

# Informal Joint Performance and Audit Scrutiny Committee



**Forest Heath**  
District Council

<b>Title:</b>	<b>Agenda</b>						
<b>Date:</b>	<b>Thursday 31 May 2018</b>						
<b>Time:</b>	<b>5.00 pm</b>						
<b>Venue:</b>	<b>Council Chamber District Offices</b> College Heath Road Mildenhall						
<b>Full Members:</b>	<p style="text-align: center;"><b>Chairman</b> Louis Busuttil</p> <p style="text-align: center;"><b>Vice Chairman</b> Colin Noble</p> <table style="width: 100%; border: none;"> <tr> <td style="vertical-align: top;"><u>Conservative Members (8)</u></td> <td style="vertical-align: top;">Michael Anderson Chris Barker John Bloodworth Rona Burt</td> <td style="vertical-align: top;">Louis Busuttil Simon Cole Christine Mason Colin Noble</td> </tr> <tr> <td style="vertical-align: top;"><u>UKIP (2)</u></td> <td style="vertical-align: top;">Peter Ridgwell</td> <td style="vertical-align: top;">Reg Silvester</td> </tr> </table>	<u>Conservative Members (8)</u>	Michael Anderson Chris Barker John Bloodworth Rona Burt	Louis Busuttil Simon Cole Christine Mason Colin Noble	<u>UKIP (2)</u>	Peter Ridgwell	Reg Silvester
<u>Conservative Members (8)</u>	Michael Anderson Chris Barker John Bloodworth Rona Burt	Louis Busuttil Simon Cole Christine Mason Colin Noble					
<u>UKIP (2)</u>	Peter Ridgwell	Reg Silvester					
<b>Substitutes:</b>	Named substitutes are not appointed						
<b>Interests – Declaration and Restriction on Participation:</b>	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.						
<b>Quorum:</b>	Three Members						
<b>Committee administrator:</b>	<b>Christine Brain</b> Democratic Services Officer (Scrutiny) <b>Tel:</b> 01638 719729 <b>Email:</b> <a href="mailto:christine.brain@westsuffolk.gov.uk">christine.brain@westsuffolk.gov.uk</a>						

<b>5.00pm</b>	Informal joint discussions with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee on the nine items listed under Items 5 to 13 inclusive, to be held in the <b>Council Chamber</b> .  The formal meeting of the Performance and Audit Scrutiny Committee will commence immediately following the conclusion of the informal joint discussions, in the <b>Council Chamber</b> .
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All Members of St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee will be in attendance to enable informal joint discussions on the reports listed in Items 5 to 13 to take place between the two authorities:

**COUNCILLORS**

Conservative Members (9)	Sarah Broughton Karen Richardson Peter Thompson	Beccy Hopfensperger David Roach Patricia Warby	Jane Midwood Andrew Smith Vacancy
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UKIP Member (1) Barry Robbins

**SUBSTITUTES**

Conservative Members (3)	Mary Evans	Susan Glossop	Vacancy
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# Public Information



**Forest Heath**

District Council

<b>Venue:</b>	<b>District Offices</b> College Heath Road Mildenhall Suffolk, IP28 7EY	Tel: 01638 719000 Email: <a href="mailto:democratic.services@westsuffolk.gov.uk">democratic.services@westsuffolk.gov.uk</a> Web: <a href="http://www.westsuffolk.gov.uk">www.westsuffolk.gov.uk</a>
<b>Access to agenda and reports before the meeting:</b>	Copies of the agenda and reports are open for public inspection at the above address at least five clear days before the meeting. They are also available to view on our website.	
<b>Attendance at meetings:</b>	The District Council actively welcomes members of the public and the press to attend its meetings and holds as many of its meetings as possible in public.	
<b>Public speaking:</b>	<p>Members of the public who live or work in the District 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. There is an overall time limit of 15 minutes for public speaking, which may be extended at the Chairman's discretion.</p>	
<b>Disabled access:</b>	The public gallery is on the first floor and is accessible via stairs. There is not a lift but disabled seating is available at the back of the Council Chamber on the ground floor. Please see the Committee Administrator who will be able to help you.	
<b>Induction loop:</b>	An Induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter.	
<b>Recording of meetings:</b>	<p>The Council may record this meeting and permits members of the public and media to record or broadcast it as well (when the media and public are not lawfully excluded).</p> <p>Any member of the public who attends a meeting and objects to being filmed should advise the Committee Administrator who will instruct that they are not included in the filming.</p>	

<b>Personal Information:</b>	<p>Any personal information processed by Forest Heath District Council or St Edmundsbury Borough Council arising from a request to speak at a public meeting under the Localism Act 2011, will be protected in accordance with the Data Protection Act 2018. For more information on how we do this and your rights in regards to your personal information and how to access it, visit our website: <a href="https://www.westsuffolk.gov.uk/Council/Data_and_information/howweuseinformation.cfm">https://www.westsuffolk.gov.uk/Council/Data_and_information/howweuseinformation.cfm</a> or call Customer Services: 01284 763233 and ask to speak to the Data Protection Officer.</p>
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# Agenda

## Procedural Matters

### Part 1 - Public

- |           |  |  |                |
|-----------|--|--|----------------|
| <b>1.</b> | <b>Substitutes</b>   |  |                |
| <b>2.</b> | <b>Apologies for Absence</b>   |  |                |
| <b>3.</b> | <b>Minutes</b>   |  | <b>1 - 10</b>  |
|           | To confirm the minutes of the meeting held on 31 January 2018 (copy attached).   |  |                |
| <b>4.</b> | <b>Public Participation</b>  |  |                |
|           | Members of the public who live or work in Forest Heath are invited to put one question/statement of not more than 3 minutes duration relating to items to be discussed in Part 1 of the agenda only. If a question is asked and answered within 3 minutes, the person who asked the question may ask a supplementary question that arises from the reply. A person who wishes to speak must register at least 15 minutes before the time the meeting is scheduled to start. There is an overall limit of 15 minutes for public speaking, which may be extended at the Chairman's discretion. |  |                |
|           | <i>(Following the informal discussions held with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee on Items 5 to 13 below, Members are reminded that no further debate shall take place. However, Members are requested to either formally note/resolve/recommend Items 5 to 13 below).</i>  |  |                |
| <b>5.</b> | <b>External Quality Assessment of Internal Audit Outcomes</b>  |  | <b>11 - 26</b> |
|           | Report No: <b>PAS/FH/18/011</b><br><i>(For reference purposes, St Edmundsbury Borough Council's Report Number is PAS/SE/18/009)</i>  |  |                |
| <b>6.</b> | <b>Internal Audit Annual Report (2017-2018)</b>  |  | <b>27 - 58</b> |
|           | Report No: <b>PAS/FH/18/012</b><br><i>(For reference purposes, St Edmundsbury Borough Council's Report Number is PAS/SE/18/010)</i>  |  |                |
| <b>7.</b> | <b>Outline Internal Audit Plan (2018-2019)</b>   |  | <b>59 - 76</b> |
|           | Report No: <b>PAS/FH/18/013</b><br><i>(For reference purposes, St Edmundsbury Borough Council's Report Number is PAS/SE/18/011)</i>  |  |                |

	<b>Page No</b>
<p><b>8. Balanced Scorecards Quarter Four Performance (2017-2018)</b></p> <p>Report No: <b>PAS/FH/18/014</b>            (For reference purposes, St Edmundsbury Borough Council's Report Number is PAS/SE/18/012)</p>	<b>77 - 90</b>
<p><b>9. 2018-2019 Draft Performance Indicators and Targets</b></p> <p>Report No: <b>PAS/FH/18/015</b>            (For reference purposes, St Edmundsbury Borough Council's Report Number is PAS/SE/18/013)</p>	<b>91 - 106</b>
<p><b>10. West Suffolk Strategic Risk Register Quarterly Monitoring Report - March 2018</b></p> <p>Report No: <b>PAS/FH/18/016</b>            (For reference purposes, St Edmundsbury Borough Council's Report Number is PAS/SE/18/014)</p>	<b>107 - 120</b>
<p><b>11. Financial Outturn Report (Revenue and Capital) (2017-2018)</b></p> <p>Report No: <b>PAS/FH/18/017</b>            (For reference purposes, St Edmundsbury Borough Council's Report Number is PAS/SE/18/015)</p>	<b>121 - 168</b>
<p><b>12. Ernst and Young - 2018-2019 Indicative Fees</b></p> <p>Report No: <b>PAS/FH/18/018</b>            (For reference purposes, St Edmundsbury Borough Council's Report Number is PAS/SE/18/016)</p>	<b>169 - 184</b>
<p><b>13. Work Programme Update</b></p> <p>Report No: <b>PAS/FH/18/019</b>            (For reference purposes, St Edmundsbury Borough Council's Report Number is PAS/SE/18/017)</p>	<b>185 - 188</b>

## **Part 2 – Exempt**

**NONE**

# (Informal Joint) Performance and Audit Scrutiny Committee



Forest Heath  
District Council

**Notes of Informal Discussions held on Wednesday 31 January 2018 at  
5.00pm in Conference Chamber West, West Suffolk House,  
Western Way, Bury St Edmunds**

PRESENT: St Edmundsbury Borough Council (SEBC)

Councillors Sarah Broughton, Jane Midwood, Andrew Smith, Peter Thompson, and Patricia Warby.

Forest Heath District Council (FHDC)

Councillor Louis Busuttil  
(Chairman of the informal discussions)

Councillors Chris Barker, John Bloodworth, Rona Burt, Colin Noble and Peter Ridgwell.

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

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

- (1) Balanced Scorecards and Quarter 3 Performance Report 2017-2018;
- (2) West Suffolk Strategic Risk Register Quarterly Monitoring Report – December 2017;
- (3) 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 – 3 above. On this occasion however, there were no questions/statements from members of the public.

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

### 1. **Balanced Scorecards Quarter 3 Performance Report 2017-2018**

The Assistant Director (Resources and Performance) introduced the report, which set out the current West Suffolk Balanced Scorecards, being used to measure the Council's performance for 2017-2018 and an overview of performance against those indicators for the third quarter of 2017-2018. The five balanced scorecards (attached at Appendices A to E) were linked to the Assistant Director Service areas.

Most indicators reported performance against an agreed target using a traffic light system with additional commentary provided for performance indicators below optimum performance. Other KPIs reported a data value only in order to track performance over time.

It was reported that within the Resources and Performance, the "*% of non-disputed invoice paid within 30 days*" corporate indicator across both councils showed we had achieved positive results in the third quarter, reporting 94.15% of invoices paid within 30 days. However, the finance and performance team would 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 within details of all invoices processed.

Each Assistant Director then presented their individual Balanced Scorecard and highlighted key areas for the Committees attention.

Members considered the report in detail and asked a number of questions on each of the Balanced Scorecards. Discussions were held on Universal Credit; recruitment and pay; health and safety incidents; and the council's complaints process. In particular discussions were held on:

- Appendix B, (Families and Communities), "household numbers in bed and breakfast", and sought clarification on the distinction made between bed and breakfast and temporary accommodation.
- Appendix E (Operations), blue bin recycling and the impact on China not accepting certain types of recyclable material, to which officers provided a comprehensive response, and agreed to continue promoting to residents the importance of recycling through the blue bin service and not placing recyclables in the black bins.

2. **West Suffolk Strategic Risk Register Quarterly Monitoring Report – December 2017**

The Service Manager (Finance and Performance) presented the third quarter 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 December 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 December 2017 had been removed from the Register. There had been no new risks or major 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.

Members scrutinised the report and asked questions. Discussions were held on "Risk WS8(c) – Failure to deliver housing agenda", and officers provided an explanation on the national challenges being faced in providing housing in the area.

3. **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 2018-2019. She informed the Committee on an additional report on Accounting Policies, which would be presented to the Committee in May 2018.

Members considered its forward work programme for 2018-2019, and Councillor Sarah Broughton suggested that a follow-up report on the Building Control Improvement Plan should be brought back to the Committee in November 2018, which was supported by all members.

On the conclusion of the informal joint discussions at 5.40 pm, Members of Forest Heath District Council's Performance and Audit Scrutiny Committee withdrew from Conference Chamber West to Conference Chamber East to hold their formal meeting.

The Chairman then formally opened the Forest Heath District Council Performance and Audit Scrutiny Committee in Conference Chamber East at 5.41 pm.

# Performance and Audit Scrutiny Committee



Forest Heath  
District Council

**Minutes** of a meeting of the **Performance and Audit Scrutiny Committee** held on **Wednesday 31 January 2018** at **5.41 pm** at the **Conference Chamber East, West Suffolk House, Western Way, Bury St Edmunds, IP33 3YU**

Present: **Councillors**

**Chairman** Louis Busuttill  
**Vice Chairman** Colin Noble

Chris Barker  
Rona Burt

John Bloodworth  
Peter Ridgwell

**By Invitation:**  
Stephen Edwards

(Portfolio Holder for Resources and Performance)

## 191. **Substitutes**

There were no substitutions declared.

## 192. **Apologies for Absence**

Apologies for absence were received from Councillors Michael Anderson, Simon Cole and Christine Mason.

Councillor Andrew Appleby was also unable to attend the meeting.

## 193. **Minutes**

The minutes of the meeting held on 29 November 2017 were unanimously accepted by the Committee as an accurate record and signed by the Chairman.

## 194. **Public Participation**

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

## 195. **Balanced Scorecards and Quarter 3 Performance Report 2017-2018 (Report No: PAS/FH/18/001)**

Further to the joint informal discussions held prior to the meeting with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/FH/18/001.

Members had scrutinised the report in detail and asked questions, to which responses were provided. With there being no decision required, the Committee **noted** the Council's performance using the Balanced Scorecards for Quarter 3, 2017-2018.

196. **West Suffolk Strategic Risk Register Quarterly Monitoring Report - December 2017 (Report No: PAS/FH/18/002)**

Further to the joint informal discussions held prior to the meeting with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/FH/18/002.

Members had considered the report and with there being no decision required, **noted** the contents of the Quarter 3 West Suffolk Strategic Risk Register Monitoring Report.

197. **Work Programme Update (Report No: PAS/FH/18/003)**

Further to the joint informal discussions held prior to the meeting with St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/FH/18/003.

Members considered the report and with their being no decision required **noted** the contents of the report subject to the inclusion of the following reports to its forward work programme:

- 1) Accounting Policies – 31 May 2018; and
- 2) Building Control – Improvement Plan (Follow-Up) - November 2018.

198. **Ernst and Young - Certification of Claims and Returns Annual Report 2016-2017 (Report No: PAS/FH/18/004)**

The Committee received Report No: PAS/FH/18/004, 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 2016-2017, attached as Appendix A.

Mark Hodgson (Associate Partner) 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 sets out the scale fee for carrying out this work.

From 1 April 2015, the duty to make arrangements for the certification of relevant claims and returns, and to prescribe scales of fees for this work, was delegated to the Public Sector Audit Appointments Ltd (PSAA) by the Secretary of State for Communities and Local Government. For 2016-2017, these arrangements required only the certification of the housing benefits subsidy claim with a total value of £15.014 million.

Mark drew relevant details from the report to Members' attention, and explained the certification work had found errors on the claim and these errors had been corrected by Officers. A qualification letter setting out further errors and uncertainties was also reported to the Department for Works and

Pensions (DWP). The relevant Officers of the Council and Anglia Revenues Partnership (ARP) had agreed the qualifications in respect of the 2016-2017 certification work, as detailed in Appendix A. ARP had taken action to address the issues for 2017-2018.

