cases open	350	No Target	M	Period only		There are currently 350 enforcement cases open 218 of SEBC and 132 of FHDC.		Solar for Business Income (£)	16571.00	16500.00	B	Period only				

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 2017
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 2017
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 2017
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 2017
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 2017

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		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments		
RESOURCES	FINANCIAL	Year end forecast variance against budget - FHDC	(£61,370.00)	-	M	Cumulative		Property Management (£-59), Central Services (£-20k), Car Parks (£-10k). As detailed in the budget monitoring report.	CUSTOMERS	SATISFACTION	Number of formal complaints	2.00	No target	B	Period only		2 - Waste
		Year end forecast variance against budget - SEBC	(£165,235.00)	-	M	Cumulative		Property Management (£-69k), Car Parks (£-65k), Fleet (£-14k). As detailed in the budget monitoring report.			Number of formal compliments	33.00	No target	B	Period only		28 - Waste, 1 - Street Cleansing, 4 - Leisure
		Income from entire property portfolio	(£1,053,236.54)	(£790,179.00)	M	Cumulative				% of calls answered - Waste	97.00	90.00	M	Period only			
		Income from waste & street scene services	(£1,639,820.69)	(£1,575,192.00)	M	Cumulative				% of calls answered - Apex Box Office	94.00	90.00	M	Period only			
		% of non-disputed invoices paid within 30 days	95.69	95.00	M	Cumulative		974 undisputed invoices processed in June									
		% of debt over 90 days old	45.60	10.00	M	Period only		FHDC debt £52,333.71 - 44% over 90 days. SEBC debt £635,384.43 - 46% 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	7.50	8.25	M	Period only			OUTCOMES	WASTE MANAGEMENT	% of household waste recycled and composted	42.97	42.00	Q	Cumulative		
								Residual household waste per household - Kgs		134.51	130.00	Q	Cumulative				
								% of industrial units that are vacant		7.03	8.25	M	Cumulative		26 vacant units across WS some with serious interest		
								Number of flytipping incidents recorded in West Suffolk		122.00	163.00	Q	Cumulative				
							Number of actions to combat flytipping in West Suffolk	400.00	325.00	Q	Cumulative						

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 2017
	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 2017

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Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	West Suffolk Strategic Risk Register Quarterly Monitoring Report – June 2017	
Report No:	PAS/SE/17/016	
Report to and dates:	Performance and Audit Scrutiny Committee	27 July 2017
	Cabinet (if required)	19 September 2017
Portfolio holder:	Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: ian.holder@stedsbc.gov.uk	
Lead officers:	Rachael Mann Assistant Director (Resources and Performance) Tel: 01638 719245 Email: rachael.mann@westsuffolk.gov.uk	
	Gregory Stevenson Service Manager (Finance and Performance) Tel: 01284 757264 Email: gregory.stevenson@westsuffolk.gov.uk	
Purpose of report:	To review the West Suffolk Strategic Risk Register Quarterly Monitoring Report.	
Recommendation:	Performance and Audit Scrutiny Committee: It is <u>RECOMMENDED</u> that: Members scrutinise the updated West Suffolk Strategic Risk Register at Appendix 1 and refer any major issues requiring attention to Cabinet.	

Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>		<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
Consultation:		• Not Applicable	
Alternative option(s):		• Not Applicable	
Implications:			
<i>Are there any financial implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> • 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.	
<i>Are there any staffing implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any ICT implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any legal and/or policy implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any equality implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Risk/opportunity assessment:		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
See individual assessments against each risk as detailed in Appendix 1.			
Ward(s) affected:		All Wards	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		None	
Documents attached:		Appendix 1 - West Suffolk Strategic Risk Register 2017/2018	

1. Key issues and reasons for recommendation(s)

1.1 Key Issues and Summary

1.1.1 The West Suffolk Strategic Risk Register is updated regularly by the Risk Management Group. The Group is comprised of service representatives, including Health and Safety, supported by a Director and the Portfolio Holder for Resources and Performance. Assistant Directors may be required to provide further information as requested by the Group.

As a result of this quarters review a summary is now included showing the overall risk grid and where each identified risk is located on it. In addition the main description heading has been adjusted slightly, and Portfolio holders have been added to the current owners column.

1.1.2 At its most recent assessment in June 2017, 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 2017 have been removed from the register.

1.2 New or Amended Risks

1.2.1 There have been no major amendments to current risks nor any new risks added during this reporting period. Where necessary actions, controls and target dates have been updated.

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 Impact of Brexit

1.4.1 The group will continue to monitor the situation as it develops, amending existing and / or adding new risks where necessary. These changes will be reported at each meeting in the normal manner.

1.5 Reasons for Recommendations

1.5.1 The Council's Strategic Plan for 2014/2016, adopted by the Council in February 2014, and extended to cover 2017, 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.

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RISK ID NUMBER	Date risk added to register	Type	Current Owners	Title	Description - What are we trying to avoid?Why is this important	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	Assistant Director & Portfolio Holders-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 and Leadership Team. Quarterly revenue and capital monitoring reports to PASC.	Assistant Director - Resources & Performance	N/A	N/A	
							C	2) Business rate retention income and localising of Council tax being monitored monthly by Finance and ARP	Assistant Director - 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)Financial system upgrade/development in order to take advantage of latest budget planning / monitoring functionality.	LT		Mar-18	
							A	6) Strengthen the overall Performance Management Framework. E.g. Balanced Scorecards, PDRs, (also see WS18),Risk management,Project monitoring,Financial Reporting.	LT	Apr-17	Dec-17	
							C	7) Regular updates of projects, assessment of any additional risks associated with new projects.	LT	N/A	N/A	
							C	8) Monitoring of investment decisions and original business cases targets/outcomes through Business Partner Model.	Assistant Director - Resources & Performance	N/A	N/A	
							C	9) Longer term financial planning across MTFS.	Assistant Director - Resources & Performance	Sep-16	N/A	
WS1 B	10-Jul-14	Financial	Assistant Director & Portfolio Holders-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) Annual Budget preparation focus on MTFS and key uncertainties including Business Rate Retention in 2020.Delivery on six MTFS themes.	LT	N/A	N/A	
							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	Assistant Director - 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 -Business Partners.	LT	N/A	N/A	
							C	7) Use of data and intelligence in forecasting future scenarios.	LT	N/A	N/A	

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							C	8) Keep a careful eye on Brexit implications re European funding and service delivery	LT	N/A	N/A	
							A	9) Project resources review ensuring the appropriate capacity and skills to take forward ambitious agenda.	LT	Sep-16	Mar-18	
WS2	10-Jul-14	Customer	Assistant Director & Portfolio Holders- Families & Communities	Maintain and promote our public image, maintain effective communications	Lack of public trust and confidence in the councils leads to a poor reputation.Councils need to champion their area and be a trusted part of the community.It is vital therefore in making sure people access services,which often means the handling of sensitive information, that the councils have a strong reputation.This is also the case in working with communities to deliver growth or large projects as well as in times of crisis,when the council must be a trusted source of information.Therefore Councils need a good reputation to enter positive partnerships with others, or secure funding. This could also potentially impact on our ability to recruit staff in competitive market.		C	1) Monitor and measure media coverage through daily media alerts and, where appropriate, provide a robust response.	Service Manager (Strategic Communications)	N/A	N/A	
							C	2) Public stakeholders have a range of channels including news and social media to disseminate information about West Suffolk services and strategic priorities and address errors or misrepresentation.	Service Manager (Strategic Communications)	N/A	N/A	
							C	3) Train and support staff and Members in proactive communications, liaising with the media and using social media platforms.	Service Manager (Strategic Communications)	N/A	N/A	
							C	4) Deliver strategic communications plan and work with them to engage appropriately with communities to encourage channel shift.	Service Manager (Strategic Communications)	N/A	On-going	
							A	5) Ensure that appropriate communications planning and support are identified for strategic projects as per individual project plans	Service Manager (Strategic Communications)	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.	Service Manager (Corporate Policy)	N/A	N/A	
WS3	10-Jul-14	Customer	Assistant Director & Portfolio Holders- 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 need to be understood and managed;Councils' not appreciating and/or delivering methods of contact and response time which are expected by customers.		C	1) Continue to develop new web presence with full digital by default capability. Ensure that staff, councillors and external support/advisory services are aware of the councils' digital offer and benefits for use.	Assistant Director - 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) and Service Manager (Customer Service)	N/A	N/A	
							C	3) Continuing development to ensure web site remains fit for purpose.	Assistant Director - 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.	Assistant Director - Families & Communities, Assistant Director - Resources and Performance	N/A	Completed	

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							A	5) Anglia Revenues Partnership, (ARP), Strategic (Transformation) Plan outlining the future role of ARP to be developed.	Director (JK)	Jul-16	Mar-17	

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WS4	10-Jul-14	Professional	Assistant Director & Portfolio Holders - Human Resources, Legal & Democratic Services	Staff retention (professional staff / technical staff) and recruitment. Staff trust and goodwill (morale)	Lack of staff with appropriate skills, experience and capacity could prevent delivery of services and high levels of performance. Failure to have motivated staff with appropriate workload.		A	1) OD strategy focussing on Employer Brand, Flexible and Agile Workforce, Talent management linked to performance management.	HR Manager	Reviewed OD plan 2016	Mar-17	
							C	2) Regularly evaluate outcome of Performance Reviews to identify talent management to inform succession planning.	HR Manager	Jun-14	Ongoing	
							C	3) New intranet facilities providing consistent and regular communication to officers and members, with the opportunity to provide feedback now in place.	Service Manager (Corporate Communications)	N/A	Completed	
							A	4) Annual workforce monitoring data presented to the West Suffolk Joint Staff Consultative Panel; no significant issues raised.	HR Manager	N/A	On-going	
							A	5) Salary benchmarking has been undertaken and remains under review. Review Pay Policy. Monitor Recruitment to identify challenging areas to address. Maintain focus on strong employer brand. Review of payline and structure may need to be considered. National work commenced on the NJC/Job Evaluation/Pay and Reward work linked to the	Assistant Director - HR, Legal and Democratic Services	N/A	ongoing	
							A	6) Review of skills and structures to ensure successful delivery of MTFS and associated growth projects	Assistant Directors and Service Managers	Dec-16	On-going	
WS6	10-Jul-14	Political	Chief Executive & Leaders	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	
							C	5) Regular monitoring of Balanced Scorecards to include complaints, compliments and trends.	LT	N/A	On-going	

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WS7	10-Jul-14	Technological Financial Customer	Service Manager (Corporate Policy) / All Assistant Directors & Portfolio Holders	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 programme and project management framework understanding timetabling and interdependencies between projects and programmes (led by Service Manager Corporate Policy).	Service Manager Corporate Policy	May-17	On-going	
							A	2) Maintain oversight of corporate project matrix at Leadership Team, to manage demands on services and resource appropriately.	Service Manager Corporate Policy	May-17	On-going	
							A	3) Training and support to staff involved in corporate projects including key project management skills.	L&D team/Service Manager Corporate Policy	May-17	On-going	
							C	4) Project support and resources to be included in future Project Initiation Documents and project business cases, including support services such as: <u>ICT, Finance, Legal and Property</u>	LT and All Service Managers	May-17	On-going	
							C	5) Early identification of Corporate capacity / priorities as part of business plan / project initiation. Review of programmes to assist with prioritisation.	LT	May-17	On-going	
							C	6) Carry out Project Close Out Reports and Project Health Checks as appropriate.	LT and All Service Managers	May-17	On-going	
WS7a	10-Jul-14	Technological	Assistant Director & Portfolio Holders-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 planning	Infrastructure Support Manager	Jun-14	On-going	
							A	2) Continued Business Applications integration / alignment.	Project Managers & Service Manager (ICT)	Jun-14	Individual project plans	
							C	3) Regular review of both integration programmes for strategic fit and resources/skills capacity 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. <u>No tolerance approach adopted.</u>	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).	Service Manager (ICT)	N/A	Dec-17	

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WS8	10-Jul-14	Political Social										
	(a)		Assistant Director & Portfolio Holders- 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. Review of F & C scheduled to complement the development of a new Westy Suffolk Strategic Plan.	Service Manager (Families & Communities)	Jul-17	Feb 18	
							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	
	(b)		Assistant Director & Portfolio Holders - Growth	Failure to deliver; Growth Agenda inc coping with growth and increase in demand	Opportunities being missed to create or influence the provision of: (i) beneficial growth that enhances prosperity and quality of life (ii) existing businesses that are thriving and new businesses brought to the area (iii) people with the educational attainment and skills needed in our local economy (iv) vibrant, attractive and clean high streets, village centres and markets		C	1) Developing engagement with the two Local Enterprise Partnerships. Deliver Six Point Plan for Jobs and Growth. Monitoring the local economy.	Assistant Director - Growth	N/A	N/A	
							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	Assistant Director - Growth	N/A	N/A	
							C	3) Support to WSC, SCC, UCS and other agencies involved with skills development. Monitoring attainment levels.	Assistant Director - Growth	N/A	N/A	
							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.	Assistant Director - Growth	N/A	N/A	
							A	5) Development and delivery of Local Plans	Assistant Director - Growth	Dec-15	On-going	
							A	6) Continued development of enterprise zones. Development of a joint plan to 2020/21.	Assistant Director - Growth		Feb-17	

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Page 35	(c)		Assistant Director & Portfolio Holders - Growth, Families & Communities and Planning.	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. Review of Housing Strategy to be undertaken in 2017	Assistant Directors for Growth, Families and Communities and Planning	N/A	N/A		
					(i) sufficient housing for current and future generations, including more affordable homes and improvements to existing housing			C					2) Cambridge 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 June 2016, operation of scheme monitored through CBL Management Board.
								A					5) Review of the West Suffolk Lettings Partnership scheme commenced to assess whether scheme should continue or not.
								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. New service introduced in May 2016, there are on-going difficulties with new scheme which has resulted in the need for dedicated contract management to be introduced. A formal review of the contract is currently away which will be concluded in January 2017.
								A					7) Establishment of commercial Housing Development Company in partnership with Suffolk County Council to build open market, private rented and affordable housing, Company incorporated March 2016. Initial Business Plan approved in Dec 2016, with work commencing on delivery plan and seeking planning permission for sites in September 2017.
								A					8) Monitor implications and proposals contained in the new Housing & Planning Bill published Feb 2017 - countywide and West Suffolk response submitted to consultation document. Details of when proposals will be introduced still to be published by the Government.