He also informed Members that the PSAA determined a scale fee each year for the audit of claims and returns. For 2016-2017, the indicative scale fee for the audit of the Housing benefits subsidy claim was £15,203 and the actual fee would be unchanged from this level. For 2017-2018, the indicative scale fee had been set at £12,442

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

199. **Ernst and Young - External Audit Plan and Fees 2017-2018 (Report No: PAS/FH/18/005)**

The Committee received Report No: PAS/FH/18/005, which set out how EY intended to carry out their responsibilities as the Council's external auditors (Appendix A). The purpose of the report was to provide the Committee with a basis to review EY's proposed approach and scope for the 2017-2018 audit along with the planned fees to complete the work as set out in the Audit Plan.

Mark Hodgson (Associate Partner) from EY presented this report, which summarised EY's assessment of the key risks which drive the development of an effective audit of the Council, and outlined their planned audit strategy in response to those risks. Officers would be working with EY over the coming months to ensure that these risks were managed and where possible, come to an agreement over the treatment prior to the issuing of the Annual Governance Report and Audit Opinion, due to be issued by EY by July 2018. Mark drew member's attention to the financial statement risks; the value for money conclusion; EY's audit process and strategy; and the planned for fee 2017-2018 (£59,501) set out on page 31 of Appendix A.

The Committee were also informed that following on from changes brought in by the Government, the Council's Statement of Accounts would now be accelerated for closure and publishing by 31 July of each year (rather than by 30 September). The Service Manager (Finance) provided an outline to the Committee of the changes which would be required to the Council's accounting policies and also explained that a further report would be presented to the Committee on 31 May 2018.

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

200. **Financial Performance Report (Revenue and Capital) Quarter 3 - 2017-2018 (Report No: PAS/FH/18/006)**

The Committee received Report No: PAS/FH/18/006, which set out the financial performance for the third quarter of 2017-2018 and forecasted outturn position for 2017-2018.

Attached at Appendix A and B to the report was details of the Council's revenue performance and year end forecasted outturn position. Explanations of the main year end forecast over/(under) spends was set out in the report at paragraph 1.2.3.

Appendix C to the report set out the Council's capital financial position for the first nine months of 2017-2018, which showed expenditure of £939,177,000. Finally, a summary of earmarked reserves was attached at Appendix D, along with the forecast year end position for 2017-2018.

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

The Committee scrutinised the report and asked questions to which responses were provided.

There being no decision required, the Committee **noted** the Quarter 3 financial performance and the 2017-2018 year end forecast financial position.

201. **Delivering a Sustainable Medium Term Financial Strategy 2018-2021 (Report No: PAS/FH/18/007)**

The Committee received Report No: PAS/FH/18/007, which updated Members on the progress which had been made towards delivering a balanced budget for 2018-2019 and a sustainable budget in the medium term.

Forest Heath continued to face considerable financial challenges as a result of increased cost and demand, plus pressures and constraints on public sector spending (Revenue Support Grant (RSG)) from central government, as evidenced by the proposed four year Government settlement. It was clear that even without the proposed reductions in RSG, the Council had underlying net cost pressures which it needed to address. Section 2 of the report also explained the increasing demand for support and advice relating to housing options and homelessness.

The Medium Term Financial Strategy (MTFS) 2017-2021, which was approved by Council on 22 February 2017 had also set out further current and future financial pressures and challenges facing Forest Heath.

The budget gap for years 2018-2019 to 2020-2021 were projected in Table 1 of the report, which showed a balanced budget position for Forest Heath as report in February 2017. However, there was further work to be carried out and the budget gap did not include at this stage any variation or profile changes either positively or negatively in respect of income/savings for the Council's significant growth projects such as delivering our growth agenda (£20m investment fund) and Mildenhall Hub. The current budget assumptions for 2018-2019 to 2020-2021 and for the period of the MFTS was detailed in Appendix A.

The Committee was asked to support and recommend to Cabinet, the inclusion of proposals/changes as set out in Section 5 and Table 2 of the

report, in order to progress securing a balanced budget for 2018-2019, over and above those items brought to Members' attention in November 2017 as part of Report No: PAS/FH/17/038.

Members scrutinised the report and particularly discussed Table 2 which set out the budget proposals for 2018-2021. Reference was made to the budget assumption changes in relation to the '*additional retail rental income to reflect actual performance*' and wished to receive further information as to why the income was projected to reduce from £47,000 in years 2018/2019 and 2019/2020 to £10,000 in 2020/2021. Officers confirmed that they would clarify this position and report back to Members accordingly.

The Committee **noted** the budget assumptions outlined in Appendix A, budget timetable and progress made to date on delivering a balanced budget for 2018-2019 and a sustainable budget in the medium term.

It was moved, duly seconded and with the vote being unanimous, it was

**RECOMMENDED:**

That the proposals, as detailed in Section 5 and Table 2 at paragraph 5.1 to Report No: PAS/FH/18/007, be included in securing a balanced budget for 2018-2019.

**202. Treasury Management Report 2017-2018 and Investment Activity (April to December 2017) (Report No: PAS/FH/18/008)**

The Committee received this report which provided a summary of investment activity for the first nine months of 2017-2018. Full details of treasury management activities during the period were attached at Appendix 1. It was reported as at 31 December 2017, the Council held £19,955,000 of investments.

The purchase of the Solar Farm last year, continued to have a knock-on effect on the funds available for investment (as cash balances were used instead of external borrowing to fund the purchase). This in turn had reduced the interest earned this year. Also, the reduced Average Rate of Return was due to the continuing low Bank of England base rate and resulting reduction of interest rates offered by institutions.

The Committee considered the report and did not raise any issues.

It was proposed, duly seconded and with the vote being unanimous, it was

**RECOMMENDED:**

That, subject to the approval of Council the Third Quarter Treasury Management Report for 2017-2018, attached as Appendix 1 to Report No: PAS/FH/18/008, be approved.

203. **Treasury Management Policy Statement and Investment Strategy Statements 2018-2019 and Treasury Management Code of Practice (Report No: PAS/FH/18/009)**

The Committee received this report which sought approval of the Treasury Management Policy Statement and Investment Strategy 2018-2019 (including Treasury related Prudential Indicators) (Appendix 1) and Treasury Management Code of Practice (Appendix 3).

In December 2017, the Chartered Institute of Public Finance (CIPFA) issued an updated Treasury Management in the Public Services Code of Practice and Cross-Sectional Guidance Notes. Consequently the Council had updated its Investment Strategy and Code of Practice in line with these, as set out in Section 1.2 of the report.

The report also included information on interest rate projections; counterparty ratings (Appendix 2) and the list of approved organisations for investment and lending criteria and limits (Appendix 4).

The Committee scrutinised the Treasury Management Policy Statement and Investment Strategy 2018-2019 and Treasury Management Code of Practice and asked questions of Officers, to which responses were provided.

It was proposed, duly seconded and with the vote being unanimous, it was

**RECOMMENDED:**

That:-

1. The updated (December 2017) Treasury Management in the Public Services Code of Practice and Cross-Sectional Guidance Notes, be adopted.
2. The Treasury Management Policy Statement and Investment Strategy 2018-2019, as set out in Appendix 1 and 2 to Report No: PAS/FH/18/009 be approved.
3. The Treasury Management Code of Practice 2018-2019, as set out in Appendix 3 and 4 to Report No: PAS/FH/18/009, be approved.

204. **Decision Relating to Complaint to Local Government Ombudsman (Report No: PAS/FH/18/010)**

The Committee received Report No: PAS/FH/18/010, which set out a complaint which had been referred to the Local Government Ombudsman in relation to the overall way the Local Planning Authority communicated with Ms X about a neighbouring planning development.

Councillor Rona Burt also stated that, in her capacity as Chairman of the Development Control Committee, she had not been made aware of this upheld complaint. Therefore, the Performance and Audit Scrutiny Committee requested Officers to ensure that where complaints relating to planning

matters had been upheld by the Local Government Ombudsman, for the Chairman and Vice Chairman of the Development Control Committee should also be informed. The Assistant Director (Planning and Regulatory) acknowledged this and agreed for this course of action to be undertaken in the future.

There being no decision required, the Committee **noted** the action taken by the Assistant Director (Planning and Regulatory Services) to remedy the findings of the Local Government Ombudsman (LGO) and the recommended payment of £400.00 compensation to settle the complaint.

The Meeting concluded at 6.35 pm

**Signed by:**

**Chairman**

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# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>External Quality Assessment of Internal Audit against the Public Sector Internal Audit Standards</b>	
<b>Report No:</b>	<b>PAS/FH/18/011</b>	
<b>Report to and dates:</b>	Performance and Audit Scrutiny Committee	31 May 2018
<b>Portfolio holder:</b>	Councillor Stephen Edwards Portfolio Holder for Resources and Performance <b>Tel:</b> 01799 530325 <b>Email:</b> <a href="mailto:stephen.edwards@forest-heath.gov.uk">stephen.edwards@forest-heath.gov.uk</a>	
<b>Lead officer:</b>	Jon Snares Service Manager (Internal Audit) <b>Tel:</b> 01284 757239 <b>Email:</b> <a href="mailto:jon.snares@westsuffolk.gov.uk">jon.snares@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	To inform Members of the outcome of the recent External Quality Assessment of the internal audit function.	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>It is RECOMMENDED that Members <u>note</u> the contents of this report.</b>	

<b>Key Decision:</b> <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>		<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
<b>Consultation:</b>		The form of the external assessment was agreed in consultation with the Assistant Director Resources and Performance (as Section 151 Officer)	
<b>Alternative option(s):</b>		N/A	
<b>Implications:</b>			
<i>Are there any <b>financial</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<i>Are there any <b>staffing</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<i>Are there any <b>ICT</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<i>Are there any <b>legal and/or policy</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<i>Are there any <b>equality</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
The internal audit service may not be operating in accordance with the Public Sector Internal Audit Standards, which may in turn reduce the effectiveness of the service.	Low	Annual internal self-assessments are undertaken to assess conformance with the Public Sector Internal Audit Standards, high level results of which are reported to Performance and Audit Scrutiny Committee.	Low
<b>Ward(s) affected:</b>		N/A	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		N/A	
<b>Documents attached:</b>		<b>Appendix A</b> – External assessor’s Final Report regarding her assessment of the Internal Audit Team against the Public Sector Internal Audit Standards	

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

### **1.1 Background Information**

1.1.1 Internal audit within the public sector in the United Kingdom is governed by the Public Sector Internal Audit Standards (the 'Standards') which have been in place since April 2013 (revised April 2016 and April 2017). The objectives of the Standards are to:

- define the nature of internal auditing within the UK public sector
- set basic principles for carrying out internal audit in the UK public sector
- establish a framework for providing internal audit services which add value to the organisation, leading to improved organisational processes and operations, and
- establish the basis for the evaluation of internal audit performance and to drive improvement planning

1.1.2 The Standards require that, in order to independently assess conformance with these Standards, an external assessment of the internal audit function must be conducted at least once every five years, and the first such assessment must be completed by April 2018.

1.1.3 This committee received a report in November informing Members that the external assessment would be carried out by Tilia Solutions as that organisation scored highest (out of three organisations approached) based on the following criteria – relevant experience and competence, price, quality / added value, efficiency of process, and reputational weight. In choosing this independent assessor we also took into account that this organisation had also performed this assessment at some other Suffolk councils and was the least cost option.

1.1.4 The purpose of this report is to inform Members regarding the outcome of the assessment of the internal audit function by Tilia Solutions and in the interests of transparency the full report issued by the assessor is included at **Appendix A**.

### **1.2 Why does the assessment matter?**

1.2.1 The Standards aim to promote continued improvement in the professionalism, quality and effectiveness of internal audit services and the external assessment is a key element of this. Therefore the assessment provides further assurance to Members and senior officers that the internal audit function is effective and provides a professional and quality service that operates in accordance with the Standards. This also provides assurance that the Internal Audit Service Manager's annual audit opinion can be relied upon as a key source of evidence in the production of the Annual Governance Statement.

### **1.3 Final report detailing the findings, conclusions, and recommendations arising from the External Quality Assessment of Internal Audit against the Public Sector Internal Audit Standards**

- 1.3.1 The main conclusion of the report (page 2, paragraph 3) is that **no areas of non-compliance with the Standards were identified that would affect the overall scope or operation of the internal audit activity**. This should be seen as a very good result as it confirms our view that we achieve a good level of compliance with the Standards. The report also comments that '**Council officers clearly value audit's input, requesting reviews, support and advice**', which again was pleasing to receive independent expert confirmation that the work of internal audit is well regarded. The assessor also verbally commented that fewer recommendations for further improvement were raised in respect of our review compared to most other reviews the assessor had undertaken.
- 1.3.2 The report has however raised a number of recommendations and suggestions which have been agreed by the Internal Audit Service Manager – in the main these do not involve very significant changes but are generally 'tweaks' to existing working practices. These recommendations and suggestions are contained within the action plan included in the assessor's report as **Appendix 1** and progress against this action plan will be reported to committee in due course.
- 1.3.3 It should be noted that the assessor's report is solely set in the context of Internal Audit, for example the references to the 'Annual Report' in the action plan are in fact referring to the Annual Internal Audit Report. It should also be noted that references to 'ethical objectives, programmes and activities' are taken to be referring to standards of probity in public life.



**FINAL**

**Review of**

**The West Suffolk councils' Internal Audit Team**

**03 April 2018**

**Elizabeth Humphrey CPFA**

## Review of the West Suffolk councils' Internal Audit Team (March 2018)

Internal audit within the public sector in the United Kingdom is governed by the Public Sector Internal Audit Standards (PSIAS) which have been in place since 1 April 2013, were revised on 1 April 2016 and have been further revised on 1 April 2017. The standards require periodic self-assessments and an assessment by an external person every five years. This is the West Suffolk councils' audit team's first such review. The review also included checking compliance with the Local Government Advisory Note (LGAN) where this has requirements in addition to those in the PSIAS.

The review was carried out through a process of interview and document review. A list of interviewees is included at appendix 2. I should like to thank all those who took the time to talk to me for their help. I reviewed seven audits carried out during the 2016/17 and 2017/18 financial years and I examined key documents including the Charter and reports to the Performance and Audit Scrutiny Committee (PASC).

I identified no areas of non-compliance with the standards that would affect the overall scope or operation of the internal audit activity. Council officers clearly value audit's input, requesting reviews, support and advice. Audits are planned according to risk and their potential to help the Councils achieve their strategic objectives but this is not always clear from the detailed planning documents: I have recommended changes to the audit brief to reflect audit's contribution to achievement of the Councils' plans. I have also identified a few minor areas where the standards have not been followed and have made some practical and pragmatic medium priority recommendations (R) to address these together with a number of best practice, lower priority suggestions (S). The Service Manager – Internal Audit will need to take action to implement them and an action plan is included as appendix 1.

### Summary findings and recommendations

Standard	Compliance	Findings	Recommendations and suggestions	Rec no
<b>Mission</b>	Complies	The Charter includes the newly developed internal audit mission		
<b>Core principles of internal audit</b>	Complies	No problems were identified in addressing the majority of the Core Principles. Being clearer about the strategic and risk-based focus of audits will support further delivery of the Principles	See R5, R10, S7 and S10 below	
<b>Code of Ethics</b>	Complies	All interviewees stressed the emphasis placed on ethics by the audit team and their independence and objectivity The Audit Charter and Manual both refer to the <i>Seven Principles of Public Life</i> but only as a link to the website	Include details of the <i>Seven Principles of Public Life</i> in the Manual, showing how the activities of the audit team are delivered in accordance with them	S1

Standard	Compliance	Findings	Recommendations and suggestions	Rec no
<b>Attribute standards</b>				
<b>1000</b> Purpose, authority and responsibility	Partially complies	<p><b>Standards 1000.A1 and C1</b> The Charter refers to both assurance and consultancy work but does not include clear definitions of either, making the distinction between them</p> <p><b>Standard 1010</b> The Charter contains the required references to the Core Principles and the Code of Ethics, but no detail is given about what these cover and what they mean in relation to audit activities The mandatory elements of the PSIAS are not highlighted to senior management See also Standard 1112 regarding safeguards to be included in the Charter for non-audit work</p>	Include definitions of the nature of assurance and consultancy activities in the Charter	R1
			Include further details about the Core Principles and how they are met in the Charter	S2
			Include further details about the Code of Ethics and how that is met in the Charter	S3
			Amend section 4 of the Charter to include reference to the Core Principles As part of the presentation of the Annual Report and Plan, and/or when the Charter is next presented, highlight the mandatory elements of the PSIAS to senior management	S4 R2
<b>1100</b> Independence and objectivity	Complies	<p><b>Standards 1010, 1112 and 1130.A2</b> The audit team occasionally carries out fraud investigations: under the standards, these are non-audit activities and could compromise audit's independence and objectivity. The audit team should only undertake such activities if safeguards have been put in place to manage this and the safeguards must be reported to the PASC for their review and approval</p>	Safeguards regarding non-audit work should be discussed with and approved by the PASC and included in the Audit Charter	R3

Standard	Compliance	Findings	Recommendations and suggestions	Rec no
<b>1200</b> Proficiency and due professional care	Partially complies	<b>Standards 1210.A1 and A3 and 2110.A2</b> The audit team has general IT skills but does not have the specialist knowledge needed to undertake technical IT audits. Reliance is currently placed on testing commissioned by IT, which is focussed on network security	Commission an expert appraisal of the IT risks and assurance against those risks to identify gaps in the assurance framework. The Councils can then decide if they are prepared to accept those unmitigated risks or wish to obtain expert advice to address them	R4
		<b>Standards 1210.A2, 1220.A1, 1220.A3, 2110, 2120.A2, 2210.A1 and A2</b> Although audits are planned on a risk basis, including fraud risks, this could be made more explicit in the audit briefs for individual audits, thus encouraging both auditors and auditees to focus on risk rather than on controls	Make risk the core of all audit planning, identifying the risks to the objectives of the activity being audited and opportunities for the audit to add value	R5
<b>1300</b> Quality assurance and improvement programme (QAIP)	Complies	<b>Standard 1321</b> Audit reports currently state that they are performed in accordance with accounts and audit regulations but do not refer to the PSIAS	Revise the statement in audit reports to show that audits are conducted following the expectations of the PSIAS	S5
		<b>LGAN p13</b> Performance indicators have recently been developed but have yet to be reported. When they are reported, this should include reporting over time, showing trends	Show trends over time when reporting performance indicators in the Annual Report	R6

Standard	Compliance	Findings	Recommendations and suggestions	Rec no
<b>Performance standards</b>				
<b>2000</b> Managing the internal audit activity	Partially complies	<b>Standards 2010 and 2010.A1</b> Annual audit planning is carried out using a structured risk-based methodology and meets the requirements of the Standards. However, the report does not refer to how the service is developed nor does it sufficiently emphasise the risk-based approach	Refer to internal audit development in the annual plan Provide more information about the risk-based planning that underpins the audit plan in reporting that plan	S6 S7
		<b>Standard 2010.A2 and 2450</b> Audit provides an opinion on each audit and also on the overall level of assurance at the year end. Some of those interviewed did not understand the distinction between the annual audit opinion, included in the annual audit report, and the overall governance conclusion in the AGS: the annual audit opinion could be revised to make this clearer	Review the current form of the audit opinion (annual and for individual audits) and discuss options with the LT and PASC	R7
		<b>LGAN p15</b> The annual audit plan gives no details about the time estimated for the activities in the audit plan, making it harder for the PASC and LT to comment usefully about the way in which work is prioritised for the year. In addition, it is not clear from the plan which work supports the annual audit opinion (assurance work) and which work does not	Report the allocation of resources in the audit plan, in outline and/or by assignment Clarify which work supports the provision of assurance	R8 S8

Standard	Compliance	Findings	Recommendations and suggestions	Rec no
<b>2100</b> Nature of work	Partially complies	<p><b>Standards 2110 and 2110.A1</b> There has been no auditing of ethics-related objectives, programmes and activities</p> <p><b>Standard 2120</b> Audit undertakes a number of activities in relation to risk management but has not carried out a formal review of risk management arrangements recently. One is planned for the coming audit year</p> <p><b>Standards 2120.A1 and 2130.A1</b> Achievement of the Councils' strategic objectives is considered in the annual audit planning but not in individual audits</p>	<p>Build audits of ethical objectives, programmes and activities into relevant individual audits or as stand-alone audits in the annual plan</p> <p>Build examination of risk management activities into individual audits as relevant</p> <p>Making reference to strategic risks in individual audits and audit activity against these</p> <p>Be more explicit about links to strategic objectives, especially in individual audit planning</p>	<p>R9</p> <p>S9</p> <p>S10</p> <p>R10</p>
<b>2200</b> Engagement planning	Complies	<p><b>Standards 2201 and 2210.A3</b> Planning of individual audits is thorough but could be more focussed on risk (see above), strategic objectives (see above), the objectives of the activity itself and opportunities for audit to add value</p>	See R5 and R10	
<b>2300</b> Performing the engagement	Complies	The review showed that audits are well-performed and clearly documented		
<b>2400</b> Communicating the results	Complies	<p><b>Standard 2420</b> There can be delays between completion of the fieldwork and the draft report and between the draft and final reports. This has been identified and performance indicators developed to monitor progress</p>		

Standard	Compliance	Findings	Recommendations and suggestions	Rec no
<b>2500</b> Monitoring progress	Complies	<b>Standard 2500.A1</b> The follow-up process complies with the standards but there is no monitoring system to ensure that audit recommendations are followed up promptly. In addition, PASC chairs felt that they could be given more information regarding recommendation implementation to enable them to challenge more effectively	Develop a monitoring system to identify when recommendations are due for follow up Provide PASC with greater detail regarding recommendation implementation	S11  S12
<b>2600</b> Communicating the acceptance of risks	Complies	There was no evidence that risks have been left unmitigated following an audit, highlighting the importance placed by the officers at the Councils on audit findings		

The Service Manager – Internal Audit has details of the findings, standard by standard.

Elizabeth Humphrey CPFA

## Appendix I: action plan

### Recommendations

No	Recommendation	Response	Responsible officer	Action date
R1	Include definitions of the nature of assurance and consultancy activities in the Charter	Agree – this will be included when the Charter is next reviewed.	Service Manager – Internal Audit	By May 2019
R2	As part of the presentation of the Annual Report and Plan, and/or when the Charter is next presented, highlight the mandatory elements of the PSIAS to senior management	Agree – this will be highlighted when the Annual Report and Audit Plan is next presented to Performance and Audit Scrutiny Committee.	Service Manager – Internal Audit	By May 2018
R3	Safeguards regarding non-audit work should be discussed with and approved by the PASC and included in the Audit Charter	Agree - this will be included when the Charter is next reviewed.	Service Manager – Internal Audit	By May 2019
R4	Commission an expert appraisal of the IT risks and assurance against those risks to identify gaps in the assurance framework. The Councils can then decide if they are prepared to accept those unmitigated risks or wish to obtain expert advice to address them	Agree that this is an area to be looked into - we will investigate options available, and costs, and decide accordingly on the best course of action.	Service Manager – Internal Audit	By May 2019
R5	Make risk the core of all audit planning, identifying the risks to the objectives of the activity being audited and opportunities for the audit to add value	Agree – the template for audit briefs will be revised accordingly.	Service Manager – Internal Audit	By April 2018
R6	Show trends over time when reporting performance indicators in the Annual Report	Agree – the suite of performance indicators has been increased from April 2018 and the Annual Report will include comparative figures / trends over time in subsequent years.	Service Manager – Internal Audit	By May 2020
R7	Review the current form of the audit opinion (annual and for individual audits) and discuss options with the LT and PASC	Agree – this will be reviewed and covered in the 2017-18 Annual Report.	Service Manager – Internal Audit	Options considered by May 2018
R8	Report the allocation of resources in the audit plan, in outline and/or by assignment	Agree – allocation of audit resources will be reported in the audit plan.	Service Manager – Internal Audit	By May 2018

No	Recommendation	Response	Responsible officer	Action date
R9	Build audits of ethical objectives, programmes and activities into relevant individual audits or as stand-alone audits in the annual plan	Agree – we will build on existing plans for ethics related audit work and increase coverage as appropriate in future audit plans.	Service Manager – Internal Audit	By May 2018
R10	Be more explicit about links to strategic objectives, especially in individual audit planning	Agree - links to strategic objectives have already been included in the 2018-19 audit plan and these links will be explicitly stated in individual audit planning documents and other documents / reports where appropriate.	Service Manager – Internal Audit	By April 2018

## Suggestions

No	Suggestion	Response	Responsible officer	Action date
S1	Include details of the <i>Seven Principles of Public Life</i> in the Manual, showing how the activities of the audit team are delivered in accordance with them	Agree – this will be included in Internal Audit’s internal working procedures document, the Audit Manual.	Service Manager – Internal Audit	By July 2018
S2	Include further details about the Core Principles and how they are met in the Charter	Agree – to be included in a revised Internal Audit Charter	Service Manager – Internal Audit	By May 2019
S3	Include further details about the Code of Ethics and how that is met in the Charter	Agree – to be included in a revised Internal Audit Charter	Service Manager – Internal Audit	By May 2019
S4	Amend section 4 of the Charter to include reference to the Core Principles	Agree – to be included in a revised Internal Audit Charter	Service Manager – Internal Audit	By May 2019
S5	Revise the statement in audit reports to show that audits are conducted following the expectations of the PSIAS	Agree – appropriate wording to be included	Service Manager – Internal Audit	By April 2018
S6	Refer to internal audit development in the annual plan	Agree – appropriate wording to be included	Service Manager – Internal Audit	By May 2018
S7	Provide more information about the risk-based planning that underpins the audit plan in reporting that plan	Agree – appropriate wording to be included	Service Manager – Internal Audit	By May 2018
S8	Clarify which work supports the provision of assurance	Agree – appropriate wording to be included	Service Manager – Internal Audit	By May 2018
S9	Build examination of risk management activities into individual audits as relevant	Agree – Internal Audit already consider strategic risks and some project risks through other audit activities but risk management will also be considered more explicitly in individual audits where appropriate.	Service Manager – Internal Audit	By April 2018
S10	Making reference to strategic risks in individual audits and audit activity against these	Agree – see above.	Service Manager – Internal Audit	By April 2018
S11	Develop a monitoring system to identify when recommendations are due for follow up	Agree – where an audit is undertaken annually the follow up work will be undertaken as part of the following year’s audit, however where that is not the case we will look to ensure that we have a simple but	Service Manager – Internal Audit	By July 2018

No	Suggestion	Response	Responsible officer	Action date
		effective system to alert us when individual recommendations are due for follow up.		
S12	Provide PASC with greater detail regarding recommendation implementation	Agree – more detail will be included, starting with the 2017-18 Annual Internal Audit Report.	Service Manager – Internal Audit	By May 2018

## Appendix 2: interviewees

Person	Position
Pia Bertie-Snell	Senior Auditor
Cllr Sarah Broughton	Chair, PASC, St Edmundsbury Borough Council
Cllr Louis Busuttil	Chair, PASC, Forest Heath District Council
Bernadette Dashper	Senior Auditor
Ian Gallin	Chief Executive
Teresa Halliday	Service Manager – Shared Legal
Rachel Mann	Assistant Director of Finance
Leah Mickleborough	Monitoring Officer
Mark Russell	EY Audit Manager
Jon Snares	Service Manager – Internal Audit
Kevin Taylor	Service Manager – ICT
James Wager	ICT Infrastructure Support Manager
Alex Wilson	Director

# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Internal Audit Annual Report 2017/2018</b>	
<b>Report No:</b>	<b>PAS/FH/18/012</b>	
<b>Report to and date:</b>	Performance and Audit Scrutiny Committee	31 May 2018
<b>Portfolio holder:</b>	Stephen Edwards Portfolio Holder for Resources and Performance <b>Tel:</b> 01799 530325 <b>Email:</b> <a href="mailto:stephen.edwards@forest-heath.gov.uk">stephen.edwards@forest-heath.gov.uk</a>	
<b>Lead officer:</b>	Jon Snares Service Manager (Internal Audit) <b>Tel:</b> 01284 757239 <b>Email:</b> <a href="mailto:jon.snares@westsuffolk.gov.uk">jon.snares@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	To provide members with an overview of the work carried out by Internal Audit for the year ended 31 March 2018.	

<b>Recommendation:</b>		<b>Performance and Audit Scrutiny Committee:</b>	
		<p><b>It is RECOMMENDED that:</b></p> <p><b>(1) The contents of the Annual Internal Audit Report for 2017/18 are <u>noted</u>;</b></p> <p><b>(2) The conclusion drawn in respect of the annual review of the effectiveness of internal audit is <u>endorsed</u>; and</b></p> <p><b>(3) the contents of the Managing the Risk of Fraud, Theft and Corruption Report at Appendix C are <u>noted</u>.</b></p>	
<b>Key Decision:</b>		<i>Is this a Key Decision and, if so, under which definition?</i>	
<i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>		Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
<b>Consultation:</b>		<ul style="list-style-type: none"> <li>The Internal Audit Plan 2017/18 was compiled in consultation with the Assistant Director Resources and Performance (as S151 Officer), Leadership Team, Service Managers, and the external auditors, before being approved by Performance and Audit Scrutiny Committee in May 2017.</li> <li>Consultation with key officers is also carried out during the audit process and in the production of individual internal audit reports and follow up work.</li> </ul>	
<b>Alternative option(s):</b>		N/A	
<b>Implications:</b>			
<i>Are there any <b>financial</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any <b>staffing</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any <b>ICT</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any <b>legal and/or policy</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any <b>equality</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)

<p>Internal controls within the council may not be efficient and effective and as a result the council may not be identifying significant weaknesses that could impact on the achievement of the council's priorities and/or lead to fraud, financial loss or inefficiency.</p>	<p>Medium</p>	<p>Members receive and approve the Internal Audit Plan and receive a progress report during the year.</p> <p>External Audit considers the work of Internal Audit and internal control arrangements.</p>	<p>Low</p>
<p><b>Ward(s) affected:</b></p>		<p>N/A</p>	
<p><b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i></p>		<p>N/A</p>	
<p><b>Documents attached:</b></p>		<p><b>Appendix A</b> – Internal Audit Annual Report 2017/18</p> <p><b>Appendix B</b> – Summary of Internal Audit Reports Issued</p> <p><b>Appendix C</b> - Managing the Risk of Fraud, Theft and Corruption Report</p>	

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

### **1.1 Summary**

- 1.1.1 It is vital for our communities continued confidence and the smooth and proper running of a local authority that thorough, open and transparent auditing takes place. This Internal Audit Annual Report is part of that process, together with the Annual Governance Statement, to help inform those who have responsibility for the councils' framework of risk management, control and governance processes.
- 1.1.2 In summary, the conclusions of this report should give our residents and councillors confidence in our processes and the councils' have a good bill of health in how it works and manages risk as well as looking at ways of improving. In essence this should be seen as a very positive result and is confirmation that overall, controls and processes are working well. In addition it is important that the internal audit process is robust and independent as well as being supported by the Councils. An external assessment of internal audit has been carried out this year and confirmed our view by concluding we achieve a good level of compliance with the required standards.