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WS11	10-Jul-14	Economic Financial Competitive	Chief Executive / Directors & Portfolio Holders	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.	Service Manager (Corporate Policy)	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	Assistant Director & Portfolio Holders - 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.	Assistant Director - Growth	Jun-14	On-going	
							C	2) Ensuring there is sufficient employment land / premises for expansion.	Assistant Director - 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.	Assistant Director - Growth	N/A	N/A	
							A	4) Help businesses access third party funding.	Assistant Director - Growth	Jun-14	On-going	
							A	5) Further development of the six point jobs and growth plan.	Assistant Director - 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.	Assistant Director - Growth			

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WS13	10-Jul-14	Partnership Financial	Directors & Portfolio Holders	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 Assistant Directors	N/A	N/A	
							C	2) Regular monitoring of arrangements / outcomes.	All Assistant Directors	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 Assistant Directors	Jun-14	On-going	
							A	4) Ensure effective engagement in the Transformation Challenge Award.	CEO and LT	Jun-14	On-going	
							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 & Portfolio Holders	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.	All Assistant Directors/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.	All Assistants Directors / Appointed Officers	N/A	N/A	

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WS16	10-Jul-14	Legal	Director & Portfolio Holders	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. 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	Assistant Director & Portfolio Holders - 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.	Assistant Director - Resources & Performance / R&P Business Partners	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	6) Strengthen the overall Performance Management Framework. E.g. Balanced Scorecards, PDRs, (also see WS18),Risk management,Project monitoring,Financial Reporting.	LT	Apr-17	Dec-17	
							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 Assistant Directors & Portfolio Holders	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.	Assistant Director - Families and Communities/ 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.	Service Manager (Corporate Policy)	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.	Service Manager (Corporate Policy)	Jun-14	On-going	

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WS20	10-Jul-14	Physical	Assistant Director & Portfolio Holders - 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	Service Manager & portfolio Holders- Strategic 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 - external annual S11 Audit of Council procedures.	Service Manager- Strategic Housing	Jul-09	On-going	
							C	2) Safe recruitment procedures are adopted for all staff recruitment.	Assistant Director - 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.	Service Manager- Strategic 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.	Service Manager- Strategic Housing	N/A	N/A	
							A	5) Ensure appropriate training is provided to front-line staff.	Service Manager- Strategic Housing	Nov-15	01/04/2016 Initial training completed - continued ongoing development.	
WS22	21-Apr-15	Economic and social	Director & Portfolio Holders	Effects of the closure of RAF Mildenhall	Negative impact on the local economy, families and community or the housing market		A	1) Update the Mildenhall, Alconbury and Molesworth Working Group governance to reflect Mildenhall and Lakenheath issues.	Director (JK)	Feb-15	Jan-17	
							A	2) Co-ordinate and lead the Forest Heath member-led local Mildenhall and Lakenheath Airbases Group	Director (JK)	Mar-15	On-going	
							A	3) Commission an impact study to measure the impact of the USAFE on West Suffolk and the surrounding areas. Submission of prospectus to Central Government on future delivery of site by Mid November 16. Working closely with Cabinet Office, Treasury & HCA to influence Government thinking.	Director (JK)	Apr-15	Prospectus completed. Working with Cabinet Office etc. on-going	
							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.	Director (JK)	Feb-15	On-going	

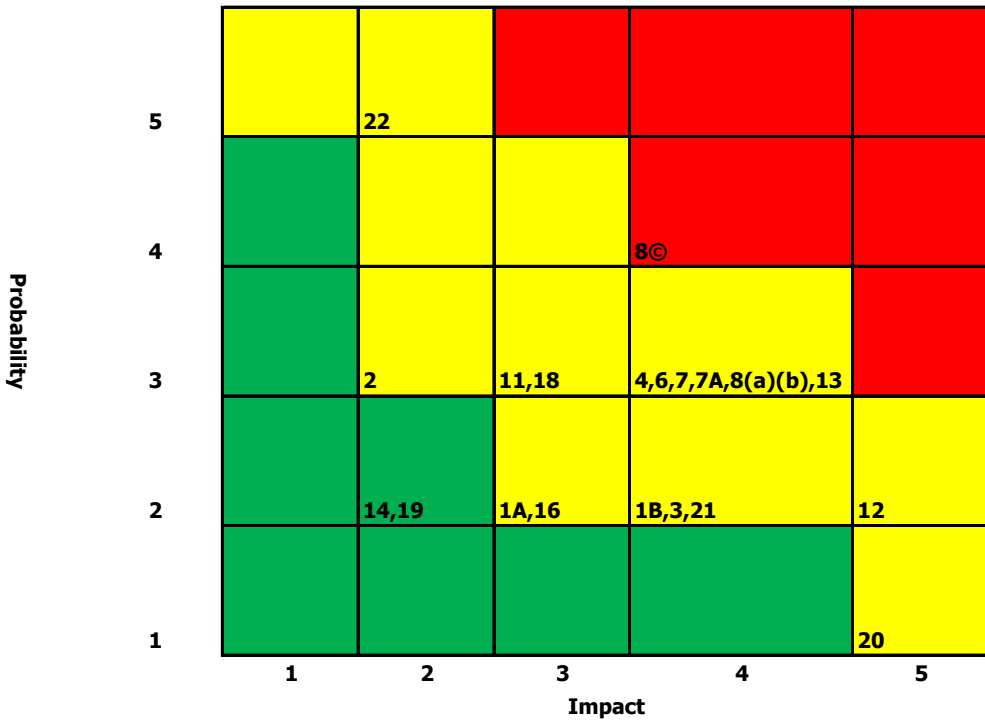
Type: A = Action, C = Control												
RISK ID NUMBER	Date risk added to register	Type	Current Owners	Title	Description - What are we trying to avoid?Why is this important	WS Inherent Risk	Type	Summary of Controls / Actions - What we are doing / need to do to prevent it.	Who is responsible for the actions	Start date	Target completion date/ Complete	WS Residual Risk
							A	5) Set up a joint MOD, HCA, SCC & FHDC project team for the future of the site. Jointly investigate site conditions and site master plan.	Director (JK)	Dec-16	Project team Mar 17. Master plan 2018	

Type: A = Action, C = Control												
RISK ID NUMBER	Date risk added to register	Type	Current Owners	Title	Description - What are we trying to avoid?Why is this important	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

West Suffolk Strategic Risk Register

West Suffolk Residual Risk summary

All references are prefaced with WS



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Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Work Programme Update	
Report No:	PAS/SE/17/017	
Report to and date:	Performance and Audit Scrutiny Committee	27 July 2017
Chairman of the Committee:	Sarah Broughton Chairman of the Performance and Audit Scrutiny Committee Tel: 01284 787327 Email: sarah.broughton@stedsbc.gov.uk	
Lead officer:	Christine Brain Democratic Services Officer (Scrutiny) Tel: 01638 719729 Email: Christine.brain@westsuffolk.gov.uk	
Purpose of report:	To update members on the current status of its Work Programme, attached at Appendix 1.	
Recommendation:	Performance and Audit Scrutiny Committee: It is <u>RECOMMENDED</u> that: 1) Members review the current status of its Work Programme for 2017 - 2018. 2) Members are asked to identify potential topics for future scrutiny on service performance.	

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

Description	Lead Officer
20 September 2017 (Time: 5.00pm)	
EY – 2016-2017 ISA 260 Annual Results Report to those Charged with Governance	Assistant Director (Resources and Performance)
West Suffolk Local Code of Corporate Governance	Assistant Director (Resources and Performance)
West Suffolk Annual Governance Statement 2016-2017	Assistant Director (Resources and Performance)
2016-2017 Statement of Accounts	Assistant Director (Resources and Performance)
Delivering a Sustainable Budget 2018-2019	Assistant Director (Resources and Performance)
Annual Corporate Environmental Statement 2016-2017	Service Manager (Environmental Health)
Work Programme Update	Democratic Services Officer (Scrutiny)
29 November 2017 (Time: 5.00pm) Informal Joint Meeting (Hosted by Forest Heath District Council)	
Joint Reports	
Mid-year Internal Audit Progress Report 2017-2018	Service Manager (Internal Audit)
Balanced Scorecards Quarter 2 Performance Report 2017-2018	Senior Business Partner (Resources and Performance)
West Suffolk Strategic Risk Register Quarterly Monitoring Report – September 2017	Assistant Director (Resources and Performance)
Work Programme Update	Democratic Services Officer (Scrutiny)
St Edmundsbury Specific Reports	
EY – Annual Audit Letter 2016-2017	Assistant Director (Resources and Performance)
Financial Performance Report (Revenue and Capital) Quarter 2 – 2017-2018	Assistant Director (Resources and Performance)
Delivering a Sustainable Budget 2018-2019 - Update	Assistant Director (Resources and Performance)
Mid-year Treasury Management Report and Investment Activity (April – September 2017)	Service Manager (Finance and Performance)

31 January 2018 (Time: 5.00pm) Informal Joint Meeting (Hosted by St Edmundsbury Borough Council)	
Joint Reports	
Balanced Scorecards Quarter 3 Performance Report 2017-2018	Senior Business Partner (Resources and Performance)
West Suffolk Strategic Risk Register Quarterly Monitoring Report – December 2017	Assistant Director (Resources and Performance)
Work Programme Update	Democratic Services Officer (Scrutiny)
St Edmundsbury Specific Reports	
Financial Performance Report (Revenue and Capital) Quarter 3 – 2017-2018	Assistant Director (Resources and Performance)
Delivering a Sustainable Budget 2018-2019 – Update	Assistant Director (Resources and Performance)
Treasury Management Report 2017-2018 and Investment Activity (April – December 2017)	Service Manager (Finance and Performance)
Annual Treasury Management and Investment Strategy Statements 2018-2019	Service Manager (Finance and Performance)
31 May 2018 (Time: 5.00pm) Informal Joint Meeting (Hosted by Forest Heath District Council)	
Joint Reports	
Internal Audit Report (2017-2018) and Outline Internal Audit Plan (2018-2019)	Service Manager (Internal Audit)
Balanced Scorecard and Quarter 4 Performance Report 2017-2018	Senior Business Partner (Resources and Performance)
Balanced Scorecard Indicators and Targets for 2018-2019	Senior Business Partner (Resources and Performance)
West Suffolk Strategic Risk Register Quarterly Monitoring Report – March 2018	Assistant Director (Resources and Performance)
Work Programme Update	Democratic Services Officer (Scrutiny)
St Edmundsbury Specific Reports	
EY – Annual Certification Report 2016-2017	Assistant Director (Resources and Performance)
EY – External Audit Plan and Fees 2017-2018 and 2018-2019 Indicative Fees	Assistant Director (Resources and Performance)
Financial Outturn Report (Revenue and Capital) 2017-2018	Assistant Director (Resources and Performance)

Future Items to be Programmed

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

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Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Annual Performance Report for The Apex – 2016-2017	
Report No:	PAS/SE/17/018	
Report to and date:	Performance and Audit Scrutiny Committee	27 July 2017
Portfolio holder:	Joanne Rayner Leisure, Culture and Heritage Tel: 07872 456836 Email: joanna.rayner@stedsbc.gov.uk	
Lead officer:	Damien Parker Service Manager (Leisure and Cultural) Tel: 01284 757090 Email: Damien.parker@westsuffolk.gov.uk	
Purpose of report:	To provide members of the Performance and Audit Scrutiny Committee with details about the performance of the Apex in financial year 2016-2017.	
Recommendation:	Performance and Audit Scrutiny Committee: It is <u>RECOMMENDED</u> that, the Annual Performance Report 2016-2017 for The Apex be <u>noted</u>.	
Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
Consultation:	<ul style="list-style-type: none"> Is not required as this is a saving 	