### **1.2 Background Information**

- 1.2.1 Internal auditing is an independent and objective assurance and consultancy function designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. A professional, independent and objective internal audit service is one of the key elements of good governance.
- 1.2.2 Internal audit within the public sector in the United Kingdom is governed by the Public Sector Internal Audit Standards (the 'Standards') which have been in place since April 2013 (revised April 2016 and April 2017). The objectives of the Standards are to:
- define the nature of internal auditing within the UK public sector
  - set basic principles for carrying out internal audit in the UK public sector
  - establish a framework for providing internal audit services which add value to the organisation, leading to improved organisational processes and operations, and
  - establish the basis for the evaluation of internal audit performance and to drive improvement planning
- 1.2.3 The Standards encompass the mandatory elements of the Institute of Internal Auditors International Professional Practices Framework which are the Definition of Internal Auditing, Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing.

### **1.3 Annual Internal Audit Report and Summaries of Audit Reports Issued 2017/18**

- 1.3.1 In accordance with the Public Sector Internal Audit Standards the Internal Audit Service Manager is required to provide an annual written report to those charged with governance, timed to support the Annual Governance Statement, which includes an **opinion on the adequacy and effectiveness of the councils' framework of risk management, control and governance processes**. The attached Internal Audit Annual Report (**Appendix A**) and **Summaries of Audit Reports Issued (Appendix B)** summarise the audit work carried out during the year across West Suffolk, presenting an **opinion** based upon the work performed.
- 1.3.2 The Internal Audit Service Manager's **annual audit opinion**, also included at Appendix A, is that **based upon an independent and objective assessment of the framework of risk management, control and governance processes, Internal Audit can provide reasonable assurance for 2017/18 that the framework has operated adequately and effectively during the year**. This should be seen as a very positive result and is confirmation that overall, controls and processes are working well.
- 1.3.3 The Annual Internal Audit Report also includes a **conclusion on the effectiveness of internal audit and** sets out the related evidence which the Performance and Audit Scrutiny Committees can look to rely on when reviewing this conclusion, **in particular the outcome of the recent independent external quality assessment of the work of the Internal Audit team** which is also the subject of a separate, detailed report to this committee and included on this agenda.

### **1.4 Managing the Risk of Fraud, Theft and Corruption Report**

- 1.4.1 Fraud, theft and corruption are an ever present threat to the resources available in the public sector. The purpose of this report (**Appendix C**) is to demonstrate the councils' progress in developing and maintaining an anti-fraud and anti-corruption culture and publicise the action taken where fraud or misconduct have been identified.

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# INTERNAL AUDIT

## Internal Audit Annual Report 2017/18

### 1. Background

- 1.1 The statutory basis for Internal Audit in local government is provided by the Accounts and Audit Regulations 2015 which requires a local authority to 'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'.
- 1.2 The Public Sector Internal Audit Standards (the Standards) require the Internal Audit Service Manager to report periodically to senior management and the Performance and Audit Scrutiny Committee on Internal Audit's purpose, authority, responsibility, and performance relative to its Audit Plan.

### 2. Reporting to Senior Management and the Performance and Audit Scrutiny Committee

#### 2.1 Organisational Independence

- 2.1.1 The Standards require Internal Audit to confirm to the Performance and Audit Scrutiny Committee, at least annually, the organisational independence of the audit activity. Internal Audit effectively achieves this through the Performance and Audit Scrutiny Committee's involvement in the following:
  - approval of the risk-based internal audit plan;
  - receiving communications from the Internal Audit Service Manager on the internal audit activity relative to the audit plan and other matters; and
  - approval of the internal audit charter as and when required.
- 2.1.2 As further demonstration of organisational independence, the Internal Audit Service Manager can confirm that there has been no inappropriate scope or resource limitations placed upon him.

### 2.2 Performance against the 2017/18 Audit Plan - work supporting the annual internal audit opinion (assurance work)

#### Main Financial Systems Audits, and Corporate and Business Area Audits

2.2.1 During 2017/18, all of the main financial systems audits included within the audit plan were completed, as well as a number of corporate and business area audits. An overview of the conclusions and main findings of each audit, together with a brief summary of progress made, is provided at **Appendix B**.

#### Other audit activity supporting the annual internal audit opinion

2.2.2 In addition to performing the work referred to above Internal Audit has engaged in other audit activity supporting the annual internal audit opinion in the following areas:

- production of the West Suffolk Annual Governance Statement and its associated documents;
- West Suffolk Strategic Risk Register;
- information governance including information checks;
- engagement and management of commissioned services including project feasibility work;
- Disabled Facility Grants audit
- Cash collection arrangements
- Feeding into an officer review of delivery of elections and electoral registration
- Review of arrangements preparing for the General Data Protection Regulation (GDPR) which comes into effect on 25 May 2018.
- Review of licensing processes moved to Customer Services
- Review of record retention arrangements in service areas
- Review of reporting to the Suffolk Safeguarding Boards self-assessment including developing a new template
- other work on behalf of the Assistant Director (Resources and Performance) including review of Greenheath Energy Ltd.'s 2017 financial statements
- regular liaison with external audit and other Suffolk audit teams

2.2.3 Proactive anti-fraud work is covered in the report Managing the Risk of Theft, Fraud and Corruption at **Appendix C**. It can be seen from this report probity within the councils has continued to remain at a high level for 2017/18.

### 2.3 Non-assurance work

2.3.1 Internal Audit continued to undertake fee earning work during the year, amounting to approximately £13k of income. This consisted of the following:

- audit of the council tax, housing and council tax benefits, and overpayments systems at the Anglia Revenues Partnership (ARP) on behalf of Breckland Council, and the Local Government Shared Service (LGSS) who provide the internal audit service for East Cambridgeshire District Council; and
- grant certification work for Suffolk County Council and the New Anglia LEP.

2.3.2 During 2017/18 Internal Audit has also responded to over 50 requests for financial vetting or other financial due diligence including assessments of organisations' financial suitability to undertake specified contracts for the councils. This has included financial vetting advice in respect of the Solar PV for Business initiative and industrial units.

2.3.3 Internal Audit also performed the Independent Examination of the West Stow Anglo Saxon Village Trust 2016/7 accounts.

### 2.4 Annual Internal Audit Opinion 2017/18

2.4.1 Internal Audit, having taken into account other internal and external assurance processes of the councils, has an obligation to provide independent, objective assurance from the work undertaken in respect of the effectiveness of the risk management, control and governance processes operating within the councils.

2.4.2 The system of control should help the councils to manage and control the risks which could affect the achievement of the councils' objectives rather than eliminate them completely. Internal audit and the other assurance processes can therefore only provide within the Annual Governance Statement reasonable and not absolute assurance of adequacy and effectiveness.

2.4.3 **Opinion - based upon an independent and objective assessment of the framework of risk management, control and governance processes, Internal Audit can provide reasonable assurance for 2017/18 that the framework has operated adequately and effectively during the year.** This opinion takes into account assurances provided from assurance providers other than Internal Audit, including results of any external inspections undertaken within the year. Information that supports this opinion is included within this report (Appendix A) and also **Appendix B** which gives summary information regarding audits completed within the year.

### 2.5 Annual Internal Audit Opinion from 2018/19

2.5.1 In order to make the annual internal audit opinion more informative and transparent it is intended that from 2018/19, rather than report one opinion covering risk management, control and governance, instead four separate opinions will be reported, these being an opinion on:

- Risk management
- Internal control
- Governance
- Financial control

2.5.2 It should be noted that of the above four opinions the first three areas are already explicitly referred to in the existing 'blanket' opinion but a fourth area, financial control, is also proposed as a distinct area due to its perceived importance. The current intention is to assign each of the four opinions with a Red Amber Green (RAG) rating based on the audit activity and intelligence gathered during the year.

### 2.6 Quality Assurance and Improvement Programme

2.6.1 The Standards require that internal audit 'must develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity'. This quality assurance and improvement programme is designed to check Internal Audit's conformance with the Standards and the Code of Ethics and also assess its efficiency and effectiveness and identify any areas for improvement.

2.6.2 Currently, the quality assurance and improvement programme consists of the following elements:

- an external assessment to independently assess conformance with the Standards every five years – the first such assessment of Internal Audit was conducted this year, with good results, and is the subject of a separate report to the Performance and Audit Scrutiny Committee on this agenda;
- annual internal self-assessments are undertaken in years where there is no external assessment by completing checklists which measure the extent to which Internal Audit is complying with the Public Sector Internal Audit Standards;
- targeted audit reviews of compliance with specific Standards – in 2017/18 a review was conducted against Standard 2200 (Engagement Planning);
- a quality review process is undertaken for each individual audit;
- customer satisfaction questionnaires are issued with audit reports for completion by the service area subject to audit; and

## Appendix A

- performance of Internal Audit has to date been measured via two local performance indicators. We have revisited this area and from the 2018/19 Annual Internal Audit Report onwards we will be reporting against a number of new internal audit performance indicators which are currently being trialled.

### *Annual Internal Self-Assessment*

- 2.6.3 Some self-assessment work was undertaken during the year in order to prepare for the external assessment. This resulted in some further tightening of audit working practices to ensure that audit processes are fully evidenced. As in previous self-assessments the conclusion drawn was that internal audit working practices substantially complied with the expectations of the Public Sector Internal Audit Standards.

### *External Assessment*

- 2.6.4 The full results of the external assessment are detailed in a separate report on this agenda to the Performance and Audit Scrutiny Committee. The overall conclusion drawn by the assessor was that that **no areas of non-compliance with the Standards were identified that would affect the overall scope or operation of the internal audit activity**. This should be seen as a very good result as it confirms our view that we achieve a good level of compliance with the Standards.

### *Quality Review Process*

- 2.6.5 For each audit undertaken, the Internal Audit Service Manager ensures that:
- all Internal Audit working papers are reviewed to ensure that audit work has been performed in accordance with the agreed objectives for that audit, and sensible conclusions have been arrived at and are based on evidence clearly recorded within the audit working papers;
  - the draft audit report issued to management at the end of each audit is accurate, clear, concise, includes all relevant findings, conclusions, and a supportable audit opinion, as well as agreed actions with management which are achievable, make sense, and mitigate risks / add value to the service; and
  - the quality review process is robust and properly documented to ensure external audit are able to place maximum reliance on Internal Audit's work should they choose to do so.

### *Customer Satisfaction*

- 2.6.6 At the conclusion of each full audit undertaken the relevant service (e.g. Finance if it is a financial system being audited) is given the opportunity to complete an online customer satisfaction questionnaire and give their view of the quality and usefulness of the audit review undertaken. Services do however generally prefer to give feedback informally during report discussions. Negative feedback is rare and when this is received the Internal Audit Service Manager would discuss this

with the relevant service manager with a view to making any necessary improvements for the future where appropriate.

### *Local Performance Indicators*

2.6.7 Internal audit performance against the Audit Plan is currently measured throughout the year, via two local performance indicators, as follows:

*(1) The percentage of the planned main financial systems audits completed during the year – these audits are an integral part of the annual internal audit opinion which underpins the Annual Governance Statement, and it is these audits on which the external auditors may seek to place reliance or take account of for their work on the annual Statement of Accounts.*

100% of planned main financial systems audits were completed for the year 2017/18

*(2) External audit utilisation of internal audit work*

The external auditors (Ernst & Young) have confirmed that they continued to take account of the work of Internal Audit during the year.

## **2.7 Conclusion on Review of Effectiveness of Internal Audit**

2.7.1 The Quality Assurance and Improvement Programme outlined above, and in particular the **results of the recent external quality assessment of Internal Audit** referred to in paragraph 2.6.4, provides evidence to the Performance and Audit Scrutiny Committees that **Internal Audit is effective** and the **opinion of the Internal Audit Service Manager in this Annual Report can be relied upon as a key source of evidence in the production of the Annual Governance Statement.**

**Summary of Internal Audit Reports Issued in 2017/18**

**1. Introduction**

- 1.1 During the period, 21 audit reviews were completed to final report stage. Audit reports are issued as final where their contents have been agreed with management, in particular responsibility for actions and timescale.
- 1.2 The following sections contain a summary of the content of the internal audit reports issued during the 2017/18 financial year. Each summary provides an indication of the issues arising from the reviews, as well as action taken in response to previous audit reports where appropriate.
- 1.3 It should be noted that each summary below represents the situation at the point in time that the audit work was undertaken and therefore it is likely that a number of agreed key improvements will subsequently have been made.
- 1.4 In line with Chartered Institute of Public Finance and Accountancy (CIPFA) good practice guidance, opinions are provided on the operation of control mechanisms where a full audit has been undertaken for the area reviewed. A key to these opinions can be found at the end of this appendix. Where a follow-up review has been undertaken full testing of controls will not always be undertaken and therefore an opinion on the operation of controls will not normally be given.
- 1.5 Progress towards implementing the required key improvements referred to below will be reviewed by Internal Audit during 2018/19 and reported to Performance and Audit Scrutiny Committee as appropriate.

**2. Treasury Management**

- 2.1 This audit review covered controls relating to the management of the councils' short-term and long-term investments with approved organisations to achieve the best possible rate of return. Audit work undertaken resulted in a **good assurance** opinion being given.

**Improvements made since the previous audit**

- 2.2 Efficient and consistent arrangements exist through working practices having been aligned across both councils. No recommendations were raised in the previous audit.

**Key areas where improvements are required**

- 2.3 None.

### 3. Creditors

- 3.1 The purpose of this audit was to review the controls around the accounts payable system which is designed to record and report on expenditure made on behalf of the councils. A **reasonable assurance** opinion was provided.

#### **Improvements made since the previous audit**

- 3.2 An improvement is apparent in the number of invoices paid within 30 days when comparing the monthly average for the same period previously. Of the six recommendations made in the previous year's audit report, two actions had been fully completed while the other four recommendations were superseded by related recommendations raised in the 2017/18 audit report.

#### **Key areas where improvements are required**

- 3.3 This review has concluded that creditor system controls generally work as expected, however findings have been raised in respect of supplier information, raising orders and paying invoices.

### 4. General Ledger

- 4.1 In previous years the general ledger control environment has been considered strong with robust key controls in place to ensure the accuracy and legitimacy of transactions. As a result, a reduced scope audit review was carried out for 2017/18 following up actions from the 2016/17 audit review (journals and control account reconciliations) and examining bank reconciliations. A **good assurance** opinion was achieved.

#### **Improvements made since the previous audit**

- 4.2 Improvements have been made regarding the inclusion of sufficient information on the general ledger system to enable authorisers to satisfy themselves that journal transactions are appropriate and correct. Of the three recommendations made in the previous year's report, one recommendation has been completed whilst the other two recommendations have been superseded as a result of this year's audit report.

#### **Key areas where improvements are required**

- 4.3 None, only minor suggestion made.

## 5. Payroll

- 5.1 In previous years the control environment has been considered strong with robust key controls in place to ensure the accuracy and legitimacy of payroll transactions. As a result, a reduced scope payroll audit review was carried out for 2017/18 focusing on examining only a small sample of starters / leavers and validation reports. A **reasonable assurance** opinion was given.

### Improvements made since the previous audit

No recommendations were raised in the previous year's audit report

### Key areas where improvements are required

- 5.2 A minor change of wording on an authorisation e-mail is required to provide evidence of the checking / oversight that takes place for the payroll validation reports.

## 6. Debtors

- 6.1 The purpose of the audit was to review the controls around the accounts receivable system to record, collect and report on income received by the councils for chargeable services provided. A **good assurance** opinion was achieved.

### Improvements made since the previous audit

Action has been taken to address the five recommendations raised in the previous year's audit report, including resolution of the difference on the debtors control account reconciliation.

### Key areas where improvements are required

- 6.2 None, only minor suggestion made.