Alternative option(s):		•	
Implications: Other than a straight forward saving there are no implications			
Are there any financial implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any staffing implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any ICT implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any legal and/or policy implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any equality implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Risk/opportunity assessment:		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
Risk of poor performance, subject to current market condition	medium	Apex Panel and budget monitoring	Low
Market conditions	Medium	Constant review of the programme and Apex marketing increased	Low
Ward(s) affected:		All Wards	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		Annual report for the Apex 2015-2016 Annual report for the Apex 2014-2015 Annual report for the Apex 2013/14	
Documents attached:		Annex 1 - Additional facts and information about those attending ticketed events at the Apex	

Key issues and reasons for recommendation(s)

1. Overview

- 1.1 **The Apex** is an award-winning cultural venue in Bury St Edmunds, Suffolk, known for its acoustic excellence and home to a diverse programme of live music and events; from classical concerts to pop, rock, jazz, blues, world, country and folk, plus comedy and dance performances through to community and social clubs. The Apex's reputation has grown rapidly and it is now seen as an important part of the national touring circuit, regularly attracting artists of an international renown.
- 1.2 This report covers the financial year from 1 April 2016 to 31 March 2017. The Apex budget 2016-2017 was set at £652,337. The Apex continues to develop as an important local and regional venue and is attracting greater audiences and establishing a loyal customer base. Increased revenue has contributed to a positive variance of £39,817 against budget at the financial year-end and the outturn figure is £612,520 showing a continued reduction in expenditure.
- 1.3 A minor restructure of the staff team based in the Apex was conducted last October. The objectives of the restructure was to introduce a clearer reporting structure which helped unify service delivery and staff teams. It also placed resources where they were most needed.
- 1.4 The staff team has orchestrated a number of successful campaigns to raise awareness of the venue which has resulted in increased ticket sales and associated business. The 2016-2017 event programme was made up of over 320 events which included professional and amateur performances plus community events in the auditorium, the foyer and lounge. The numbers of tickets sold increased in 2016-2017 by 9% to 99,968 and income from ticket sales reached £1.8 million which is an increase of 13% over last year. This excludes meetings and conferences organised by Sodexo. The Apex also handles box office services for other venues.
- 1.5 The Apex continues to be a valuable community asset and more and more non-performance events are taking place. A greater use of the studio space is now being made with over 170 classes including yoga, tai chi and baby ballet.
- 1.6 The gallery on the first floor is in great demand with exhibitions booked a year in advance. The twelve exhibitions hosted in 2016-2017 made a net contribution to the Apex's budget of £2,674.
- 1.7 The Apex continues to attract a broad spectrum of people from a growing geographical area. The Apex's ticket sales for 2016-2017 by county were:

Suffolk – 78%
Norfolk – 7.4%
Cambridge – 6%
Essex - 3%
Other – 5.6%

For additional facts and information about those attending ticketed events at the Apex please refer to **Annex 1**.

2. Apex Performance

- 2.1 The performance of the Leisure and Cultural Services team who are responsible for the delivery of services at the Apex and Athenaeum, is continually reviewed and reported upon at the quarterly Apex Panel meetings
- 2.2 The overall cost to the Council of the Apex has reduced. In 2013-2014 the budget was £742,250 and the end of year out turn in 2016-2017 was £612,000
- 2.3 As indicated in table 1 below the number of tickets sold at the Apex continues to rise:

Table 1

	2016/17	2015/16	2014/15	2014/13	2013/12	2012/11
April	£158,040.60	£131,379.52	£88,486.75	£74,137.00	£57,844.15	£41,220.50
May	£119,934.40	£108,546.60	£89,422.90	£78,617.50	£73,698.85	£57,602.50
June	£119,244.00	£117,532.00	£69,919.70	£59,733.30	£40,707.50	£37,541.00
July	£109,999.00	£100,775.50	£75,588.50	£46,615.78	£24,934.15	£36,499.00
August	£136,747.35	£90,672.50	£71,116.50	£58,048.75	£46,296.22	£40,294.40
September	£119,397.00	£94,025.35	£90,802.00	£58,206.10	£64,237.10	£48,448.40
October	£178,067.50	£185,940.80	£132,142.00	£97,219.35	£83,386.82	£38,318.99
November	£166,665.00	£143,995.40	£115,476.25	£76,856.70	£78,344.60	£69,447.40
December	£198,616.25	£132,227.00	£101,061.50	£72,338.50	£34,619.00	£33,102.30
January	£146,148.50	£119,751.80	£116,214.50	£76,650.70	£42,655.74	£54,069.00
February	£188,263.75	£196,167.10	£120,165.90	£85,057.40	£99,443.75	£87,459.65
March	£196,528.25	£183,782.90	£149,667.40	£137,012.85	£123,186.50	£89,350.00
Year Total	£1,837,651.60	£1,604,796.47	£1,220,063.90	£920,493.93	£769,354.38	£633,353.14

- 2.4 The Apex is now able to attract successful artists because of the positive reputation the venue now holds within the entertainment industry. Events are now marketed to a wider audience and much further in advance than was the case in the past
- 2.5 In 2016-2017, 29,000 tickets were purchased by 13,540 new customers who visited the Apex for the first time. This shows that the Apex customer base is still growing significantly year on year
- 2.6 The methods of marketing are broad and range from newspaper supplements to email, face book and twitter campaigns. Below are some of the headline statistics about the digital marketing campaigns:

E-Mailing List

The mailing list now has 26,666 email addresses of customers who have opted in to hear from us via email – growth of 20.1% over the last year.

Emails

The Apex's monthly e-Newsletter has an average Open Rate of 40.85% (UK average 22.9%)

Facebook

Our Facebook page now has 6,006 likes – growth of 36.7% over the last year. The average monthly website referrals from Facebook is now 49.6% higher than in

2015-2016 (and 188.4% higher than 2014-15).

Twitter

The Apex now has 5,529 Twitter followers – growth of 16.9% over the last year.

The average monthly website referrals from Twitter is now 42.1% higher than in 2015-2016 (and up 127% on 2014-2015).

Apex Website

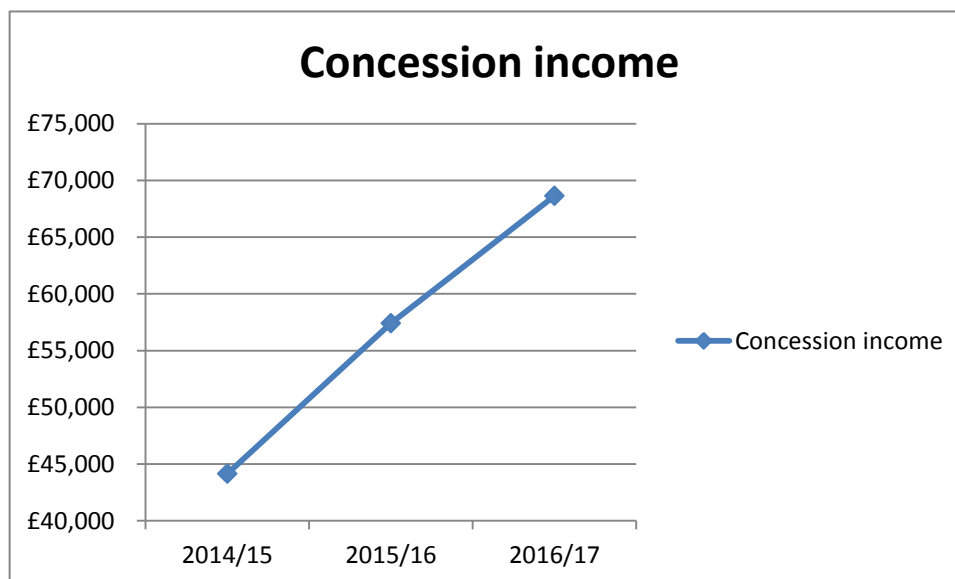
In 2016-17, 64% of ticket sales were sold online via the Apex’s own website.

The Apex’s website monthly unique users in 2016-17 was 18,821 (28%), up from 14,718 in 2014-2015.

3. Sodexo Catering Contract

- 3.1 The Council entered into a contract with Sodexo in 2012 the budgetary return from that contract (catering and bar concession at the Apex) has increased year on year as indicated below:

<u>Sodexo</u>	2014/15	2015/16	2016/17
Concession income	£44,130	£57,408	£68,629



4. Analysis of budgets

- 4.1 Budgets and Actuals

If the variance position is shown in brackets, this indicates there was an underspend /overachievement of income against budget.

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

				Actual Improvement over 2014/15 Budget
2015/16	Budget £	Actual £	Variance	
Expenditure				
Total	1,437,000	1,992,320	555,320	
Income				
Total	(797,569)	(1,399,980)	(602,411)	
Net Expenditure	639,431	592,340	(47,901)	(79,500)

				Actual Improvement over 2015/16 Budget
2016/17	Budget £	Actual £	Variance	
Expenditure				
Total	1,831,012	2,177,076	346,064	
Income				
Total	(1,178,675)	(1,564,556)	(385,881)	
Net Expenditure	652,337	612,520	(39,817)	(26,911)

- 4.2 The 2016-2017 outturn figure above shows an underspend / overachievement of income against the budget of £39,817 reducing the net expenditure to £612,520. The budget for 2017-2018 has been set at £573,863. The actual outturn for 2016-2017 is slightly higher than that of 2015-16 because 2016-17 was the first year we put monies aside (£20,000) for future equipment replacements (contribution to reserves).

5. Looking ahead

- 5.1 The Apex management team has been successful in reducing the subsidy over the last financial year, as a result of increasing revenues from ticket sales, increasing concessionary income from its catering concession.
- 5.2 The Apex management team remain optimistic about the future and has a target of £1.9m ticket sales for 2017-2018. The team will continue to work with the Apex Panel to ensure the genres of events remains mixed, that ticket prices remain

competitive, that satisfaction with services on site remains high and that income continues to rise.

- 5.3 In order to keep ahead of the competition and keep our customer base growing we need to constantly innovate and update what we do. We are currently developing a new website for the Apex which will be launched towards the end of the 2017 summer period. The new website will be fully mobile compatible, which will improve the ability to view the website and purchase tickets via a mobile phones.

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Additional facts and information about those attending ticketed events at the Apex

Apex Audience profile

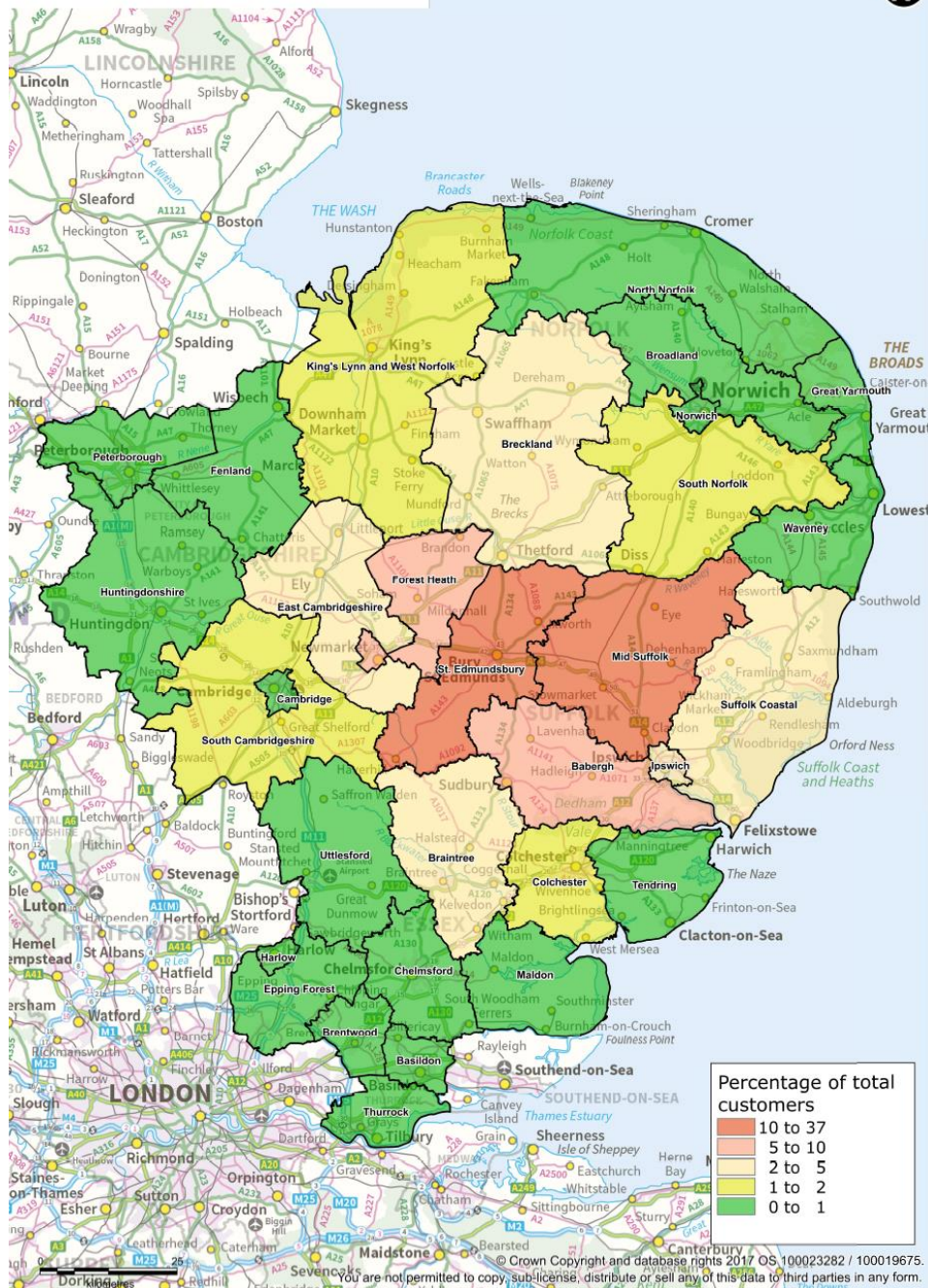
Audience survey – age band of customer

The Apex data set does not contain information on the ages of the customers, therefore we can use the Audience Survey data with a 95% confidence level

	ALL	
ages	no	%
<29	19	2%
29-49	188	18%
50-64	560	52%
65-74	258	24%
75-79	18	2%
80+	9	1%
Prefer not to say	16	1%
	1068	100%

Over 80% of customers are aged 50+ with nearly a quarter of customers buying tickets aged between 65 and 74 years

Apex Customer Distribution 2015



**Comparison between the Apex data results
with St Edmundsbury Retail Study report**

Apex data	West Suffolk Household survey for Carter Jonas - 2016
<ul style="list-style-type: none"> • Suffolk 12833 unique customers bought tickets to the Apex from 320,121 households in Suffolk = 4% • St Edmundsbury 6336 unique customers bought tickets to the Apex from 47,249 households in St Edmundsbury = 13.4% 	<ul style="list-style-type: none"> • Across all zones, 39.7% of people surveyed stated that they, or members of their household, go to the theatre/concert/live music. Of these, 11.8% go to the Apex = 4.68% of households visiting the Apex • Of the people surveyed in zone 1 – Bury St Edmunds, 62.7% stated that they, or members of their household, go to the theatre/concert/live music. Of these, 21.7% go to the Apex = 13.6% of households visiting the Apex

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Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Financial Performance Report (Revenue and Capital) Quarter 1 – 2017-2018	
Report No:	PAS/SE/17/019	
Report to and dates:	Performance and Audit Scrutiny Committee	27 July 2017
Portfolio holder:	Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: ian.houlder@stedsbcc.gov.uk	
Lead officer:	Rachael Mann Assistant Director (Resources and Performance) Tel: 01638 719245 Email: rachael.mann@westsuffolk.gov.uk	
Purpose of report:	This report sets out the Financial Performance for the first quarter of 2017-2018 and forecasted outturn position for 2017-2018.	
Recommendation:	Performance and Audit Scrutiny Committee: Members are requested to note the year end forecast financial position and forward any relevant issues or comments to Cabinet for their consideration.	
Key Decision: (Check the appropriate box and delete all those that do not apply.)	Is this a Key Decision and, if so, under which definition? Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	

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

Treasury Management	Medium	Treasury Management Policy and Procedures are in place	Low
Fluctuation in Business rate retention yield	High	Work with ARP to understand the variance to deliver a realistic forecast.	Medium
Ward(s) affected:		All Ward	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		Budget and Council Tax Setting 2017/2018 and Medium Term Financial Strategy 2017-2021 (Report No: COU.SE.17.009)	
Documents attached:		<p>Appendix A – Revenue budget summary, for the period April to June 2017.</p> <p>Appendix B – Revenue budget detail, for the period April to June 2017.</p> <p>Appendix C – Capital budget summary, for the period April to June 2017.</p> <p>Appendix D – Earmarked Reserves for 2017/18</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 St Edmundsbury Borough Council; which includes year end 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 any change to this position at the next Performance and Audit Scrutiny Committee meeting.
- 1.1.2 Details of the Council's revenue performance and year end forecasted outturn position can be found in **Appendix A** and **B**. Explanations of the main year end forecast under / over spends can be found in the table at 1.2.3.
- 1.1.3 The Council's capital financial position 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 2017/18. This appendix is to be considered in the context of the planned medium term reserve position as agreed as part of the Budget and Council Tax 2017/18 setting report in February 2017 (Report No: COU/SE/17/009), specifically **Attachment D, Appendix 3** Reserves.

1.2 Revenue Performance

- 1.2.1 The current forecast position for the year end is expected to be an underspend against budget of £95,000, which equates to just 0.1% of the council's gross expenditure. 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 the Quarter 2 report in November 2017.

- 1.2.3 Year-end forecast variances over £25,000 are explained in the following table.

Year-end forecast variance: Over / (under) spend £000s	Explanation
45	Waste and Cleansing Operatives Employees costs are currently forecast to be higher than originally budgeted. This will be kept under review in the coming months, given the front-facing nature of the service, In order to provide service continuity it is necessary to ensure that cover is provided for sickness and holiday, and in the overall context of employees costs across the councils this is currently considered to be manageable.

Year-end forecast variance: Over / (under) spend £000s	Explanation
(68)	Industrial and Business Units: Rental income is currently forecast to exceed budget, and in addition there is a forecast underspend on landlord costs as a result of better occupancy than anticipated.
(65)	Off Street Car Parks: Income from Car Parking is currently forecast to exceed the budget, reflecting the council's success in its town centres. Predicted income levels to be kept under review by the service going forward.

1.2.4 **Employee-related Expenses**

Whilst the year end forecast variances in the table above and in **Appendix B**, will always include a number of areas where there are overspends or underspends on employee related costs, the overall position for the West Suffolk councils in this area is broadly on track with the approved budget.

There are a number of factors relating to employees expenses, including vacancy management, staffing vacancies during the year, structural changes and assumptions around pension scheme take-up which are continually reviewed, both during the year, and as part of the budget setting process.

1.3 **Capital Position**

1.3.1 The following table gives a high level summary of capital expenditure against budget for 2017/18.

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.

Assistant Director:	2017/18 Revised Full Year Budget	2017/18 Actual Spend to Date	2017/18 Forecast Spend	2017/18 External Grant Funded	2017/18 Carried Forward	2017/18 Forecast Over / (under) Spend
	£000s	£000s	£000s	£000s	£000s	£000s
Resources & Performance	1,723	0	1,723	0	0	0
Families & Communities	87	16	87	0	0	0
Planning & Regulatory	2,005	29	1,121	0	844	(40)
Operations	14,629	198	14,179	45	495	0
Growth	16,273	0	15,580	0	693	0
Totals:	34,717	243	32,690	45	2,032	(40)

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Summary by Assistant Director

2017/18 June Budget Monitoring Report

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Assistant Director	Full Year Budget £	Expenditure Budget to Date £	Income Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Variance %	Year End Forecast Variance £
Resources & Performance	(7,646,196)	12,378,026	(32,269,932)	(19,891,906)	11,608,551	(32,582,799)	(20,974,249)	(1,082,343)	0.06%	4,552
Human Resources, Legal & Democratic	1,871,719	607,861	(146,668)	461,193	677,709	(110,404)	567,304	106,111	0.41%	7,621
Families & Communities	1,827,361	863,547	(124,603)	738,945	989,199	(465,537)	523,661	(215,284)	1.83%	(33,452)
Planning & Regulatory	679,937	645,416	(419,809)	225,607	690,284	(385,746)	304,538	78,931	9.72%	66,057
Operations	2,065,291	14,556,991	(13,450,285)	1,106,706	14,227,170	(13,467,997)	759,171	(347,535)	8.00%	(165,235)
Growth	1,121,038	624,285	(247,593)	376,692	512,233	(95,917)	416,316	39,624	2.26%	25,347
TOTALS:	(80,850)	29,676,126	(46,658,890)	(16,982,763)	28,705,146	(47,108,400)	(18,403,259)	(1,420,496)	117.64%	(95,110)
Interest Receivable	(250,536)	0	(61,251)	(61,251)	0	(88,226)	(88,226)	(26,975)	0.00%	0
Interest Payable	137,500	0	34,374	34,374	0	0	0	(34,374)	0.00%	0
Minimum Revenue Provision	200,000	0	0	0	0	0	0	0	0.00%	0
TOTALS:	6,114	29,676,126	(46,685,767)	(17,009,640)	28,705,146	(47,196,626)	(18,491,485)	(1,481,845)	1	(95,110)

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Detail by Assistant Director

2017/18 June Budget Monitoring Report

ASSISTANT DIRECTOR - RESOURCES & PERFORMANCE

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	Income Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Variance %	Year End Forecast Variance £	Year End Variance Notes
Resources & Performance	710,530	180,018	(1,300)	178,718	182,804	(1,300)	181,504	2,786	1.48%	(10,541)	Underspend on Staffing costs, mainly arising from vacancies.
General Fund Adjustments	(10,680,360)	3,758,431	(24,462,411)	(20,703,980)	3,595,290	(25,032,004)	(21,436,714)	(732,734)	0.00%	171	
Resources & Performance:	-9,969,830	3,938,449	(24,463,711)	(20,525,262)	3,778,094	-25,033,304	-21,255,210	-729,948	0.10%	(10,370)	
Internal Audit	119,882	32,131	(2,193)	29,938	36,311	0	36,311	6,373	3.56%	4,264	
Internal Audit:	119,882	32,131	(2,193)	29,938	36,311	0	36,311	6,373	3.56%	4,264	
ICT	854,496	374,542	(201,812)	172,730	402,395	(202,739)	199,656	26,926	0.49%	4,216	
ICT:	854,496	374,542	(201,812)	172,730	402,395	-202,739	199,656	26,926	0.49%	4,216	
Anglia Revenues Partnership	1,360,455	507,925	(17,118)	490,807	592,911	(64,678)	528,232	37,425	0.00%	0	
Council Tax Administration	(240,388)	0	(137,937)	(137,937)	225	(159,034)	(158,809)	(20,872)	0.13%	319	
Business Rate Administration	(166,907)	0	(41,727)	(41,727)	165	(159,260)	(159,095)	(117,368)	2.37%	3,954	
Housing Benefits	(340,617)	7,120,232	(7,256,103)	(135,871)	6,367,944	(6,929,254)	(561,311)	(425,440)	0.14%	474	
Anglia Revenues Partnership:	612,543	7,628,157	(7,452,885)	175,272	6,961,245	-7,312,226	-350,983	-526,255	0.77%	4,747	
Corporate Expenditure	521,527	317,078	(148,326)	168,752	352,502	(34,524)	317,978	149,226	0.08%	398	
Non-Distributed Costs	141,979	36,499	(1,005)	35,494	234	(6)	229	(35,265)	0.52%	734	
Non-Distributed Costs - Cost of Unused Assets	43,070	47,070	0	47,070	47,070	0	47,070	0	0.00%	0	
Corporate Expenditure:	706,576	400,647	(149,331)	251,316	399,806	-34,530	365,277	113,961	0.16%	1,132	
Emergency Planning	30,137	4,100	0	4,100	30,700	0	30,700	26,600	1.87%	563	
Emergency Planning:	30,137	4,100	0	4,100	30,700	0	30,700	26,600	1.87%	563	
TOTALS: RESOURCES & PERFORMANCE	-7,646,196	12,378,026	(32,269,932)	(19,891,906)	11,608,551	-32,582,799	-20,974,249	-1,082,343	0.06%	4,552	

Detail by Assistant Director

2017/18 June Budget Monitoring Report

ASSISTANT DIRECTOR - HUMAN RESOURCES , LEGAL & DEMOCRATIC SERVICES

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	Income Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Variance %	Year End Forecast Variance £	Year End Variance Notes
Human Resources & Payroll	532,512	177,818	(80,767)	97,051	174,143	(87,476)	86,666	(10,385)	2.64%	14,064	Staffing costs currently anticipated to exceed the budget.
Human Resources:	532,512	177,818	(80,767)	97,051	174,143	-87,476	86,666	-10,385	2.64%	14,064	
Health & Safety	101,071	30,188	(1,539)	28,649	34,634	(938)	33,696	5,047	3.08%	3,110	
Health & Safety:	101,071	30,188	(1,539)	28,649	34,634	-938	33,696	5,047	3.08%	3,110	
Central Training Services	160,984	40,834	0	40,834	13,194	(1,830)	11,364	(29,470)	7.44%	(11,982)	Currently anticipating underspend on Professional Development training. To be kept under review.
Learning & Development:	160,984	40,834	0	40,834	13,194	-1,830	11,364	-29,470	7.44%	(11,982)	
Legal Services	243,948	109,740	(62,787)	46,953	213,497	(17,621)	195,876	148,923	2.04%	4,981	
Legal Services:	243,948	109,740	(62,787)	46,953	213,497	-17,621	195,876	148,923	2.04%	4,981	
Democratic Services	192,447	50,239	0	50,239	52,107	0	52,107	1,868	2.90%	5,578	
Members Allowances & Expenses	348,915	92,657	0	92,657	90,838	0	90,838	(1,819)	1.23%	(4,297)	
Mayoralty & Civic Functions	96,743	30,452	(1,026)	29,426	30,707	(2,513)	28,194	(1,232)	1.90%	(1,839)	
Democratic Services:	638,105	173,348	(1,026)	172,322	173,652	-2,513	171,139	-1,183	0.09%	(558)	
Electoral Registration	163,099	43,933	(549)	43,384	29,201	(26)	29,175	(14,209)	1.56%	(2,544)	
Election Expenses	32,000	32,000	0	32,000	39,388	0	39,388	7,388	1.72%	550	
Elections:	195,099	75,933	(549)	75,384	68,589	-26	68,563	-6,821	1.02%	(1,994)	
TOTALS: HR & DEMOCRATIC SERVICES	1,871,719	607,861	(146,668)	461,193	677,709	-110,404	567,304	106,111	0.41%	7,621	