## 7. Council Tax

- 7.1 The West Suffolk Internal Audit Team undertook the council tax audit on behalf of the seven councils in the Anglia Revenues Partnership. The audit focus was to review and test systems for the collection of council tax ensuring that legislation is adhered to, exemptions and reliefs are correctly administered, refunds are appropriate, debt recovery is taking place, and to ensure that adequate reconciliations of the council tax system to the general ledgers are undertaken. An opinion of **reasonable assurance** was given.

**Improvements made since the previous audit**

- 7.2 Improvements made include an aligned write off process and policy is now in place across the partnership. Of the thirteen recommendations raised in the previous year's audit report three recommendations have been implemented, nine actions have been superseded by recommendations in the 2017/18 review, and one recommendation remains as work in progress.

**Key areas where improvements are required**

- 7.3 The process for identifying, reviewing and taking corrective action for accounts in credit requires reviewing.
- 7.4 System user permissions require reviewing across the partnership.

**8. Non Domestic Rates (NDR)**

- 8.1 This year the review of NDR was undertaken by the East Suffolk Internal Audit Team on behalf of the seven councils working together as the Anglia Revenues Partnership.
- 8.2 The audit was undertaken to provide assurance on the controls in place within the NNDR System over the collection of NNDR from commercial properties, adherence to legislation, correct administration of exemptions and reliefs, and appropriateness of refunds. An opinion of **reasonable assurance** was given.

**Improvements made since the previous audit**

- 8.3 Improvements made included more robust arrangements now being in place to ensure that any future local or manually applied reoccupation reliefs are correctly managed and appropriately ended. Of the fifteen recommendations raised in the previous year's audit report seven recommendations have been implemented, four recommendations have been superseded by findings raised in the 2017/18 review and four recommendations remain as work in progress.

**Key areas where improvements are required**

- 8.4 Improvements to be made in the actioning and checking of the valuation office schedules.
- 8.5 Improvements could be made to the empty property inspection regime.
- 8.6 Evidence should be retained to confirm all exemptions, discounts and reliefs awarded.
- 8.7 Debt monitoring reports to be re-introduced.

8.8 System user permissions require reviewing across the partnership.

**9. Housing and Council Tax Benefits Review**

9.1 Similar to council tax the West Suffolk Internal Audit Team undertook the audit on behalf of the seven ARP councils. The audit focus was to review and test systems for the administration and payment of housing benefit and council tax reduction, to ensure that legislation is adhered to and the control accounts are regularly reviewed. An opinion of ***reasonable assurance*** was given.

**Improvements made since the previous audit**

9.2 Improvements made included better management trails for control account reconciliations. Of the eight recommendations raised in the previous year's audit report seven recommendations have been implemented and one recommendation has been superseded.

**Key areas where improvements are required**

9.3 Some errors were identified when testing claimant data which occurred through human error; the accounts were rectified during audit testing which resulted in some minor award amendments. Reminders and training are provided to assist in preventing this and additional checks on earnings have been introduced within the housing benefit team;

9.4 Two high risk claims were put into payment prior to the receipt of supporting information being received. Whilst a process map is in place to prevent this, it appears not to have been followed.

9.5 System user permissions require reviewing across the partnership.

**10. Overpayments**

10.1 Similar to both the council tax and housing and council tax benefits reviews the West Suffolk Internal Audit Team undertook the audit on behalf of the seven ARP councils. The audit focus was to review and test the design and operation of controls in the following areas: classification of overpayments, recovery of overpayments, control account reconciliations, collection of payments, write offs, and system access. An opinion of ***reasonable assurance*** was given.

**Improvements made since the previous audit**

10.2 Improvements made included more robust processes regarding alerting changes of address to the Overpayments team to ensure the recovery process is not unnecessarily delayed. Of the six recommendations raised in the previous year's audit report four have been implemented and two have been superseded.

**Key areas where improvements are required**

- 10.3 Regular review of overpayment account debt recovery stages should be introduced.
- 10.4 Process efficiencies were recommended.
- 10.5 System user permissions require reviewing across the partnership.

**11. ARP Enforcement review**

- 11.1 This year the review of ARP enforcement was undertaken by Fenland Council on behalf of the seven councils working together as the Anglia Revenues Partnership. An audit opinion of **reasonable assurance** was given.

**Improvements made since the previous audit**

- 11.2 The Enforcement Team has good working practices in place that appear to be working effectively and efficiently with a good rate of successful collection of debt. By the end of the audit process, arrangements were in place for the Enforcement Team to collect overpayment debts for all seven authorities. The status of the recommendation raised in the previous year's audit report was reviewed by Fenland Council and considered to be work in progress.

**Key areas where improvements are required**

- 11.3 The process for unallocated payments requires reviewing.
- 11.4 The process for amending permissions, adding and removing users for the ARP Enforcement Agency system requires reviewing to ensure system access to ensure management trails are robust.
- 11.5 The timeliness of communication of debtor changes from Revenues Teams to ARP Enforcement could be improved.

**12. Car Parks Cash Handling Review**

- 12.1 The audit focus was to review the controls surrounding cash collection, retention and banking. Systems were reviewed to ensure that income due to or held by the councils is accurately recorded and that income is receipted and banked correctly and promptly. An opinion of **reasonable assurance** was achieved.

**Improvements made since the previous audit**

- 12.2 Of the three recommendations raised in the previous year's audit report two have been superseded and one is work in progress.

**Key areas where improvements are required**

- 12.3 A number of suggestions were made to improve practices around the collection, recording and reconciling of car parking income.
- 12.4 A review of the cash collections, maintenance of machines and Ringo contracts operating is needed to ensure that the councils are receiving competitive services from their providers.

**13. Contract Extensions**

- 13.1 This was the first contract extensions audit review for a number of years and was carried out to provide assurance that the councils only take the option of a contract extension in appropriate circumstances based on satisfactory performance and continued value for money. An opinion of **reasonable assurance** was given.

**Key areas where improvements are required**

- 13.2 The Contract Procedure Rules do not detail the possibilities and limitations when requiring an extension or an exception and there is no written guidance available for officers to determine when these should be considered or are appropriate.
- 13.3 The lack of a maintained central database containing contract details resulted in a limited sample being selected from historic work records. At the time of the review the councils were not fulfilling the requirements of the Local Government Transparency Code which stipulates that this contract data must be updated and published quarterly.
- 13.4 Contract monitoring is conducted by both formal and informal methods, it is anticipated that the introduction of the Contract Management Tool, which is being supplied through Suffolk County Council, will enable contract monitoring to be formally recorded, providing sound data on performance which can contribute and support contracting decisions.

**14. Procurement Compliance**

- 14.1 This audit review was undertaken to determine whether contract procedure rules are being followed and that value for money can be demonstrated. A **reasonable assurance** opinion was given.

**Key areas where improvements are required**

- 14.2 Our review has identified that while procedures are designed effectively to enable the councils' procurement activity to comply with the Contract Procurement Rules there are examples of inconsistent application of the procedures.

**15. Off Payroll Working – IR35**

- 15.1 In April 2017, new legislation was introduced for public sector organisations that contract with individuals who work through their own personal service companies, or other intermediary. The legislation requires the public body to determine whether PAYE and NICs should be deducted from the payments made to these companies. This was previously the responsibility of the intermediary or the individual worker.
- 15.2 This was the first audit review of 'Off Payroll Working - IR35'. The aim of this audit was to check that payments to consultants, contractors and interim payments are treated correctly for tax and national insurance purposes to ensure HMRC regulations and agreements are being complied with. A **reasonable assurance** opinion was provided.

**Key areas where improvements are required**

- 15.3 Challenges exist in respect of identifying all individuals in scope of IR35, and assessing them, and whilst this is being managed through close working with services and their HR Business Partners, and expenditure reports generated from the finance system there are opportunities to further increase awareness levels of the new regulations with Service and Operational Managers.

**16. Cyber Security**

- 16.1 This was the first audit review of Cyber Security, its purpose to review the design and effectiveness of cyber security arrangements across West Suffolk. A **reasonable assurance** opinion was given.

**Key areas where improvements are required**

- 16.2 For the majority of areas reviewed good controls exist. A small number of actions have been suggested which once implemented should strengthen the councils' defences and encourage all staff to contribute to that defence.

**17. Cash Handling Checks**

- 17.1 Cash is collected on behalf of St Edmundsbury Borough Council at various locations. Unannounced visits were undertaken at these cash handling locations to establish, by undertaking a cash count and discussion with staff, the adequacy of internal controls over receipting, reconciliation and banking of monies received. An opinion of **reasonable assurance** was provided.

**Key areas where improvements are required**

- 17.2 Overall, practices where cash handling was taking place were satisfactory, but a number of recommendations were made to improve cash handling processes to further protect staff and the Borough Council.

**18. Declaration of Interests**

- 18.1 This piece of work was carried out to provide an assessment of the arrangements in place to ensure that any relevant employee interests are declared and appropriately managed. No audit opinion was given for this work.

**Key areas where improvements are required**

- 18.2 This work identified that there is a need for employees to be reminded of the Code of Conduct and the requirement to declare interests to ensure that conflicts are removed wherever possible.
- 18.3 It is understood that the launch of a West Suffolk Code of Conduct will be undertaken in 2018/19.

**19. Payment Card Industry Data Security Standards Follow Up**

- 19.1 A follow up of compliance against the payment card industry data security standards was undertaken. The review concluded that of the two outstanding actions followed up one action remains outstanding to ensure that staff receiving credit and debit card payments are made aware of their responsibilities by completing the e-learning training module.

**20. Apex Cash Handling Follow Up**

- 20.1 A follow up was undertaken to review the Cash Handling arrangements at the Apex. Actions were reviewed from the 2015/16 review - three actions were found to have been completed, one was superseded, and one action was work in progress regarding completion of training by staff in respect of anti-money laundering and payment card industry data security standards training.

**21. Heritage Assets Follow Up**

- 21.1 A follow up was undertaken regarding a previous audit review of St Edmundsbury heritage assets. Two actions were found to remain as work in progress, these being to ensure that the database of assets is fully updated and to carry out regular inventory checks.

**22. Contract Procedures Follow Up**

22.1 A follow up was undertaken on the councils' Contract Procedures to establish if fair, accountable and transparent processes are in place. Actions were reviewed from the previous review, resulting in two actions being completed, one superseded, and one considered as work in progress regarding the need for clear guidance for the recruitment of temporary and agency staff, including the requirement to obtain quotations.

**23. Meaning of words used**

Good Assurance	System control objectives are achieved with no significant (medium risk) or fundamental (high risk) control issues or risks raised.
Reasonable Assurance	In general, system control objectives are achieved. A number of significant (medium risk) control issues and risks have been raised.
Limited Assurance	System control objectives are only partially achieved. Fundamental (high risk) and/or significant (medium risk) control issues and risks have been raised.
No Assurance	System control objectives are not achieved. Fundamental (high risk) and significant control issues and risks have been raised.

**Managing the Risk of Fraud, Theft and Corruption Report**

**1. Introduction**

- 1.1 The West Suffolk councils spend millions of pounds of public money each year on essential local services. It is essential that they continue to protect and preserve their ability to provide these services by ensuring assets are protected against all risks of loss and damage.
- 1.2 The purpose of this report is to bring together in a single document a summary of the work which has taken place during 2017/18 to prevent and detect fraud, theft and corruption. By publishing the report, the councils aim to show their commitment to minimising the risk of fraud, theft and corruption and deter any would-be fraudsters.

**2. The Risk of Fraud**

- 2.1 Fraud, theft and corruption is an ever present threat to the resources available in the public sector. It is costly, in terms of both reputational risk and financial losses.
- 2.2 The councils' mitigating controls include:
- ✓ clear policies and procedures available to staff and members;
  - ✓ specialist / qualified staff to identify and investigate potential areas of fraud;
  - ✓ active participation in the National Fraud Initiative; and
  - ✓ a sound internal control environment as demonstrated by internal and external audit opinions.
- 2.3 However, whilst there are mitigating controls in place to manage the risks of fraud, theft and corruption, these risks cannot be completely eradicated. The West Suffolk councils recognise their vulnerability to fraud and key fraud risk areas, and take positive action to minimise those risks. Emphasis is placed on preventative and early detection work in areas at greatest risk of fraud.

**3. CIPFA Code of Practice – Managing the Risk of Fraud and Corruption**

- 3.1 The CIPFA Code of Practice on Managing the Risk of Fraud and Corruption provides a number of key principles to embed effective standards for countering fraud and corruption.

- 3.2 A self-assessment was undertaken against this voluntary Code in 2015/16. Progress of actions and assessment of risk controls was reviewed in 2017/18 - a small number of actions arose from this review, the main two work in progress actions being to investigate data matching options to supplement NFI exercises, and consider performing audit reviews of declarations of interests and gifts and hospitality. These actions continue to be reviewed and will be incorporated into the annual audit work plan as appropriate.

#### **4. Fighting Fraud and Corruption Locally**

- 4.1 CIPFA's Local Government Counter Fraud and Corruption Strategy 2016-19 estimates that fraud costs local authorities £2.1bn a year, £207m of which is local government fraud.
- 4.2 CIPFA produces an annual national Fraud and Corruption Tracker Summary Report, this report contains findings from a national survey which identifies trends and statistics.
- 4.3 The report, published in November 2017, estimated that across local authorities more than 75,000 frauds have been detected or prevented in 2016/17 with a value of £336.2m. Key messages from this national report which are relevant to the West Suffolk councils are:
- procurement and council tax single person discount are perceived as the highest fraud risk areas;
  - the highest number of investigations related to council tax fraud;
  - the highest value area of fraud is housing;
  - barriers to effective data sharing have consistently been reported as impacting on fraud investigation and prevention; and
  - cyber security should be integral to any new strategy or policy decisions.
- 4.4 The Strategy sets out the approach local authorities should take to transform counter fraud and corruption performance. The practical guide includes a self-assessment which local authorities were encouraged to complete to identify and understand major risks and the counter fraud and corruption culture.
- 4.5 The annual review of the checklist and progress against actions was completed in 2017/18, concluding that there were no high risks for the West Suffolk councils, but a small number of actions were to be made to further strengthen the counter fraud arrangements, including the creation of a procurement fraud map to ensure that effective controls are in place at each stage of the procurement cycle.

### 5. Serious Organised Crime

- 5.1 The Home Office undertook joint pilot work by local authorities and police forces during 2016 in seven areas regarding the threat that serious and organised crime poses to publicly procured services.
- 5.2 A national report was circulated, recommending that a serious and organised crime checklist was completed which is intended to be used as an internal, self-assessment tool to provide a high level overview of the serious and organised crime risks that each organisation may have and develop an improvement plan for managing the risk.
- 5.3 The checklist was completed in October 2017 through a review of documentation and discussion with officers. The assessment of the current risks was considered to be good or acceptable in most areas. Two risk areas were identified concerning cyber crime and insider threats, and actions have been identified to mitigate these.
- 5.4 The report also recommended that joint working with local police should be undertaken to data match high risk areas. Suffolk Constabulary are leading on a data wash of local authorities supplier data for what were considered to be the areas most at risk to determine if there are any organised crime links. West Suffolk provided the data in February 2018 and are awaiting feedback.

### 6. Local Government Transparency Code

- 6.1 Since February 2015 local authorities have been required to publish the following information annually about their counter fraud work, as required by the Local Government Transparency Code:
  - number of occasions powers are used under the Prevention of Social Housing Fraud (Power to Require Information) (England) Regulations 2014, or similar powers;
  - total number (absolute and full time equivalent) of employees undertaking investigations and prosecutions of fraud;
  - total number (absolute and full time equivalent) of professionally accredited counter fraud specialists;
  - total amount spent by each authority on the investigation and prosecution of fraud; and
  - total number of fraud cases investigated.