Detail by Assistant Director

2017/18 June Budget Monitoring Report

ASSISTANT DIRECTOR - FAMILIES & COMMUNITIES

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	Income Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Variance %	Year End Forecast Variance £	Year End Variance Notes
Policy	206,947	58,934	0	58,934	58,778	(14,093)	44,685	(14,249)	10.13%	(20,972)	Underspend on Staffing costs arising from timing of recruitments.
Policy:	206,947	58,934	0	58,934	58,778	-14,093	44,685	-14,249	10.13%	(20,972)	
Communications	122,992	34,100	0	34,100	35,551	0	35,551	1,451	1.63%	2,005	
Website and Intranet	36,340	17,484	0	17,484	9,161	0	9,161	(8,323)	2.45%	891	
Communications:	159,332	51,584	0	51,584	44,712	0	44,712	-6,872	1.82%	2,896	
Customer Services	533,075	164,394	0	164,394	174,683	(20,798)	153,886	(10,508)	2.00%	10,660	
Customer Services:	533,075	164,394	0	164,394	174,683	-20,798	153,886	-10,508	2.00%	10,660	
Families & Communities	300,194	78,805	0	78,805	73,173	(132,768)	(59,595)	(138,400)	7.07%	(21,209)	Forecast underspend on staffing costs arising from changes to working patterns and staff vacancies.
Community Chest - Families & Communities	216,483	325,865	(109,382)	216,483	251,650	(69,187)	182,463	(34,020)	0.00%	0	
Community Centres	38,979	36,467	(1,248)	35,219	33,991	(330)	33,661	(1,558)	2.59%	(1,009)	
Families & Communities:	555,656	441,137	(110,630)	330,507	358,814	-202,285	156,529	-173,978	4.00%	(22,218)	
Housing Options: Choice Based Lettings	87,237	44,953	(7,674)	37,279	210,109	(179,676)	30,432	(6,847)	0.52%	454	
Housing Options: Advice & Prevention	215,225	67,200	(2,205)	64,995	136,273	(45,085)	91,187	26,192	1.87%	(4,029)	
Housing Options: Solutions	68,892	34,348	(4,094)	30,255	5,276	(3,600)	1,676	(28,579)	0.35%	(243)	
Non-HRA Housing Properties	997	997	0	997	554	0	554	(443)	0.00%	0	
Housing Options:	372,351	147,498	(13,973)	133,526	352,212	-228,361	123,849	-9,677	1.03%	(3,818)	
TOTALS: FAMILIES & COMMUNITIES	1,827,361	863,547	-124,603	738,945	989,199	-465,537	523,661	-215,284	1.83%	-33,452	

Detail by Assistant Director

2017/18 June Budget Monitoring Report

ASSISTANT DIRECTOR - PLANNING & REGULATORY SERVICES

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	Income Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Variance %	Year End Forecast Variance £	Year End Variance Notes
Development Control	(91,192)	186,193	(202,260)	(16,067)	223,094	(184,902)	38,192	54,259	1.24%	1,130	
Development Control:	-91,192	186,193	(202,260)	(16,067)	223,094	-184,902	38,192	54,259	1.24%	1,130	
Land Charges	(93,750)	20,635	(45,663)	(25,028)	11,566	(44,960)	(33,394)	(8,366)	9.07%	(8,506)	
Building Control	(14,683)	62,745	(63,114)	(369)	64,468	(54,693)	9,775	10,144	158.63%	23,292	Fee income currently expected to underachieve by £25k.
Planning & Regulatory Support	316,288	82,548	0	82,548	85,370	0	85,370	2,822	4.68%	14,788	Currently forecasting overspend on Staffing costs.
Business (BC & Support):	207,855	165,928	(108,777)	57,151	161,404	-99,653	61,751	4,600	14.23%	29,574	
Prevention of Pollution	56,763	27,754	(4,821)	22,933	19,555	108	19,663	(3,270)	8.15%	(4,624)	
Environmental Management	(35,961)	14,900	(23,364)	(8,464)	13,304	(8,475)	4,829	13,293	65.96%	23,721	Solar for business income currently expected to underachieve by £25k.
Drinking Water Quality	35,025	10,623	(2,424)	8,199	8,727	(3,647)	5,080	(3,119)	31.11%	(10,895)	
Climate Change	31,761	8,951	0	8,951	20,384	(13,000)	7,384	(1,567)	41.43%	(13,157)	
Home Energy Conservation	4,850	1,212	0	1,212	(1,100)	0	(1,100)	(2,312)	39.34%	(1,908)	
Environment:	92,438	63,440	(30,609)	32,831	60,870	-25,014	35,856	3,025	7.42%	(6,863)	
Licensing	(8,125)	46,144	(43,380)	2,764	54,182	(32,282)	21,900	19,136	6.79%	(552)	
Hackney Carriage & Private Hire Licensing	(64,366)	27,242	(25,071)	2,171	27,355	(38,796)	(11,441)	(13,612)	25.42%	16,363	Income currently forecast to be below budget. Budget assumptions to be kept under review.
Food Safety	85,795	30,763	(6,626)	24,137	31,993	(3,485)	28,508	4,371	3.90%	3,345	
Health & Safety at Work Act/Enforcement	91,914	27,289	(1,625)	25,664	26,186	0	26,186	522	4.77%	4,385	
Business Reg & Licensing:	105,218	131,438	(76,702)	54,736	139,716	-74,563	65,153	10,417	22.37%	23,541	
Housing Renewals	133,413	35,541	(156)	35,385	32,328	(155)	32,173	(3,212)	0.98%	1,302	
Burial of the Dead	16,957	4,008	(24)	3,984	7,021	(194)	6,827	2,843	10.33%	1,752	
Other Public Health Services	215,248	58,868	(1,281)	57,587	65,851	(1,265)	64,586	6,999	7.26%	15,621	Currently forecasting some overspend on staffing costs, plus some additional supplies & services spend.
Public Health & Housing:	365,618	98,417	(1,461)	96,956	105,200	-1,614	103,586	6,630	5.11%	18,675	
TOTALS: PLANNING & GROWTH	679,937	645,416	-419,809	225,607	690,284	-385,746	304,538	78,931	9.72%	66,057	

Detail by Assistant Director

2017/18 June Budget Monitoring Report

ASSISTANT DIRECTOR - OPERATIONS

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	Income Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Variance %	Year End Forecast Variance £	Year End Variance Notes
Vehicle Workshop	(64,730)	221,617	(597,394)	(375,777)	241,800	(609,811)	(368,011)	7,766	21.01%	(13,598)	Income levels currently expected to exceed the budget.
Pool Cars	20,132	9,535	(3,750)	5,785	5,923	597	6,519	734	0.00%	0	
Vehicle Workshop Trading Account - FHDC	10,260	189,692	(189,692)	0	180,663	(179,663)	1,000	1,000	0.00%	0	
Fleet Management:	-34,338	420,844	(790,836)	(369,992)	428,386	-788,877	-360,492	9,500	39.60%	(13,598)	
Depots	(159,665)	229,581	(566,815)	(337,234)	256,059	(544,435)	(288,376)	48,858	2.00%	(3,195)	
Grounds Maintenance Operatives	(162,510)	468,327	(1,347,583)	(879,256)	570,922	(1,443,376)	(872,454)	6,802	5.97%	(9,709)	Currently forecasting vehicle-related expenditure to be under budget.
Tree Maintenance Operatives	(1,120)	35,380	(123,256)	(87,876)	48,112	(119,083)	(70,971)	16,905	326.52%	3,657	
Waste & Cleansing Operatives	(427,050)	1,896,344	(5,002,504)	(3,106,160)	1,972,828	(5,002,249)	(3,029,421)	76,739	10.52%	44,925	Staffing costs currently forecast to exceed budget. To be kept under review.
Markets	(67,781)	250,235	(95,442)	154,793	254,259	(99,328)	154,931	138	9.10%	(6,169)	
Operational:	-818,126	2,879,867	(7,135,600)	(4,255,733)	3,102,180	-7,208,471	-4,106,291	149,442	3.61%	29,509	
Street Cleansing	1,480,284	1,477,311	(7,770)	1,469,541	1,485,626	47,176	1,532,802	63,261	0.32%	(4,791)	
Refuse Collection (Black Bin)	1,170,182	1,153,104	(7,972)	1,145,132	1,164,993	(9,872)	1,155,121	9,989	0.28%	(3,305)	
Recycling Collection (Blue Bin)	805,516	994,984	(44,294)	950,690	998,912	(26,897)	972,016	21,326	0.79%	(6,336)	
Compostable Collection (Brown Bin)	261,876	759,960	(685,316)	74,644	456,684	(826,623)	(369,939)	(444,583)	0.00%	0	
Bulky, Fridges, Metal & Scrap Collection	128,867	149,397	(8,163)	141,234	149,074	(11,075)	137,999	(3,235)	3.61%	(4,657)	
Clinical & Hazardous Waste Collection	14,904	7,071	(1,824)	5,247	12,233	(362)	11,870	6,623	23.07%	3,438	
Multi-Bank Recycling Sites	(12,742)	18,212	(19,905)	(1,693)	8,801	(10,801)	(2,000)	(307)	34.45%	(4,390)	
Trade Waste	(225,709)	605,972	(1,136,043)	(530,071)	555,565	(1,240,135)	(684,570)	(154,499)	5.09%	(11,487)	Income levels currently forecast to exceed budget.
Waste - Business & Commercial	3,623,178	5,166,011	(1,911,287)	3,254,724	4,831,888	-2,078,589	2,753,299	-501,425	0.87%	(31,528)	
Property Services	593,089	160,233	(2,037)	158,196	159,600	(1,728)	157,872	(324)	0.95%	(5,649)	
Property Maintenance:	593,089	160,233	(2,037)	158,196	159,600	-1,728	157,872	-324	0.95%	(5,649)	

Detail by Assistant Director

2017/18 June Budget Monitoring Report

ASSISTANT DIRECTOR - OPERATIONS (continued)

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	Income Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Variance %	Year End Forecast Variance £	Year End Variance Notes
Industrial & Business Units	(1,411,646)	196,628	(428,153)	(231,525)	129,422	(450,188)	(320,766)	(89,241)	4.81%	(67,943)	Industrial rent income currently forecasted to exceed budget reflecting better occupancy levels than previously anticipated. Ongoing budget being reviewed
Town Centres & Shops	(787,182)	71,567	(249,986)	(178,419)	8,876	(175,762)	(166,886)	11,533	0.09%	(672)	
Property Management:	-2,198,828	268,195	(678,139)	(409,944)	138,298	-625,950	-487,652	-77,708	3.12%	(68,615)	
Offices: West Suffolk House	(147,975)	518,311	(658,688)	(140,377)	522,282	(357,841)	164,440	304,817	1.66%	2,454	
Offices: Haverhill House	(46,950)	96,777	(120,006)	(23,229)	72,646	(1,362)	71,284	94,513	4.78%	2,246	
Public Conveniences	130,147	51,213	(7,998)	43,215	42,967	(8,319)	34,648	(8,567)	0.41%	(528)	
CCTV	179,779	108,810	(6,459)	102,351	116,454	(37,669)	78,785	(23,566)	0.48%	865	
Green Travel Plan	(10,599)	31,240	(15,016)	16,224	26,035	(917)	25,118	8,894	0.00%	0	
Street Banners & Displays	416	1,701	(1,638)	63	1,785	(1,621)	164	101	1.68%	7	
District Highways Services	419,946	421,552	(1,779)	419,773	423,982	(8,929)	415,052	(4,721)	0.20%	(842)	
Street Furniture	48,273	13,456	(42)	13,414	10,193	(11,167)	(974)	(14,388)	17.83%	(8,608)	
Land Drainage & Associated Works	7,479	4,751	(255)	4,496	3,500	0	3,500	(996)	8.88%	(664)	
Bus Stations	75,285	80,099	(15,540)	64,559	66,530	(944)	65,587	1,028	0.33%	(246)	
Facilities, CCTV & Highways Services:	655,801	1,327,910	(827,421)	500,489	1,286,374	-428,769	857,604	357,115	0.81%	(5,316)	
Courier & Postal Service	114,410	78,138	(32,500)	45,638	80,553	4,588	85,140	39,502	2.31%	(2,641)	
Printing & Copying Service	23,910	15,954	(9,978)	5,976	14,400	(5,147)	9,253	3,277	1.12%	267	
Central Services:	138,320	94,092	(42,478)	51,614	94,953	-559	94,393	42,779	1.72%	(2,374)	
Off Street Car Parks	(3,104,336)	964,231	(1,099,693)	(135,462)	916,264	(1,333,320)	(417,056)	(281,594)	2.09%	(65,000)	Car Parking income levels are currently forecasted to exceed the budgeted levels. To be kept under close review.
On Street Car Parking	(126,164)	198,424	(232,503)	(34,079)	221,952	(221,952)	0	34,079	0.00%	0	
Car Parking:	-3,230,500	1,162,655	(1,332,196)	(169,541)	1,138,216	-1,555,272	-417,056	-247,515	2.01%	(65,000)	

Detail by Assistant Director

2017/18 June Budget Monitoring Report

ASSISTANT DIRECTOR - OPERATIONS (continued)

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Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	Income Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Variance %	Year End Forecast Variance £	Year End Variance Notes
Arboriculture (Tree Maintenance Works)	167,435	133,853	(39)	133,814	135,230	0	135,230	1,416	1.18%	1,974	
Other Parks and Play Provision	485,343	595,265	(48,943)	546,322	607,536	(56,657)	550,879	4,557	0.66%	3,213	
Abbey Gardens	271,150	85,803	(27,368)	58,435	82,065	(33,408)	48,658	(9,777)	0.04%	(117)	
Nowton Park	80,457	76,715	(29,124)	47,591	79,382	(34,902)	44,480	(3,111)	0.87%	700	
East Town Park	94,799	38,350	(4,351)	33,999	42,151	(11,573)	30,578	(3,421)	1.23%	(1,169)	
Clare Country Park	3,764	20,203	0	20,203	20,561	0	20,561	358	10.33%	389	
Children's Play Areas	102,633	45,861	(51)	45,810	35,873	0	35,873	(9,937)	1.38%	1,417	
Cemeteries & Closed Churchyards	265,552	291,090	(31,947)	259,143	297,802	(39,083)	258,719	(424)	0.44%	(1,175)	
Allotments	(30)	700	(730)	(30)	700	(730)	(30)	0	2533.33%	(760)	
Parks & Open Spaces:	1,471,103	1,287,840	(142,553)	1,145,287	1,301,300	-176,353	1,124,948	-20,339	0.30%	4,472	
Sports & Leisure Centres	451,120	393,088	(25,389)	367,699	381,762	(24,637)	357,124	(10,575)	0.20%	(920)	
Leisure & Sports	39,070	19,312	0	19,312	4,992	0	4,992	(14,320)	0.00%	0	
Sports & Leisure Development	490,190	412,400	(25,389)	387,011	386,754	-24,637	362,116	-24,895	0.19%	(920)	
Arts, Heritage & Cultural Services	88,000	79,150	0	79,150	82,028	(1,776)	80,253	1,103	0.52%	460	
Moyses' Hall Museum	244,072	114,541	(18,651)	95,890	115,827	(15,410)	100,417	4,527	0.32%	(777)	
West Stow Country Park	128,120	134,643	(80,038)	54,605	134,147	(96,083)	38,064	(16,541)	3.08%	(3,950)	
West Stow ASVT Operating Account	0	0	(249)	(249)	0	(9)	(9)	240	0.00%	0	
Heritage Outreach Services	3,500	876	0	876	0	0	0	(876)	16.69%	(584)	
Heritage Sites & Monuments	5,563	8,749	(3,249)	5,500	5,500	0	5,500	0	0.00%	0	
West Front Houses	50,780	61,250	(12,050)	49,200	53,530	(4,209)	49,321	121	0.24%	121	
Heritage	520,035	399,209	(114,237)	284,972	391,032	-117,487	273,546	-11,426	0.91%	(4,730)	
Leisure Promotion	150,062	37,337	0	37,337	36,797	(300)	36,497	(840)	2.43%	3,643	
The Apex	455,593	622,954	(309,562)	313,392	645,753	(334,376)	311,377	(2,015)	0.13%	(576)	
The Athenaeum	44,987	90,078	(24,440)	65,638	82,838	(16,396)	66,443	805	7.69%	(3,458)	
The Guildhall, Bury St Edmunds	29,806	44,752	(5,976)	38,776	44,177	(635)	43,542	4,766	51.02%	15,206	
Tourist Information Centres	89,635	28,684	(2,970)	25,714	27,318	(4,125)	23,193	(2,521)	4.48%	(4,016)	
Shopmobility	33,821	18,940	(2,037)	16,903	14,836	(635)	14,200	(2,703)	7.20%	(2,436)	
Bury Festival	51,463	134,990	(103,127)	31,863	116,470	(104,838)	11,632	(20,231)	19.14%	(9,849)	
Halls & Events	855,367	977,735	(448,112)	529,623	968,189	-461,305	506,884	-22,739	0.17%	(1,486)	
TOTALS: OPERATIONS	2,065,291	14,556,991	(13,450,285)	1,106,706	14,227,170	-13,467,997	759,171	-347,535	8.00%	(165,235)	

Detail by Assistant Director

2017/18 June Budget Monitoring Report

ASSISTANT DIRECTOR - GROWTH

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	Income Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	Income Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Variance %	Year End Forecast Variance £	Year End Variance Notes
Housing Development & Strategy	80,433	28,049	(1,500)	26,549	40,337	(1,261)	39,077	12,528	5.98%	4,813	
Gypsies & Travellers	24,477	8,153	(24)	8,129	7,138	(24)	7,114	(1,015)	2.36%	577	
Housing Development & Strategy:	104,910	36,202	(1,524)	34,678	47,475	-1,285	46,191	11,513	5.14%	5,390	
Housing Business & Partnerships	(1,520)	7,405	(8,001)	(596)	21,889	(6,500)	15,389	15,985	1336.58%	20,316	
Housing Business & Partnerships:	-1,520	7,405	(8,001)	(596)	21,889	-6,500	15,389	15,985	1336.58%	20,316	
Planning Policy	636,155	244,926	(462)	244,464	230,868	(3,407)	227,461	(17,003)	1.78%	11,304	
Local Plan	0	7,500	(7,500)	0	10,850	(10,850)	0	0	0.00%	0	
Place Shaping:	636,155	252,426	(7,962)	244,464	241,718	-14,257	227,461	-17,003	1.78%	11,304	
Economic Development & Growth	362,037	283,416	(191,955)	91,461	183,179	(38,284)	144,895	53,434	3.85%	(13,953)	
Strategic Tourism & Markets	29,150	8,001	(1,410)	6,591	9,167	(1,733)	7,434	843	6.61%	1,928	
Bury Christmas Fayre	(9,694)	36,835	(36,741)	94	8,456	(33,858)	(25,403)	(25,497)	3.11%	301	
Vibrant Town Centres	0	0	0	0	349	0	349	349	0.00%	61	
Economic Development & Growth:	381,493	328,252	(230,106)	98,146	201,151	-73,875	127,275	29,129	3.06%	(11,663)	
TOTALS: GROWTH:	1,121,038	624,285	-247,593	376,692	512,233	-95,917	416,316	39,624	2.26%	25,347	

2017/18 June Capital Budget Monitoring Report

Project Description	Revised Budget for Year £	Actual Spend Year to Date £	2017-18 Forecast Actual Spend £	2017-18 Funded from External Grants £	2017-18 Carry Forward Requested £	Over/(Under) Spend for Year £	Notes
Resource & Performance							
Invest to Save Projects	223,328	0	223,328	0	0	(0)	Expected to be fully spent, Budget will be allocated to projects as they arise.
Leisure Capital Investment Fund	1,500,000	0	1,500,000	0	0	0	Work continues on the investment opportunities with Abbeycroft and business cases are due to be considered by Cabinet in the Autumn.
Families & Communities							
CRM Project	64,558	0	64,558	0	0	0	Project progressing, spend profile according to Customer Access Business Case.
Rural Initiatives Grant Scheme (C5000)	22,500	15,504	22,500	0	0	0	On-going grant scheme.
Planning & Regulatory							
Private Sector Disabled Facilities Grants (C5000)	375,000	11,535	375,000	0	0	0	Currently assessing the performance of the Home Improvement Agency (shared service across Suffolk). We are commencing performance improvement conversations w/c 3/7 with the provider. We are planning a review of the service with a view of making recommendations to SCOLT on any system changes.
Private Sector Renewal Grants (C5000)	300,000	13,856	200,000	0	100,000	(0)	Spend expected to be lower than budget as a result of lower demand. Budget review ongoing.
Empty Homes Grants to Private Owners (C5000)	71,000	0	71,000	0	0	0	
West Stow biomass boiler	140,000	0	100,000	0	0	(40,000)	Expected to be completed in 2017/18
Community Energy Plan	1,118,851	3,363	375,000	0	743,851	0	Several projects in the pipeline for 2017/18 which will generate additional income in future years. Remainder requested to be carried forward for new projects in future years
Operations							
Major Planned Building Works	140,412	0	140,412	0	0	0	To be allocated to projects as Business Cases are approved.
Leisure Asset Management Scheme	212,081	0	212,081	0	0	0	To be allocated to projects as Business Cases are approved.

2017/18 June Capital Budget Monitoring Report

Project Description	Revised Budget for Year £	Actual Spend Year to Date £	2017-18 Forecast Actual Spend £	2017-18 Funded from External Grants £	2017-18 Carry Forward Requested £	Over/(Under) Spend for Year £	Notes
Community Sports Facility - Moreton Hall	1,552,500	0	1,552,500	0	0	0	The project partners are currently tying up the legal details. The sum should be transferred in Quarter 2 of this financial year.
Vehicle & Plant Purchases	1,361,445	88,186	1,361,445	0	0	0	Spend expected in line with Vehicle, Plant & Equipment Programme.
Lark Valley Path	27,000	0	27,000	0	0	0	Awaiting Lease settlement - spend is anticipated to commence in Quarter 2.
Bury Leisure Centre - All Weather Pitch	150,000	0	150,000	0	0	0	Renewal of Astro Turf surface at BSE Leisure Centre/King Edwards School - Quarter 3-4 (Once specification is agreed).
West Stow Investment opportunities	384,588	0	40,000	0	344,588	0	Project currently on hold, subject to review.
Waste & Street Scene Back Office System	75,020	1,457	75,020	0	0	0	Project expected to complete in 2017/18
Bury St Edmunds, Parkway Multi-Storey Car Park structural works	190,900	0	190,900	0	0	0	Currently under review. Budget expected to be spent in full in this financial year.
Street Lighting Renewals	677,709	0	677,709	0	0	0	Project expected to complete in 2017/18
Bury Sports Club Project	150,000	0	0	0	150,000	0	Consultations are currently taking place with sports clubs in Bury about this initiative - No spend is predicted this financial year
Parish Council S106 Grants	0	28,670	0	0	0	0	Funded by S106 contributions.
West Stow Education Shelter	0	6,470	45,000	45,000	0	0	Arts Council Resilience Grant funded
West Suffolk Operational Hub	9,497,250	26,350	9,497,250	0	0	0	Project budget approved and currently going through planning application stage. Spend expected in the final quarter of 2017/18.
Leisure: Howe Road Play Area	60,000	46,998	60,000	0	0	0	Project to be complete in 2017/18
Leisure: Severn Road Play Park	60,000	0	60,000	0	0	0	Project to be complete in 2017/18
Leisure: Oakes Road Play Park	60,000	0	60,000	0	0	0	Project to be complete in 2017/18
Leisure: Bedell Close Play Area	30,000	0	30,000	0	0	0	Project to be complete in 2017/18
Growth							

2017/18 June Capital Budget Monitoring Report

Project Description	Revised Budget for Year £	Actual Spend Year to Date £	2017-18 Forecast Actual Spend £	2017-18 Funded from External Grants £	2017-18 Carry Forward Requested £	Over/(Under) Spend for Year £	Notes
High Street Haverhill Improvements	693,000	0	0	0	693,000	0	Under review as part of the Haverhill Masterplan. Unlikely to be spent in this financial year.
Suffolk Business Park Investment	3,000,000	0	3,000,000	0	0	0	Payment expected in 2017/18
Gypsy and traveller site	587,000	0	587,000	0	0	0	The budget is still required moving forward, the council is still seeking to resolve the delivery of this project
Private Housing Company	313,000	0	313,000	0	0	0	Currently expecting sites to be purchased in Q4
Commercial Asset Portfolio	1,680,000	0	1,680,000	0	0	0	To be completed in 2017/18
Investing in our Growth Agenda	10,000,000	0	10,000,000	0	0	0	Several proposals under review. Monies expected to be spent in the final stages of this financial year.
TOTALS:	34,717,141	242,389	32,690,703	45,000	2,031,439	(40,000)	