Data for both West Suffolk councils is included on the 'open data and transparency' area of the councils' website.

### **7. Corporate Fraud, Theft, Bribery and Corruption Arrangements**

#### **7.1 Awareness**

- 7.1.1 A West Suffolk Anti-Fraud and Anti-Corruption Policy is in place. The purpose of the policy is to minimise the risk to the councils' assets and good name, promote a culture of integrity and accountability in councillors, employees and all those that the councils do business with, and enhance existing procedures aimed at preventing, discouraging, detecting and investigating fraud and corruption.
- 7.1.2 Internal Audit provided eleven messages for publication on the intranet to increase staff awareness in 2017/18. These included topics such as protection against scams and ransomware, tenancy fraud, housing benefit and council tax fraud, safer on-line shopping, mandate fraud, supplier fraud and reporting fraud. Posters have also been displayed, at periodic intervals, at the councils' offices. Four messages were also posted on social media to alert the public to scams.
- 7.1.3 Internal Audit liaise with the ARP Fraud Team on a regular basis and discuss potential opportunities for future proactive fraud exercises.
- 7.1.4 Internal Audit receive, and take action on, regular alerts from the National Anti-Fraud Network – this is an organisation recognised as a centre of good practice dedicated to protecting the public purse from fraud, abuse and error.

#### **7.2 Reported suspicions**

- 7.2.1 One of the responsibilities of the Internal Audit team is the investigation of potential irregularities resulting in potential loss to West Suffolk of resources / money. No such investigations were necessary in 2017/18.

### **8. Revenues and Benefits (ARP) Fraud Arrangements**

The information in this section has been provided by ARP.

#### **8.1 Awareness**

- 8.1.1 All new staff recruited to ARP's revenues and benefits team are given a fraud awareness session which includes training on fraud awareness, key documents, the role of the ARP fraud team and types of fraud they uncover. Proactive fraud detection work is undertaken by ARP with any suspected housing benefit frauds now being reported to, and investigated by, the Department for Work and Pensions' Single Fraud Investigation Service (SFIS).

#### **8.2 Reported suspicions**

8.2.1 Information is provided to the local newspaper each time there is a successful prosecution. Prosecutions are also reported via the Magistrate Court listings within the local newspaper.

**8.3 Sanctions applied**

8.3.1 The following sanctions have been applied:

<b>SEBC</b>	<b>2016/17</b>	<b>2017/18</b>
Formal cautions	6	6
Administrative penalties	5	6

<b>FHDC</b>	<b>2016/17</b>	<b>2017/18</b>
Formal cautions	5	4
Administrative penalties	3	7

8.3.2 Not all investigations result in a sanction but the investigation itself stops or reduces the amount of benefit paid. Investigations are sometimes closed without a sanction because it is considered to be a genuine error or because there is insufficient evidence of fraud or because the health of the individual at the time the fraud is discovered is worse than at the time of the interview. In these instances the benefit has been corrected and recovery action on any overpayment is taken so a saving to the tax payer has been made although not recorded as a fraud.

**8.4 Financial loss recovered and (where appropriate) financial savings**

8.4.1 Every effort is made to recover debt caused by fraud in line with Department for Work and Pensions (DWP) guidance.

8.4.2 The following amounts were identified as fraudulent payments:

<i>SEBC</i>	<i>2016/17</i>	<i>2017/18</i>
Housing Benefit	106 cases passed to SFIS	68 cases passed to SFIS
Council Tax Reduction	£20,539.28	£26,149.88

<i>FHDC</i>	<i>2016/17</i>	<i>2017/18</i>
Housing Benefit	57 cases passed to SFIS	39 cases passed to SFIS
Council Tax Reduction	£29,617.95	£17,886.75

Two FHDC Council Tax Reduction Scheme (CTRS) cases are being forwarded for prosecution, for both of these, the CTRS

## Appendix C

overpayment is in excess of £3,000. One case is a failure to declare work and the other relates to non-declaration of receiving significant capital.

Since the introduction of the SFIS, housing benefit frauds are not investigated by ARP, but passed to the DWP to investigate – monetary figures for these frauds are not easily available.

In all cases recovery is sought from the claimant either by sundry debtor invoice, collection from ongoing benefit if still entitled, or by amendments to the council tax liability

8.4.3 The Fraud and Investigation Team within the ARP investigate council tax fraud, including single person discount, tenancy fraud and offences relating to council tax support and housing fraud.

8.4.4 During 2017/18 the ARP Revenues and Benefits Fraud Team continued to undertake proactive anti-fraud work with regard to false claims for single person discount (SPD) for council tax which could lead to court action. This area of work is ongoing, primarily using credit check software and the National Fraud Initiative matches. The value of identified savings for 2017/18 to date is as follows:

- 108 cases for SEBC, producing savings of £70,036.98
- 79 cases for FHDC, producing savings of £42,825.27

The savings are calculated from when the single person discount eligibility is removed and the liability for the remainder of the current financial year. New council tax bills are raised for the period in question to enable collection to be made.

Single person discount applications are now also being checked by the ARP Fraud Team in order to prevent discounts being granted incorrectly and avoiding the issue of trying to collect amounts of council tax retrospectively.

8.4.5 Proactive work to identify properties not on the council tax or business rates databases is also undertaken to identify tax evasion. This can be where the property does not appear on the ARP database as it had not been declared to the Valuation Office or where incorrect information on the property status has been declared. This proactive work has resulted in backdated bills being raised as follows:

- 11 council tax cases for SEBC, with a value of £14,145.93
- 12 business rates cases for SEBC, with a value of £66,797.84
- 17 council tax cases for FHDC, with a value of £37,577.74
- 2 business rates cases for FHDC, with a value of £6,759.20

Examples of this include:

### SEBC

- A Visiting Officer noticed that a property was being extended and this had not been notified to the Council. The Rateable Value was amended and a saving recorded of £7,816.31.

### FHDC

- An undeclared mobile home, dating back to 2010 resulted in council tax arrears of approximately £5,000

8.4.6 The ARP Fraud Team has also been liaising with the Housing Team and working with social housing providers to recover properties. In 2017/18, 8 properties were recovered within SEBC and 7 were recovered for FHDC, enabling these to be offered to those in housing need.

## **9. Policies and Procedures**

9.1 The council has a range of interrelated policies and procedures that provide a corporate framework to counter fraudulent activity. These include:

- Codes of Conduct for Members and Officers
- Code of Corporate Governance
- Constitution – including Contract and Financial Procedure Rules
- Anti-Fraud and Anti-Corruption Policy
- Whistleblowing Policy
- Anti-Money Laundering Policy
- Recruitment and Selection Procedures

## **10. National Fraud Initiative**

10.1 The National Fraud Initiative (NFI) is a mandatory exercise run by the Cabinet Office that matches electronic data within and between public and private sector bodies to prevent and detect fraud. The main exercise takes place over a two year period, matching records such as benefits, payroll, pensions, student awards, licenses, creditor payments and parking permits. The current exercise has included the housing register to determine if false information has been provided or possible undisclosed changes in circumstance. A separate annual exercise to match electoral register data to council tax records is also undertaken; this is to identify where single person discounts may not be applicable.

10.2 A risk-based approach is undertaken when reviewing data matches, with recommended matches as identified by the NFI

## Appendix C

application being a high priority, and a sample of the remaining matches are then assessed and reviewed.

- 10.3 Where fraud or error is found, recovery is made by way of deductions from benefit, overpayment proceedings or credits obtained from suppliers where duplicate payments have been identified.
- 10.4 The current NFI exercise saw the majority of the data matches being released in January 2017, with supplementary matches released throughout the year.
- 10.5 For SEBC, a total of 1700 matches were reported with 304 high priority matches. By the end of the financial year, a total of 666 matches had been processed, key items to note:
- An assessment which included requesting information for the accounts reviewed resulted in CTRS being removed from 5 accounts; this increased the liability for the accounts with values varying from £28.96 to £639.12 which has been added to the council tax bill;
  - Housing benefit overpayments were created on 4 accounts which were assessed as part of this exercise, these ranged from £82.42 to £1,731.29;
  - 7 matches were still being reviewed as information was pending from 5 claimants, for 2 of these information was awaited from other organisations; and
  - A further 7 housing benefit matches have been referred to the DWP to investigate.
- 10.6 For FHDC, a total of 873 matches were reported with 160 high priority matches. By the end of the financial year, a total of 373 matches had been processed, key items to note:
- An assessment, which included requesting information, for the accounts reviewed resulted in CTRS being removed from 3 accounts; this increased the liability for the period where the CTRS was not applicable and resulted in council tax liability being increased by £502.62, £1,946.94 and £3,057.19;
  - A creditor payment error was reported (£6,498.55), a review of the details confirmed this this was not a fraud but an error with the invoice date; and
  - A further 8 housing benefit matches have been referred to the DWP to investigate.
- 10.7 The NFI exercise included matching the Housing Register for the first time to data sets; the objective was to identify irregularities in reported addresses which may affect benefit or council tax reduction awards, or undisclosed changes in circumstances of the waiting list applicant. This exercise was used as an opportunity to undertake data cleansing on the

waiting list. Internal Audit provided an initial triage by reviewing data to housing benefit and council tax information and then passed on relevant accounts requiring further investigation to the Housing Team to review and request updates from the applicant; this resulted in over 180 customers being removed from the waiting list across West Suffolk.

- 10.8 The annual data matching exercises to compare single person discounts to the electoral register to indicate where single person discount may no longer be applicable are constantly being worked on by ARP. At the end of the financial year, adjustments had been made to a number of accounts where it was identified that single person discount was no longer applicable. This has resulted in issuing amended council tax bills for SEBC with amendments of £86,807.53 and £22,150.88 for FHDC.

### **11. Internal Audit**

- 11.1 Fraud and corruption risks are identified as part of the annual audit planning process, with the annual Internal Audit Plan including resources to undertake special irregularity investigative work, co-ordination of the NFI data matching exercise, and proactive anti-fraud and anti-corruption work.

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# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Outline Internal Audit Plan 2018/2019</b>	
<b>Report No:</b>	<b>PAS/FH/18/013</b>	
<b>Report to and date:</b>	Performance and Audit Scrutiny Committee	31 May 2018
<b>Portfolio holder:</b>	Councillor Stephen Edwards Portfolio Holder for Resources and Performance <b>Tel:</b> 01799 530325 <b>Email:</b> <a href="mailto:stephen.edwards@forest-heath.gov.uk">stephen.edwards@forest-heath.gov.uk</a>	
<b>Lead officer:</b>	Jon Snares Service Manager (Internal Audit) <b>Tel:</b> 01284 757239 <b>Email:</b> <a href="mailto:jon.snares@westsuffolk.gov.uk">jon.snares@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	To provide members with the proposed Outline Internal Audit Plan for 2018/2019.	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>It is RECOMMENDED that the Internal Audit Plan for 2018/19 be <u>approved</u>.</b>	
<b>Key Decision:</b>  <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	

<b>Consultation:</b>		<ul style="list-style-type: none"> <li>The Internal Audit Plan has been compiled in consultation with the Assistant Director Resources and Performance (as Section 151 Officer), Leadership Team, Service Managers, and the external auditors.</li> </ul>	
<b>Alternative option(s):</b>		N/A	
<b>Implications:</b>			
Are there any <b>financial</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any <b>staffing</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any <b>ICT</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any <b>legal and/or policy</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
Are there any <b>equality</b> implications? <i>If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
Internal controls within the council may not be efficient and effective and as a result the council may not be identifying significant weaknesses that could impact on the achievement of the council's priorities and/or lead to fraud, financial loss or inefficiency.	Medium	Members receive and approve the Internal Audit Plan and receive a progress report on work against the Plan during the year.	Low
<b>Ward(s) affected:</b>		N/A	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		N/A	
<b>Documents attached:</b>		<b>Appendix A</b> – Outline Internal Audit Plan 2018/19	

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

### **1.1 Background Information**

1.1.1 The objectives of internal audit are to:

- provide a professional, independent and objective assurance and advisory service that assists the Assistant Director (Resources and Performance) in her statutory duty as Section 151 Officer at both West Suffolk councils to ensure that the finances of each council are properly administered; and
- work with management to improve the operation of the councils.

1.1.2 The internal audit service is delivered and developed in accordance with the West Suffolk Internal Audit Charter approved by this committee in May 2017.

### **1.2 What is the Internal Audit Plan and why does it matter?**

1.2.1 The proposed 2018/19 Audit Plan, provided at **Appendix A**, is a **risk based plan of work** for the Internal Audit team that provides a framework for ensuring that audit resources are focused on activities that will make the most difference to supporting West Suffolk priorities.

1.2.2 The Internal Audit Plan takes into account the need to produce an annual internal audit opinion for each West Suffolk council – this **internal audit opinion**:

- takes into account the strategies, objectives and risks of the councils as well as the expectations of senior management, the Performance and Audit Scrutiny Committee, and any other relevant stakeholders;
- concludes on the overall adequacy and effectiveness of the councils' framework of governance, risk management and control;
- supports and takes into account the assurance framework operating at both councils; and
- underpins the Annual Governance Statement.

### **1.3 How was the draft Internal Audit Plan produced?**

1.3.1 A series of meetings was held with senior managers within the councils to discuss and gain a better understanding of any current or upcoming service or corporate challenges or risks. From these meetings, and a review of the Strategic Risk Register, a list of potential audit areas was produced and then **risk assessed** using the following criteria:

- materiality – in monetary terms the relative significance or importance of the system or process to the councils;

- corporate importance – the extent to which the councils depend on the correct running of the system, whether for legal or regulatory requirements or to meet strategic priorities;
- vulnerability – the extent to which the system or process is liable to breakdown, corruption, loss, error etc.;
- management concerns – direct requests for support; and
- controls assurance – information taken from previous internal audit work as well as other assurance processes within, and external to, the councils.

1.3.2 Each auditable area was given a score based on the above **risk assessment** and from this score, allocated a priority from 1 (high) to 3 (low) resulting in a risk based proposed plan of work.

#### **1.4 What is included in the draft Internal Audit Plan?**

1.4.1 In essence the draft Internal Audit Plan includes two categories of work – that which supports the annual internal audit opinion (**assurance work**) and other **non-assurance work**, as follows:

##### **Assurance work**

- main financial systems
- corporate and business area audits
- follow up work on previous audits to check whether agreed actions have been implemented
- added value work – areas identified by management and Internal Audit that would benefit from audit input in the form of providing support and advice to management including reviewing relevant arrangements
- proactive anti-fraud work
- other assurance work – working groups, general advice and assistance, liaison with external audit

##### **Non-assurance work**

- fee earning – ARP audits on behalf of other partners and grant certification work
- financial vetting, and financial due diligence for investment decisions
- annual Independent Examination of West Stow Anglo Saxon Village Trust accounts
- one-off certification of a statement of income and expenditure in respect of an Arts Council grant for the project 'Building Resilience in St Edmundsbury's Museums'.

1.4.2 The intention is that as far as possible the audits will be undertaken in priority order and as many of the audits completed as possible within the available resources. It should however be recognised that not all of the identified pieces of work may be undertaken due to:

- potentially changing risks / priorities within the year and the need for flexibility in the use of audit resources to respond to these accordingly; and

- the need to work up and agree with officers a detailed scope for each audit area which will determine the audit resources required for each piece of work.

1.4.3 Equally, it is also the case that pieces of work not currently included in the Audit Plan may need to be added where risks / priorities change within the year. The draft Audit Plan as presented at Appendix A does however represent the Internal Audit Service Manager's current view of how audit resources can be most effectively used – where significant deviations to the plan are required this would be reported to the Performance and Audit Scrutiny Committee as appropriate.