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Earmarked Reserves

2017/18 June Budget Monitoring Report

Reserve Details	2017/18 Opening Balance	2017/18 Net Budgeted Movement	2017/18 Budgeted Closing Balance	2017/18 Current Balance	2017/18 Forecast Closing Balance	2017/18 Forecast Variance (Under) / Over spent	Notes
Investing in our Growth Agenda Reserve	0	500,000	500,000	0	500,000	0	This is a new reserve which has been set up to support the delivery of the council's growth agenda, reports CAB/SE/17/020 and COU/SE/17/004 refer.
Strategic Priorities & MTFS Reserve	4,202,219	(2,836,355)	1,365,864	4,634,343	2,149,715	(783,851)	Budgeted Reserve movement includes £2.98m Capital Programme Funding for 2017/18. The under-utilisation of £0.78m relates to the West Stow Biomass Boiler underspend, and the Community Energy Plan project underspend requested to be carried forward into 2018/19.
Invest to Save Reserve	1,517,056	812,628	2,329,684	2,505,927	2,336,919	(7,235)	Budgeted utilisation during 2017/18 includes funding for the Waste & Street Scene Back Office System - see appendix C. Closing balance also includes £7.2k transfer from the Local Land Charges Reserve.
Risk/Recession Reserve	467,786	0	467,786	467,786	467,786	0	No movement expected during 2017/18.
BRR Equalisation Reserve	626,056	1,162,696	1,788,753	1,625,612	1,747,753	41,000	Forecast reserve utilisation relates to predicted shortfall in Business Rates S31 Grants for 2017/18, partly offset by an expected reduced pool levy payment.
Self Insured Fund	231,739	0	231,739	281,739	231,739	0	No movement expected during 2017/18.
Computer & Telephone Equipment Reserve	369,752	105,500	475,252	450,275	456,760	18,492	Funding utilised during 2017/18 in order to facilitate hardware refreshes.
Office Equipment Reserve	458,598	(41,646)	416,952	436,953	416,952	0	
Section 106 - Public Service Village	64,901	0	64,901	64,901	64,901	0	
HB Equalisation Reserve	1,417,156	(503,789)	913,367	700,000	780,997	132,370	Contribution from reserve in order to fund currently predicted shortfall in recovery of Overpayments.
Interest Equalisation Reserve	359,630	0	359,630	359,630	359,630	0	No movement expected during 2017/18.
Professional Fees Reserve	170,372	65,000	235,372	227,722	235,372	0	
ARP Reserve	428,164	(16,755)	411,409	428,164	411,409	0	
Vehicle & Plant Renewal Fund	2,518,547	(761,445)	1,757,102	3,118,547	1,757,102	0	In line with expected spend on Vehicles, Plant & Equipment in the year.
Waste Management Reserve	341,366	21,950	363,316	421,716	421,716	(58,400)	Currently anticipating to fund bin and equipment purchases within existing waste budgets.
BR-Building Repairs Reserve - Leisure	454,798	(242,860)	211,938	784,019	211,938	0	

Earmarked Reserves

2017/18 June Budget Monitoring Report

Reserve Details	2017/18 Opening Balance	2017/18 Net Budgeted Movement	2017/18 Budgeted Closing Balance	2017/18 Current Balance	2017/18 Forecast Closing Balance	2017/18 Forecast Variance (Under) / Over spent	Notes
BR-Building Repairs Reserve - Other	1,795,550	(214,421)	1,581,129	2,561,638	1,748,395	(167,266)	Forecasted Spend on Building Repairs & Maintenance currently expected to be below budget.
BR-Bunting Road Service	30,803	0	30,803	30,803	30,803	0	No movement expected during 2017/18.
BR-Leased Flats Management	33,957	0	33,957	33,957	33,957	0	No movement expected during 2017/18.
Industrial Rent Reserve	865,000	(110,000)	755,000	865,000	755,000	0	
Commuted Maintenance Reserve	507,023	(95,200)	411,823	515,850	411,823	0	
M-Gershom Parkington Bequest	552,405	3,500	555,905	551,767	555,905	0	
M-Others	65,279	(65,279)	(0)	0	(0)	0	
The Apex Reserve	18,651	(12,651)	6,000	0	6,000	0	
Abbey Gardens Donation	38,766	0	38,766	38,766	38,766	0	No movement expected during 2017/18.
Planning Reserve	108,631	60,000	168,631	187,781	168,631	0	
Local Land Charges Reserve	94,033	(86,798)	7,235	0	0	7,235	Balance on reserve now transferred to the Invest to save Reserve.
S106 Monitoring Officer Reserve	8,324	0	8,324	10,747	8,324	0	No movement expected during 2017/18.
Economic Development Reserve (LABGI)	23,187	(5,000)	18,187	23,187	18,187	0	
Homelessness Legislation Reserve	103,174	7,057	110,231	256,832	110,231	0	Includes contributions in respect of the DCLG Flexible Homelessness Support Grant and Rough Sleeper Grant which are being utilised to support the Housing Options Team.
S106 Revenue Reserve	36,015	0	36,015	36,015	36,015	0	No movement expected during 2017/18.
Election Reserve	91,366	30,000	121,366	121,366	121,366	0	
St Edmundsbury Totals	18,000,302	(2,223,867)	15,776,435	21,741,040	16,094,090	(817,655)	

Treasury Management Sub-Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Annual Treasury Management Report 2016-2017 and Investment Activity 1 April to 30 June 2017	
Report No:	TMS/SE/17/003	
Report to and dates:	Treasury Management Sub - Committee	17 July 2017
	Performance And Audit Scrutiny Committee	27 July 2017
	Cabinet	19 September 2017
	Council	26 September 2017
Portfolio holder:	Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: ian.houlder@stedsbc.gov.uk	
Lead officer:	Rachael Mann Assistant Director (Resources and Performance) Tel: 01638 719245 Email: rachael.mann@westsuffolk.gov.uk	
Purpose of report:	To: <ul style="list-style-type: none"> a) Present the Council's Annual Treasury Management Report summarising the investment activities for the year 2016/17; and b) Provide a summary of investment activities for the first three months 2017/18 financial year. 	

Recommendation:	Treasury Management Sub-Committee: It is <u>RECOMMENDED</u> that, the Treasury Management Sub-Committee: (1) Scrutinises the content of this report, including details of the Treasury Management Performance for 2016-2017 and the first three months of the 2017-2018 financial year; and (2) Makes recommendations as appropriate via the Performance and Audit Scrutiny Committee to Cabinet and Council regarding the approval of the attached Annual Treasury Management Report for 2016-2017 (Appendix 1 refers).	
Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
Consultation:	<ul style="list-style-type: none"> Treasury management activities are undertaken in consultation with Sector/Capita (the Council's appointed Treasury Management advisers) and also takes into account information obtained from investment brokers and other economic commentators. This committee provides for the scrutiny of treasury management strategies and performance, with changes in strategies and policies subject to approval by Cabinet and full Council. 	
Alternative option(s):	<ul style="list-style-type: none"> Options for the management of Council investments are formally considered within the annual treasury management and investment strategy. This includes key strategies in respect of the maintenance of the Council's debt free status, the continuation of in-house management of funds, and the approach to be adopted in establishing the credit worthiness of potential counterparties. The changing nature of the economic climate requires that these key areas are subject to on-going review. 	
Implications:		
<i>Are there any financial implications? If yes, please give details</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> Please refer to main report 	
<i>Are there any staffing implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> 	
<i>Are there any ICT implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> 	

<i>Are there any legal and/or policy implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2016/17. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code). 	
<i>Are there any equality implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> 	
Risk/opportunity assessment:		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
	Low/Medium/ High*		Low/Medium/ High*
Fluctuations in interest rates or in projected cash flows having significant impact on budgeted investment income.	High	Spread of investments for periods of up to two years. Budget monitoring and quarterly performance reports. Use of interest equalisation reserve to smooth out year-on-year fluctuations	Medium
Bank / building society failure resulting in loss of Council funds.	High	Use of Sector advice on counterparty credit ratings (based on Fitch and Moody ratings) and the setting of lending limits. Use of non-rated building societies based on asset base and additional credit checks.	Medium
Ward(s) affected:		All Wards	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		Annual Treasury Management and Investment Strategy – 2016/17 (COU.SE.16.002) Annual Treasury Management and Investment Strategy Statements (Report COU.SE.17.002 approved 21 February 2017)	

Documents attached:	Appendix 1 – Annual Report for 2016/17 Appendix 2 – Statement of Compliance with the Treasury Management Code of Practice
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1. Key issues and reasons for recommendations

1.1 Annual Report 2016/17

1.2 Interest Earned from Treasury Investments during the year

1.2.1 The table below summarises the interest earned during 2016/17 on the various Treasury investments held by the Council.

1.2.2

TREASURY MANAGEMENT – INTEREST EARNED SUMMARY	
	2016/17 £
Bank of Scotland Investments – Term Deposits	83,284.93
Leeds B/Society – Term Deposits	2,761.64
Nationwide B/Society – Term Deposits	61,366.03
Newcastle B/Society – Term Deposits	23,473.70
Nottingham B/Society – Term Deposits	10,059.23
Skipton B/Society – Term Deposits	33,981.37
National Counties B/Society – Term Deposits	22,018.49
Coventry B/Society – Term Deposits	38,927.26
Principality B/Society – Term Deposits	14,109.59
Barclays Bank – Term Deposits	23,409.86
Yorkshire B/Society – Term Deposits	1,397.53
Bank of Scotland Current Account	527.47
Barclays Reserve Account	6,881.20
NatWest Call Account	2,771.34
Clydesdale 30 Day Account	4.39
Bank of Scotland Base Plus Account	0.41
Santander 365 Day Account	92,383.56
TOTAL INTEREST EARNED/ACCRUED	£417,358.01

1.2.3 The budgeted income from investments in 2016/17 was £277,482 (average rate of return of 0.90%). Interest actually earned during the year totalled £417,358 (average rate of return of 0.763%); an overachievement in interest of £139,876, but an under achievement of 0.137% 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 mainly as a result of timing differences in the receipts and payments of NNDR and an under spend on the Council's original capital programme.

1.2.5 On August 4, 2016, the Bank of England reduced its base rate to 0.25%, where it remained for the rest of 2016/17 and the bank's 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 2016/17 than originally predicted.

1.2.6 The Council, in February 2005, agreed to establish the Interest Equalisation Earmarked Reserve to help smooth out these fluctuations in returns. The balance in this reserve, as at 31 March 2017, was £359,630.

1.3 Investment Activity during the year

1.3.1 The table below summarises the investment activities during 2016/17:

TREASURY MANAGEMENT – INVESTMENT ACTIVITY SUMMARY	
	2016/17
Opening Balance 01 April 2016	44,600,000
Investments made during the year (including transfers to business reserve accounts)	95,800,000
Sub Total	140,400,000
Investments realised during the year (including withdrawals from business reserve accounts)	94,050,000
Closing Balance 31 March 2017	46,350,000

1.4 Investments held as at 31 March 2017

1.4.1 The table below shows the investments held as at 31 March 2017:

Counterparty	Principal Amount	Interest Rate	Date Loaned	Date Returned
Bank of Scotland	1,500,000	1.05%	08/04/16	10/04/17
Nationwide B/Society	2,000,000	0.95%	03/06/16	02/06/17
Barclays Bank	3,000,000	0.94%	02/06/16	02/06/17
Skipton B/Society	3,000,000	0.98%	06/06/16	06/06/17
National Counties B/Soc	2,000,000	1.10%	06/07/16	05/07/17
Nationwide B/Society	4,000,000	0.70%	03/08/16	02/08/17
Newcastle B/Society	3,000,000	0.47%	03/10/16	03/04/17
Bank of Scotland	2,000,000	1.00%	02/11/16	01/11/17
Newcastle B/Society	1,000,000	0.55%	15/11/16	15/05/17
Bank of Scotland	5,000,000	0.90%	13/02/17	12/02/18
Principality B/Society	2,000,000	0.25%	01/03/17	20/04/17
Newcastle B/Society	1,000,000	0.24%	20/03/17	18/04/17
Nottingham B/Society	2,500,000	0.30%	20/03/17	15/05/17
Principality B/Society	2,500,000	0.25%	20/03/17	27/04/17
Santander 365 Day Acct	8,000,000	1.30%	365 day	
NatWest Call Account	3,700,000	0.10%	Call	
Barclays Reserve	150,000	0.10%	Call	
TOTAL	46,350,000			

2. First Quarter Report 2017/18 - Investment Activity: 1 April to 30 June 2017

2.1.1 The total amount invested at 1 April 2017 was £46.35m and at 30 June 2017 £50.90m. 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 2017/18 Annual Treasury Management and Investment Strategy Statements (Report COU/SE/17/002 approved 21 February 2017) sets out the Council's projections for the current financial year. The budget for investment income in 2017/18 is £253,000 which is based on a 0.55% target average rate of return on investments.

2.1.3 As at the end of June 2017 interest actually earned during the first quarter of the financial year amounted to £80,717 (average rate of return of 0.607%) against a profiled budget for the period of £63,250 (average rate of return of 0.55%); a budgetary surplus of £17,467. This budgetary surplus was due to the Council holding higher cash balances than projected when the budget was set in February 2017 and the prudent use of mid to longer term investments that achieve slightly higher rates of return.

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

INTEREST EARNED AND AVERAGE RATE OF RETURN SUMMARY			
Investment Category	Total Average Investment	Average Rate of Return (%)	Interest Earned in Q1
Temporary Investments (Term Deposits)	2,690,777	0.594	60,303
Bank of Scotland Current Account	304	0.100	0
Barclays Reserve Account	197,112	0.100	20
NatWest Call Account	4,393,965	0.100	109
Clydesdale 30 Day Account	81	0.010	0
Bank of Scotland Base Plus Account	179	0.100	0
Santander 365 Day Account	8,000,000	1.017	20285
Total Overall Average Return on Investments %			0.607
Total Interest Earned - 1 April 2017 to 30 June 2017			80,717

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

TREASURY MANAGEMENT – INVESTMENT ACTIVITY SUMMARY	
	2017/18
Opening Balance 01 April 2017	46,350,000
Investments made during the year (including transfers to business reserve accounts)	32,650,000
Sub Total	79,000,000
Investments realised during the year (including withdrawals from business reserve accounts)	28,100,000
Closing Balance 30 June 2017	50,900,000

2.1.6 The table below shows the list of investments held as at 30 June 2017:

LIST OF INVESTMENTS HELD AS AT 30 JUNE 2017				
Counterparty	Principal Amount	Interest Rate	Date Loaned	Date Returned
National Counties B/Soc	2,000,000	1.10%	06/07/16	05/07/17
Nationwide B/Society	4,000,000	0.70%	03/08/16	02/08/17
Bank of Scotland	2,000,000	1.00%	02/11/17	01/11/18
Bank of Scotland	5,000,000	0.90%	13/02/17	12/02/18
National Counties B/Soc	1,750,000	0.37%	20/04/17	17/07/17
Principality B/Society	3,000,000	0.45%	28/04/17	02/10/17
Nottingham B/Society	2,000,000	0.34%	02/05/17	19/07/17
Nottingham B/Society	2,000,000	0.32%	15/05/17	21/07/17
Coventry B/Society	2,500,000	0.17%	01/06/17	19/07/17
Coventry B/ Society	4,000,000	0.21%	01/06/17	21/08/17
Skipton B/Society	2,500,000	0.65%	02/06/17	19/03/18
Yorkshire B/Society	3,000,000	0.15%	02/06/17	07/07/17
Skipton B/Society	3,000,000	0.77%	05/06/17	05/06/18
Nottingham B/Society	1,300,000	0.25%	28/06/17	15/08/17
Santander 365 Account	8,000,000	0.95%	01/04/17	NO notice given
NatWest Call Account	4,700,000	0.10%	Call	
Barclays Reserve Account	150,000	0.10%	Call	
TOTAL	50,900,000			

2.1.7 The table below shows a summary of the funds held as at 30 June 2017, the Budget and Council Tax 2017/18 (Report [COU.SE.17.004](#)) approved 21 February 2017) report shows the planned spending profile for these reserves/balances across the medium term financial period:

SUMMARY OF FUNDS HELD*	
Fund	£
Earmarked Revenue Reserves	21,672,560
Capital Receipts Reserves	20,070,982
General Funds Reserve	3,035,695
Cashflow Balances	6,120,763
Total Value of Investments	50,900,000

*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 The Bank of England base rate continues to remain at 0.25%. Sector/Capita (the Council's treasury management advisers) have recently revised their prediction on base rate, and are now forecasting no movement in the base rate until Quarter 1 of 2019. This continued low base rate and the uncertainty caused regarding the UK's exit from the European Union is likely to have a knock on effect on the investment market throughout the remainder of the year. Consequently this is likely to have an adverse effect on the Council's average rate of return. The treasury team will continue to closely monitor the situation and provide updated information and further quarterly performance reports to this sub-committee for scrutiny.

Annual Treasury Management Report 2016/2017

1. Introduction

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

1.2 The primary requirements of the Code are as follows:

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

1.3 Treasury management in this context is defined as:

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

1.4 The purpose of this report is to meet one of the above requirements of the CIPFA Code, namely the annual review report of treasury management activities, for the financial year 2015/16.

2. The Council's Debt Free Status

2.1 As at 31 March 2017 the Council had no external debt.

3. Investment Strategy for 2016/17

3.1 The Council's 2016/17 Annual Treasury Management and Investment Strategy Statements was approved by full Council on 23 February 2016 (report COU/SE/16/002 refers). The investment strategy for 2016/17 was to give priority to the security and liquidity of investments whilst at the same time seeking to optimise the return on investments.

3.2 This Investment Strategy was updated with increased investment limits in October 2016 using 'Chief Executive's Urgency Powers' and reported to Treasury Management Sub-Committee 21 November 2016.

Investment Rates in 2016/17

3.3 The Bank of England Base Rate reduced from 0.5% to an historic low of 0.25% on 4 August 2016 and remained at this level throughout the remainder of 2016/17. Investment rates continued to fluctuate during the year with investment returns being typically one or two basis points either side of the base rate. The Bank of England's Funding for Lending Scheme is also to 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.

3.4 The Council's predicted average rate of return, included in the Annual Treasury Management and Investment Strategy Statements 2016/17, are detailed in the table below. Since the 2016/17 Strategy was set in February 2016, Capita, the Council's Treasury Advisers, have revised their prediction on interest rates, and are now forecasting no movement in the Bank of England base rate until quarter 1 of 2019. Consequently the Council reduced its average rate of return predictions in the Annual Treasury Management and Investment Strategy Statements 2017/18 (these new rates are also included in the table below for comparison).

Average Rate of Return Predictions		
	Annual Treasury Management and Investment Strategy Statements 2016/17	Annual Treasury Management and Investment Strategy Statements 2017/18
2016/17	0.90%	
2017/18	1.50%	0.55%
2018/19	2.00%	0.70%
2019/20	2.50%	0.70%
2020/21		0.75%

The Council's Lending Criteria 2016/17

3.5 The Council's Annual Treasury Management and Investment Strategy requires that deposits are only placed with a limited number of high quality banks and building societies whose credit rating is independently assessed as sufficiently secure by the Council's treasury advisers (Sector/Capita) or, for non rated building societies, subject to their meeting minimum financial criteria (based on asset base size).

3.6 The continuing unpredictability and volatility of the economy as a whole and the banking sector in particular has forced local authorities to keep their lending criteria under constant review to ensure that the balance between security of capital, liquidity of investments and yield on investment income is adequately maintained.

- 3.7 The below tables shows the credit criteria applicable between 1 April 2016 and 2 October 2016, as recommended by the Treasury Sub Committee on 18 January 2016 and subsequently approved by Council 23 February 2016.

Credit Criteria: Rated Banks and Institutions

Sector Colour Code Key*	Credit Criteria
Purple	Max £10m for max of 2 years (subject to max 50% of portfolio)
Orange	£9m for max of 2 years (subject to max 40% of portfolio)
Red	£8m for max of 1 year (subject to max 35% of portfolio)
Green	£6m for max of 6 months (subject to max 20% of portfolio)
Blue (nationalised / substantially owned by the UK government)	£15m for max 2 years

Credit Criteria: Rated Building Societies

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

Credit Criteria: Non- Rated Building Societies

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

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

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

- 3.8 With the further reduction in the Bank of England base rate and counterparties dropping out of the market, it was becoming increasingly difficult to find suitable counterparties for the Council's investment so on October 3, 2016, the Chief Executive, following consultation with the relevant members, used his Urgency Powers to amend the Investment Counterparty Limits. The revised investment limits are detailed in the tables below:

Credit Criteria: Rated Banks and Institutions

Sector Colour Code Key*	Credit Criteria
Purple	Max £13m for max of 2 years (subject to max 50% of portfolio)
Orange	£12m for max of 2 years (subject to max 40% of portfolio)
Red	£11m for max of 1 year (subject to max 35% of portfolio)
Green	£9m for max of 6 months (subject to max 20% of portfolio)
Blue (nationalised / substantially owned by the UK government)	£18m for max 2 years

Credit Criteria: Rated Building Societies

Sector Colour Code Key*	Credit Criteria
Red	£11m for max of 1 year (subject to max 35% of portfolio)
Green	£7m for max of 1 year (subject to max 30% of portfolio)

Credit Criteria: Non- Rated Building Societies

Asset Base**	Credit Criteria
Asset base > £2,500m	£6m for max 6 months
Asset base > £1,000m	£5m for max 6 months

4. Compliance with Treasury Limits and the Code of Practice

- 4.1 During the financial year the Council operated within the approved Treasury limits, Code of Practice requirements and Prudential Indicators (as set out in the Council's Annual Treasury Management and Investment Strategy Statements and Treasury Management Code of Practice, including the above approved changes to lending limits). No institutions in which investments were made had any difficulty in repaying investments and interest in full during the year.
- 4.2 A Statement of Compliance with the Treasury Management Code of Practice, issued by Internal Audit is attached in [Appendix 2](#).

5. Investment Performance 2016/17

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

	<u>Value (£m)</u>
Opening balance 1st April 2016	44.60
Add: Investments made during the year	95.80
Sub Total	140.40
Investments realised during the year	94.05
Closing balance at 31st March 2017	46.35

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

- 5.4 The Council's instant access and notice business reserve accounts with Barclays and NatWest were also used during the year for cash flow purposes or because the rate offered was the same or greater than a fixed term investment. At 31 March 2017 £3.85m was held in these accounts at an interest rate of 0.10%. This level had been maintained to enable the payment of the council's contribution to the Eastern Relief Road scheme.
- 5.5 The target rate of return for investments for 2016/17 was 0.90%. This target rate was based upon investment rate projections for the year provided by Capita (the Council's treasury management advisors), together with consideration of the profile of the Council's portfolio of investments (i.e. mixture of liquid and fixed term investments). Based upon the anticipated funds available for investment in the year (taking into account planned capital expenditure and receipts from asset disposals) this gave a target investment income of £277,482. This figure was used in the preparation of the Council's budget for 2016/17.
- 5.6 The average rate of return achieved during 2016/17 was 0.763%, an underachievement of 0.137%. However interest earned during the year totalled £417,358; an overachievement of £139,876. This overachievement was mainly due to an increase in cash balances and the prudent use of longer term investments.
- 5.7 The tables below summarise the interest earned during 2016/17, the list of investments held as at 31 March 2017 and comparison of average rates of return for 2016/17.

TREASURY MANAGEMENT – INTEREST EARNED SUMMARY	
	2016/17 £
Bank of Scotland Investments – Term Deposits	83,284.93
Leeds B/Society – Term Deposits	2,761.64
Nationwide B/Society – Term Deposits	61,366.03
Newcastle B/Society – Term Deposits	23,473.70
Nottingham B/Society – Term Deposits	10,059.23
Skipton B/Society – Term Deposits	33,981.37
National Counties B/Society – Term Deposits	22,018.49
Coventry B/Society – Term Deposits	38,927.26
Principality B/Society – Term Deposits	14,109.59
Barclays Bank – Term Deposits	23,409.86
Yorkshire B/Society – Term Deposits	1,397.53
Bank of Scotland Current Account	527.47
Barclays Reserve Account	6,881.20
NatWest Call Account	2,771.34
Clydesdale 30 Day Account	4.39
Bank of Scotland Base Plus Account	0.41
Santander 365 Day Account	92,383.56
TOTAL INTEREST EARNED/ACCRUED	£417,358.01

INVESTMENTS HELD AS AT 31 MARCH 2017				
Counterparty	Principal Amount	Interest Rate	Date Loaned	Date Returned
Bank of Scotland	1,500,000	1.05%	08/04/16	10/04/17
Nationwide B/Society	2,000,000	0.95%	03/06/16	02/06/17
Barclays Bank	3,000,000	0.94%	02/06/16	02/06/17
Skipton B/Society	3,000,000	0.98%	06/06/16	06/06/17
National Counties B/Soc	2,000,000	1.10%	06/07/16	05/07/17
Nationwide B/Society	4,000,000	0.70%	03/08/16	02/08/17
Newcastle B/Society	3,000,000	0.47%	03/10/16	03/04/17
Bank of Scotland	2,000,000	1.00%	02/11/16	01/11/17
Newcastle B/Society	1,000,000	0.55%	15/11/16	15/05/17
Bank of Scotland	5,000,000	0.90%	13/02/17	12/02/18
Principality B/Society	2,000,000	0.25%	01/03/17	20/04/17
Newcastle B/Society	1,000,000	0.24%	20/03/17	18/04/17
Nottingham B/Society	2,500,000	0.30%	20/03/17	15/05/17
Principality B/Society	2,500,000	0.25%	20/03/17	27/04/17
Santander 365 Day Acct	8,000,000	1.30%	365 day	
NatWest Call Account	3,700,000	0.10%	Call	
Barclays Reserve	150,000	0.10%	Call	
TOTAL	46,350,000			

COMPARISON OF AVERAGE RATE OF RETURN 2016-17				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4
Temporary Investments	0.84%	0.82%	0.78%	0.76%
Bank of Scotland Current Account	0.40%	0.40%	0.40%	0.36%
Barclays Reserve Account	0.40%	0.38%	0.37%	0.25%
NatWest Call Account	0.25%	0.25%	0.25%	0.18%
Clydesdale 30 Day Account	0.25%	0.25%	0.25%	0.25%
Bank of Scotland Base Plus Account	0.25%	0.25%	0.25%	0.22%
Santander 365 Day Account	1.30%	1.25%	1.18%	1.15%
7 Day Average	0.475%	0.475%	0.410%	0.410%
3 year – 7 Day Average	0.484%	0.484%	0.640%	0.640%
Overall Average return on Investments	0.872%	0.848%	0.797%	0.763%

<p style="text-align: center;">Forest Heath District Council St Edmundsbury Borough Council</p>

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 2017, the Treasury Management Code of Practice has been substantially complied with.

Signed J. K. Innes

Post Service Manager (Internal Audit)

Date 28 June 2017

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