1.4.4 The Internal Audit Service Manager will remain alert to changing circumstances and emerging risks through a number of channels, including:

- attendance at senior officer meetings including Senior Management Team (Leadership Team plus Service Managers), officer working groups, staff briefings, feedback from Section 151 Officer, and networking with other West Suffolk colleagues;
- regular liaison and meetings with external audit; and
- professional reference material, websites, and discussion forums.

1.4.5 Where any sources of assurance other than the work contained within this Plan are relied on in forming the annual audit opinion for each council, additional work may be undertaken by Internal Audit where necessary and appropriate to validate these other sources of assurance.

## **1.5 What staff resources does the Internal Audit team have and how are these allocated?**

1.5.1 The Public Sector Internal Audit Standards require that the Audit Plan explains how Internal Audit's resource requirements have been assessed. Internal Audit resource requirements are based on a recognition that:

- the ability to be flexible wherever possible and react to services' need for advice and assistance is a crucial element of Internal Audit's ability to add maximum value;
- the councils have a statutory obligation to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, thereby covering a broad spectrum of work; and
- audit coverage needs to be appropriate and sufficient to enable the Internal Audit Service Manager to discharge his duty to provide a robust annual internal audit opinion in support of the West Suffolk Annual Governance Statement.

1.5.2 The Internal Audit Service Manager considers that the current Internal Audit staff resource is adequate to fulfil the requirements of this Audit Plan and meet statutory obligations. The following full time equivalent posts are filled:

Internal Audit Service Manager – 1 FTE  
Senior Auditors – 2 FTEs  
Auditor - 0.6 FTE (currently on maternity leave)

- 1.5.3 A rough approximation of the proportion of staff resources expected to be allocated to the categories of work detailed in paragraph 1.4.1 is included at **Appendix A.**
- 1.5.4 The training and personal development needs of Internal Audit staff are established through a review process and it is the responsibility of the Internal Audit Service Manager to ensure that audit staff receive the appropriate professional, technical and personal development training. The existing skills, knowledge, and experience of internal audit staff have been taken into account when drafting the Audit Plan.

Appendix A - West Suffolk Councils Draft Internal Audit Plan 2018/19

<b>MAIN FINANCIAL SYSTEMS – ASSURANCE WORK</b>				<b>Link to Strategic Risk Register</b>	<b>Link to Strategic Priorities</b>
<b>Audit area</b>	<b>Expected frequency of audit and 2018/19 coverage</b>	<b>Reason for audit</b>	<b>Priority</b>		
<p>These are the main financial systems that support the running of the councils. These audit reviews are carried out to provide independent assurance to the Assistant Director (Resources and Performance) / Section 151 Officer that arrangements are operating effectively, and in line with the Financial Procedure Rules and Treasury Management Strategy as appropriate. The regularity of the audit review required depends on a number of factors, for example, previous assurance opinions, year last audited, system and resource changes. However, based on current information it is expected that these audits will be performed either annually or within a three year cycle (i.e. a full audit every three years and a reduced scope audit review in the two intervening years), as detailed below.</p> <p><i>Rough approximation of expected staff resource allocation: 20%</i></p>					
<b>Creditors</b>	Full audit every 3 years Reduced coverage in 2018/19	To provide assurance that payments made are valid, authorised, accurate and timely, in respect of goods and services received by the councils and that they have been properly accounted for in the councils' accounts.	1	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing
<b>Debtors</b>	Full audit every 3 years Reduced coverage in 2018/19	To provide assurance that invoices are complete, accurate and timely, that all invoices are paid and accounted for in the councils' accounts, and for those not paid timely action is taken to recover	1	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing

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		them; with uneconomic and irrecoverable amounts written off in line with the councils' write-off policy.				
Page 66	<b>Treasury Management</b>	Annual audit required to satisfy requirement for internal audit to sign off the Annual Statement of Compliance with the Treasury Management Code of Practice as reported to committee	To provide assurance that accurate, complete and timely information is produced to allow for effective monitoring and decision making in line with the investment strategy; that transactions are complete, accurate, valid and timely and made with institutions in line with the Treasury Management Strategy; and that treasury management activities are monitored and scrutinised in accordance with the CIPFA Code of Practice.	1	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing
	<b>Cash Handling</b>	Annual audit required due to sums involved and risks associated with cash handling	To provide assurance that effective controls are in place over car parking cash collection, retention and banking systems due to the materiality of cash involved.	1	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing
	<b>Council Tax &amp; Overpayments</b>	Annual audit required as agreed with other ARP partners. Note that West Suffolk currently	To review and test systems for the collection of overpayments and	1	WS1A – Poor Financial Management	Growth, Resilient Families and Communities,

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	undertakes the audits of Council Tax & Overpayments and Housing & Council Tax Benefits on behalf of all the ARP partners for which a fee is charged. The audits of National Non-Domestic Rates and ARP Enforcement are currently undertaken by other partners. This arrangement has been agreed for the 2017-18 and 2018-19 audits and will be reviewed for the 2019-20 audits onwards.	council tax ensuring that legislation is adhered to, exemptions and reliefs are correctly administered, refunds are appropriate, debt recovery is taking place, and to review the reconciliation of the council tax system to the general ledgers.		WS1B – Poor Financial Planning	Housing
<b>Housing &amp; Council Tax Benefits</b> Page 67	See above	To review and test systems for the administration and payment of housing benefit and council tax reduction, to ensure that legislation is adhered to, and control accounts are regularly reviewed.	1	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing
<b>Payroll</b>	Full audit every 3 years Reduced coverage in 2018/19	To provide assurance that key controls exist for payroll processing including adequate documentation for starters and leavers, controls over amendments to individual payroll records, verifications to ensure that statutory deductions are correctly calculated and promptly paid to the	1	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing

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		Inland Revenue, reconciliations between the payroll system and the general ledger are correctly and promptly undertaken, and any changes to pay and rewards have been correctly implemented.		
<b>General Ledger</b>  Page 68	Full audit every 3 years Reduced coverage in 2018/19	To provide assurance that financial transactions are correctly recorded including ensuring their completeness and integrity, with the aim of providing the data from which the councils' annual Statements of Accounts can be prepared.	1	WS1A – Poor Financial Management WS1B – Poor Financial Planning  Growth, Resilient Families and Communities, Housing

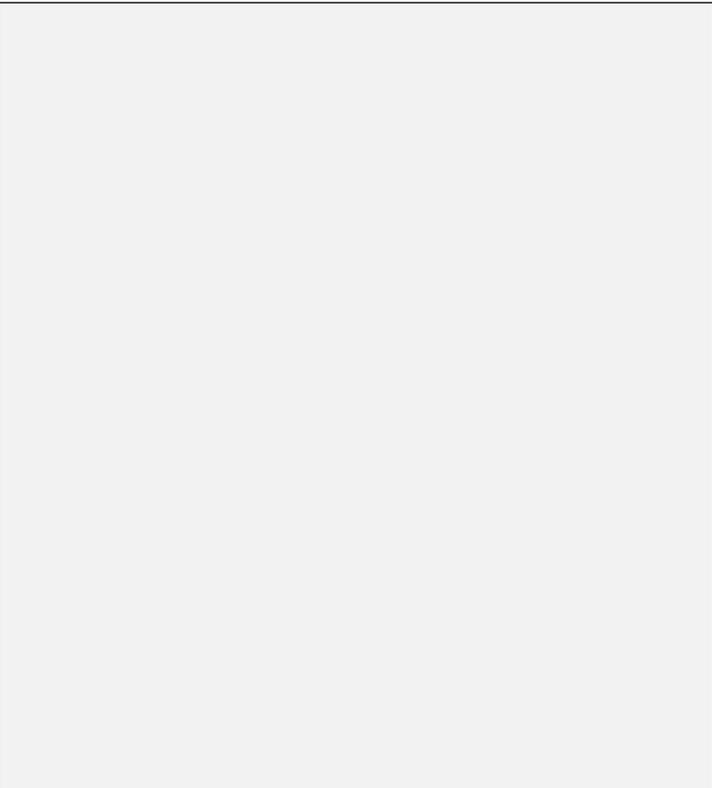
**ADDED VALUE WORK – ASSURANCE WORK**

Areas identified by management and internal audit that would benefit from audit input in the form of providing support and advice to management including reviewing relevant arrangements on behalf of management and/or assisting in making improvements. Care will be taken to ensure these activities do not impinge upon internal audit independence.

These pieces of work will generally be one-off activities (unlike the annual financial systems reviews) and will not always result in a formal report being issued or an opinion provided. However, these pieces of work will contribute to a balanced audit plan which enables the Internal Audit Service Manager to give his statutory annual audit opinion on the adequacy and effectiveness of the councils’ framework of risk management, control and governance processes.

Work included in this category is likely to include areas such as project assurance, record retention and management, risk and performance management, contract procedure rules, and feeding into project working groups where audit skills will add value.

*Rough approximation of expected staff resource allocation: 30%*



<p><b>CORPORATE AND BUSINESS AREA AUDITS – ASSURANCE WORK</b>                      Reviews of systems, processes or tasks where the internal controls are identified, tested, and evaluated. These are therefore more traditional pieces of audit work in contrast to the 'Added Value Work' referred to earlier.                      Again, unlike the annual financial systems reviews these pieces of work will generally be one-off activities but they will normally result in a formal report being issued and an opinion provided                      The work in this category is driven by a shared understanding between management and internal audit of relevant risks.                      Work included in this category is likely to include, but not necessarily be restricted to, the following pieces of work. An ongoing assessment of potential work areas will ensure that audit resource will be used in those areas which will benefit most from audit input.                      Rough approximation of expected staff resource allocation: 30%</p>				
Page 70 Subject	Outline Scope	Priority	Link to Strategic Risk Register	Link to Strategic Priorities
<b>GDPR</b>	Follow up work to health check undertaken in March 2018 requested by Data Protection Officer and GDPR Project Coordinator to include assisting with monitoring arrangements post May 2018, and data sharing agreements.	1	WS16 – Breach of data protection and information security	Growth, Resilient Families and Communities, Housing
<b>Contract Management</b>	Review to provide assurance that contracts are being appropriately monitored and managed, including supplier resilience (continuity plans etc.), review a sample to ensure compliance	1	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing
<b>Appraisal of IT risks</b>	Options available for commissioning an expert appraisal of the IT risks and existing assurances	1	WS16 – Breach of Data Protection and Information Security	Growth, Resilient Families and

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	against those risks to identify any gaps will be investigated.		WS23 – Cyber Security	Communities, Housing
<b>Procurement Compliance</b>	Review of compliance with the requirements of the Contract Procedure Rules and check whether value for money can be evidenced for payments that are not linked to a contract.	2	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing
<b>Transparency Code</b>	Review of compliance with the Code	2	WS2 – Maintain and promote our public image, maintain effective communications	Growth, Resilient Families and Communities, Housing
<b>Tree Management</b>	Review of management of tree inspections and how trees are risk categorised; also consider the process around reporting dangerous trees including those where damage has occurred to property, vehicle as a result	2	WS2 – Maintain and promote our public image, maintain effective communications	Growth, Resilient Families and Communities, Housing
<b>Information Security</b>	Regular information security walkrounds	2	WS16 – Breach of data protection and information security	Growth, Resilient Families and Communities, Housing
<b>Disposal of confidential waste</b>	Confirmation that staff are aware of, and comply with the councils’ disposal of confidential waste procedures, and that where a contracted supplier is used they specialise in the secure destruction of confidential waste and their procedures conform to recognised industrial standards.	3	WS16 – Breach of data protection and information security	Growth, Resilient Families and Communities, Housing
<b>Insurance – claims handling and reduction</b>	Review looking at claims handling, potential for claims reduction and third party insurance arrangements.	3	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing
<b>Procurement Cards</b>	Review to confirm that cards are used in accordance with policies; that expenditure is monitored and approved appropriately; that best	3	WS1A – Poor Financial Management	Growth, Resilient Families and

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	value is achieved; and that the risk of fraud is minimised		WS1B – Poor Financial Planning	Communities, Housing
<b>Enforcement Notices</b>	Review the issuing and enforcement of fixed penalty notices (e.g. graffiti, dog fouling, litter) including procedures, exemption and waivers, income collection including cancellation, signage)	3	WS1A – Poor Financial Management WS1B – Poor Financial Planning WS2 – Maintain and promote our public image, maintain effective communications	Growth, Resilient Families and Communities, Housing
<b>Customer Behavioural / Violence Register</b>	Review to provide assurance that staff are aware of all potentially violent / abusive members of the public and that arrangements around the register are compliant with the Data Protection Act / GDPR. Review to also include lone working.	3	WS20 – Implementation of the Corporate Health & Safety Policy WS16 – Breach of data protection and information security	Growth, Resilient Families and Communities, Housing
<b>ICT Asset Management</b>	Review to cover ICT hardware asset inventory, whether updated on a regular basis, responsibility for updating assigned, updated ICT events such as new purchases, loss or theft, and also HR events such as recruitment, retirement, dismissal etc.	3	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing
<b>Cash Handling Spot Checks</b>	Cash handling spot checks at various sites.	3	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing
<b>Events Management</b>	Approximately 100 events held annually – review of whether relevant risks have been considered and mitigated against as appropriate. Consider potential links with new health and safety software system.	3	WS20 – Implementation of the Corporate Health & Safety Policy WS2 – Maintain and promote our public image, maintain effective communications	Growth, Resilient Families and Communities, Housing

<b>FOLLOW UPS – ASSURANCE WORK</b> <i>Approximate resource allocation: 5% of productive time</i>	<b>Priority</b>	<b>Link to Strategic Risk Register</b>	<b>Link to Strategic Priorities</b>
Whilst it is management’s responsibility to manage the risks associated with the areas under their authority, internal audit will monitor progress against the implementation of all agreed audit recommendations deemed to be high / medium risk.	1	Depending on follow up work undertaken	Depending on follow up work undertaken

<b>FRAUD, IRREGULARITY AND PROBITY – ASSURANCE WORK</b> Proactive testing of systems and processes to identify potential fraud and misappropriation or noncompliance with policies and procedures; and potentially reactive investigations into potential wrong doing, fraud and corruption. <i>Rough approximation of expected staff resource allocation: 5%</i>		<b>Link to Strategic Risk Register</b>	<b>Link to Strategic Priorities</b>
<b>Subject</b>	<b>Outline Scope</b>	<b>Priority</b>	
<b>Irregularity Investigations</b>	Reactive work where suspected irregularity has been detected.	1	WS1A – Poor Financial Management WS1B – Poor Financial Planning Growth, Resilient Families and Communities, Housing
<b>Data matching</b>	Co-ordinating review of National Fraud Initiative matches, and developing of other data matching reports.	1	WS1A – Poor Financial Management WS1B – Poor Financial Planning Growth, Resilient Families and Communities, Housing
<b>Proactive Fraud and</b>	Proactive anti-fraud work that includes targeted testing of processes with inherent risk of fraud.	2	WS1A – Poor Financial Management Growth, Resilient Families and

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<b>Corruption Work</b>	For example, carrying out cash handling spot checks at council sites, to review controls in place over cash collection, retention and banking systems.	2	WS1B – Poor Financial Planning	Communities, Housing
<b>Fraud Awareness and Publicity</b>	Continuing to raise awareness of fraud issues and how to report suspicions.		WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing

<b>OTHER ASSURANCE WORK</b>		<b>Link to Strategic Risk Register</b>	<b>Link to Strategic Priorities</b>
Includes providing advice on systems and processes and includes attendance at working groups to advise on risk and control, as well as responses to specific enquiries. <i>Rough approximation of expected staff resource allocation: 5%</i>			
<b>Subject</b>	<b>Outline Scope</b>		
<b>Annual Governance Statement Working Group</b>	Production of the West Suffolk Annual Governance Statement and its associated documents.	All risks	Growth, Resilient Families and Communities, Housing
<b>Information Governance Working Group</b>	Audit support on information governance policies and practices.	WS16 – Breach of data protection and information security	Growth, Resilient Families and Communities, Housing
<b>Strategic Risk Management Group</b>	Review of strategic risks prior to submission to Leadership Team and Performance and Audit Scrutiny Committee.	All risks	Growth, Resilient Families and Communities, Housing
<b>Single Council Implementation Officer Working Group</b>	Implementation of single council.	Various	Growth, Resilient Families and Communities, Housing

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<b>General Advice and Assistance</b>	Provision of advice and assistance on the risk, governance and internal control environment.	All risks	Growth, Resilient Families and Communities, Housing
<b>Internal Audit External Working Groups</b>	Regular meetings with other Suffolk councils' audit teams and other relevant groups to share learning and good practice.	All risks	Growth, Resilient Families and Communities, Housing
<b>Liaison with External Audit</b>	To ensure there is no duplication of work between internal and external audit.	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing

<b>FEE EARNING – NON-ASSURANCE WORK</b>		<b>Link to Strategic Risk Register</b>	<b>Link to Strategic Priorities</b>
Fee earning services to other local authorities who request our assistance. Approximately £12,000 is currently expected to be earned in 2018/19. Rough approximation of expected staff resource allocation: 5%			
<b>75 Subject</b>	<b>Outline Scope</b>		
<b>ARP audits on behalf of other partners</b>	Audit of council tax and housing benefits systems on behalf of other ARP partners	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing
<b>Grant Certification</b>	Grant certification work for Suffolk County Council to provide assurance that the conditions of the specific grant determinations have been complied with.	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing

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<b>OTHER NON-ASSURANCE WORK</b> <i>Rough approximation of expected staff resource allocation: less than 5%</i>		<b>Link to Strategic Risk Register</b>	<b>Link to Strategic Priorities</b>
<b>Subject</b>	<b>Outline Scope</b>		
<b>Financial Vetting and Financial Due Diligence for investment decisions</b>	Carry out financial vetting / financial due diligence checks on businesses (prospective suppliers, contractors, industrial unit tenants and partners) to minimise financial risks to the councils.	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities, Housing
<b>West Stow Anglo Saxon Village Trust Accounts</b>	Independent Examiners’ report on the accounts to provide assurance on the charity trustees’ preparation of the accounts. (NB - this audit is undertaken every year)	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities
<b>Arts Council Grant</b>	Certification of a statement of income and expenditure in respect of an Arts Council grant for the project ‘Building Resilience in St Edmundsbury’s Museums’. (NB – this is a one-off audit)	WS1A – Poor Financial Management WS1B – Poor Financial Planning	Growth, Resilient Families and Communities

**Priority Key**

<b>1</b>	High
<b>2</b>	Medium
<b>3</b>	Low

# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Balanced Scorecard and Quarter 4 Performance report 2017-18</b>	
<b>Report No:</b>	<b>PAS/FH/18/014</b>	
<b>Report to and dates:</b>	<b>Performance and Audit Scrutiny Committee</b>	31 May 2018
<b>Portfolio holder:</b>	Councillor Stephen Edwards Portfolio Holder for Resources and Performance <b>Tel:</b> 01799 530325 <b>Email:</b> <a href="mailto:stephen.edwards@forest-heath.gov.uk">stephen.edwards@forest-heath.gov.uk</a>	
<b>Lead officer:</b>	Rachael Mann Assistant Director (Resources and Performance) <b>Tel:</b> 01638 719245 <b>Email:</b> <a href="mailto:rachael.mann@westsuffolk.gov.uk">rachael.mann@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	This report sets out the West Suffolk Balanced Scorecards being used to measure the Council's performance for 2017-18 and an overview of performance against those indicators for the final quarter of 2017-18.	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>Members are requested to review the Council's performance using Balanced Scorecards for Quarter 4, 2017-18 and identify any further information required or make recommendations where remedial action or attention is required to address the Council's performance.</b>	

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

<p><b>Background papers:</b>  <i>(all background papers are to be published on the website and a link included)</i></p>	<p><a href="#">PASC - May 2017 - Item 8 - Balanced Scorecard Targets 2017-18</a></p>
<p><b>Documents attached:</b></p>	<p><b>Appendix A</b> – Resources and Performance Balanced Scorecard</p> <p><b>Appendix B</b> – Families and Communities Balanced Scorecard</p> <p><b>Appendix C</b> – Human Resources, Legal and Democratic Balanced Scorecard</p> <p><b>Appendix D</b> – Planning and Regulatory Balanced Scorecard</p> <p><b>Appendix E</b> – Operations Balanced Scorecard</p>

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## **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 4 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 4 Performance**

- 1.2.1 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 final quarter, reporting 93.54% 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.

		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	£88,225.00	-	M	Cumulative		£115k overspend on Non-Distributed csots in relation to ill health retirements. Plus (£53k) ARP surplus and £28k overspend on Corporate, As detailed in the Budget Monitoring reports.	SATISFACTION	Number of formal complaints	12	No Target	B	Period only		Seven for ARP benefits, Five for ARP Council Tax. Further explanations and apologies for delays given.	
		Year end forecast variance (under) / over spend against budget - SEBC	£456,728.00	-	M	Cumulative		£576k overspend on Non-Distributed csots in relation to ill health retirements. Plus (£83k) ARP surplus, (£56k) Council Tax surplus and a £26k overspend on Corporate, As detailed in the Budget Monitoring reports.		Number of formal compliments	0	No Target	B	Period only			
		Income generated from SLAs	-£511,118.10	-£468,484.00	M	Cumulative		Income primarily generated via ICT contracts, eg. ARP, SCC, Abbeycroft Leisure etc.	CUSTOMERS	ORGANISATIONAL	Organisational year end forecast variance (under) / over spend against budget - FHDC *	£0.00	-	M	Cumulative		£88 R&P, (£4k) HRL&D, (£45k) F&C, £93k P&R, (£81k) Ops, (£73k) Growth, £23k interest. As detailed in the Budget Monitoring reports.
		% return on the investment of reserves and balances - FHDC	0.70	0.75	Q	Cumulative		£125k interest received to date, against a budget of £181k.			Organisational year end forecast variance (under) / over spend against budget - SEBC *	-£35,523.00	-	M	Cumulative		£456 R&P, (£6k) HRL&D, £88k F&C, (£27k) P&R, (£588k) Ops, £13k Growth, £36k interest. As detailed in the Budget Monitoring reports.
		% return on the investment of reserves and balances - SEBC	0.58	0.55	Q	Cumulative		£352k interest received to date, against a budget of £264k.			Total income generated by organisation £ *	-£28,617,143.11	-£27,484,794.98	M	Cumulative		
	FINANCE & PERFORMANCE	% of non-disputed invoices paid within 30 days	88.12	95.00	M	Period only		101 Undisputed Invoices processed in March 18	% of total non-disputed invoices paid within 30 days *	93.54	95.00	M	Cumulative		1,393 Undisputed Invoices processed March 18		
		% of debt over 90 days old	65.23	10.00	M	Cumulative		Debt over 90 Days £6.8K SEBC and £58K for FHDC	% of total debt over 90 days old *	56.69	10.00	M	Cumulative		Total Debt over 90 Days £250K SEBC and £90K FHDC		
		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 *	88.60	100.00	M	Period only			OUTCOMES	ARP	% Collection of Council Tax - FHDC	101.55	100	M	Cumulative		£28,373,767 Collected as at March 18
		ICT	% of ICT Helpdesk calls completed 'on time' as defined in SLAs	96.30	90.00	Q	Period only					% Collection of Council Tax - SEBC	100.95	100	M	Cumulative	
	ARP		Days taken to process Housing Benefit new claims and changes - FHDC	6.75	8.00	M	Period only					% Collection of Business Rates - FHDC	97.04	100.00	M	Cumulative	
		Days taken to process Housing Benefit new claims and changes - SEBC	6.11	8.00	M	Period only					% Collection of Business Rates - SEBC	97.89	100.00	M	Cumulative		£45,108,685 Collected as at March 18
										BUSINESS RATES	Business Rate Growth - FHDC	22,941,774	23,031,392	M	Cumulative		
											Business Rate Growth - SEBC	42,068,387	42,479,078	M	Cumulative		

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FY 2017 - 2018

WEST SUFFOLK - FAMILIES & COMMUNITIES BALANCED SCORECARD

Appendix B

MONTH Mar 18

QUARTER

Jan 18 - Mar 18

HALF YEARLY

Oct 17 - Mar 18

ANNUAL

Apr 17 - Mar 18

\* These indicators are at organisational level

		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments		
RESOURCES	FINANCIAL	Year end forecast variance (under) / over spend against budget - FHDC	-£45,477.00	-	M	Cumulative		Policy (£32k), Housing Options (£26k), Customer Services £15k Families & Communities (£7k). As detailed in the Budget Monitoring reports.	CUSTOMERS	SATISFACTION	% Customer satisfaction with customer service - overall journey	77	80	Q	Period only		Based on 49 responses. There are plans to increase satisfaction survey feedback over the coming year, such as improving the prompts we give to customers following phonecalls, exploring SMS-based surveys and building survey options into self-service channels.
		Year end forecast variance (under) / over spend against budget - SEBC	£87,980.00	-	M	Cumulative		Housing Options £95k, Policy (£36k), Customer Services £35k, Families & Communities (£14k). As detailed in the Budget Monitoring Reports.			Number of formal complaints	3	No target	B	Cumulative		Three formal complaints, two for housing options and one regarding a press release. One Housing complaint not upheld and one where clarification was issued. Press release complaint recieved an apology
		% of non-disputed invoices paid within 30 days	98.76	95.00	M	Cumulative		161 undisputed invoices processed in March			Number of formal compliments	13	No target	B	Cumulative		Ten for customer services, Two for families & communities, One for Housing options
		% of debt over 90 days old	95.58	10.00	M	Cumulative		FHDC debt £373.72 - £373.72 (100%) over 90 days; £293.72 of this debt is with legal. SEBC debt £10,010.64 - £9,551.90 (95.42%) over 90 days; £4,851.90 of the total outstanding debt is with legal.			% of telephone calls answered	89	90	M	Period only		Based on 17,576 calls in March
		Current Value	Target	Frequency	Type	Trend	Comments			Current Value	Target	Frequency	Type	Trend	Comments		
INTERNAL PROCESSES	COMMUNICATIONS	Number of unique users of the West Suffolk councils website	38,866	37,583	M	Period only		Accumulated average is 1283 above target. This month (41446) is lower than Mar 2017 (48,771) and Mar 2016 (45,451) which were exceptional years, but it is increasing in line	OUTCOMES	CUSTOMER SERVICES	Number & % of contacts - phone	56	55	Q	Period only		43,777 calls this quarter
		Number of unique page views to the West Suffolk councils website	119,540	116,667	M	Period only		Accumulated average is 2873 above target. This month (123,515) is lower than Mar 2017 (152,378) and Mar 2016 (159,145) which were both exceptional years, but it is increasing in a similar way to previous years.			Number & % of contacts - face to face	13	15	Q	Period only		Based on 9,835 face to face visits
	Number of applications processed for Housing register	123	60	M	Period only		Volume of applications processed remain high whilst staff work through backlog of applications	Number & % of contacts - online			32	30	Q	Period only		Based on 8,136 emails and 16,595 online forms this quarter	
	Average time taken to make decisions on homelessness applications (days)	20	21	M	Period only		Decision times within Code of Guidance recommendation	Advice & Prevention cases currently open or closed during the month		48	40	M	Period only		Cases closed were higher due to the preparation to close legacy cases in response to the HRA		
										Household Numbers in B&B	20	15	M	Period only		Caseloads remain high, all other temp in use at present	
								Numbers in Bands A & B	888	No target	M	Period only		Applicants needs to be moved remain high with a large percentage assessed as Band B - High need to move			

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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	-£4,146.00	-	M	Cumulative		Surplus due to Corporate Agency pot under utilised (£38k) and Central Training underspend (£23k). Offset by agreement to fund GDPR costs in full this financial year £53k. Plus additional postage & staffing costs of £19k as a result of additional Elections. As Detailed in the Budget Monitoring Reports.	CUSTOMERS	SATISFACTION	Number of formal complaints	0	No target	B	Period only		Zero formal complaints received in from Oct 17 - Mar 18
		Year end forecast variance against budget - SEBC	-£5,639.00	-	M	Cumulative		Surplus due to Corporate Agency pot under utilised (£49k), Shared Legal Savings (£15k) and Central Training underspend (£23k). Offset by agreement to fund GDPR costs in full this financial year £36k. Plus additional postage & staffing costs of £36k as a result of additional Elections. As Detailed in the Budget Monitoring Reports.			Number of formal compliments	11	No target	B	Period only		Ten for legal and one for HR
		% of non-disputed invoices paid within 30 days	92.45	95.00	M	Cumulative		53 Undisputed invoices processed in March		SERVICE	% response rate to Annual Canvass	97.05	95.00	A	Cumulative		97.05% of households in West Suffolk responded to the annual canvass. This means that a response was received either directly from the household confirming the names of persons resident in the property, or we were able to confirm that the names of electors registered matched the names on council tax records. Using extra resource we also identified properties that were empty or were occupied by USAF where residents are not eligible to register to vote
		% of debt over 90 days old	0.00	10.00	M	Cumulative		No debt has been over 90 days for FHDC or SEBC all year			Customer Services % of answered calls - elections	90.00	90.00	M	Period only		Based on 141 calls this month
	STAFF	Average number of sick days lost per FTE per annum*	5.85	6.50	Q	Cumulative		Sickness absence continues to be well managed and is reducing									
		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)	25.50	35.00	Q	Period only		Work has been done on employer brand and effective recruitment processes	OUTCOMES	HUMAN RESOURCES	% Voluntary staff turnover *	9.03	7-12	Q	Cumulative		Despite a competitive labour market the retention of staff is not a problem
								% successful staff appointments *			96.72	85.00	Q	Cumulative		Our employer brand and reputation continues to be strong and we are able to recruit successfully	
										HEALTH & SAFETY	Reported incidence of injuries, diseases and dangerous occurrences *	3	10	Q	Cumulative		1 x trip and fall 22 days, 2 x handling totalling 27 days

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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	£92,740.00	0.00	M	Cumulative		Deficits mainly caused by lower income than budget on Developmental Control E66, Building Control E51, and Environmental Management E33. These are partly offset by surpluses on Land Charges E131, Solar Farm E139 and Public Health/Housing E18. As detailed in the Budget Monitoring Reports.	SATISFACTION	Number of formal complaints	11	No target	B	Period only		We received 11 complaints between January and March 2018 for Planning and Regulatory Services, nine for planning only one of these was justified relating to a TPO, we received two for housing standards which were not upheld. In 2017/18 the service has received 89 complaints, 12 of these were justified (13.5%). We review all complaints that are justified and learn from these.
		Year end forecast variance (under) / over spend against budget - SEBC	-£36,679.00	0.00	M	Cumulative		Additional income on Development Control and land charges resulted in surpluses of (£68k) and (£27k) respectively. These are partly offset by deficits on Building control of £42k, Environmental Management of £28k and Licensing £35k. As detailed in the Budget Monitoring reports.		Number of formal complaints	17	No target	B	Period only		We have received 17 compliments between January and March 2018 for Planning and Regulatory Services, 10 for Planning, 5 for enforcement, and 2 for environmental health. In 2017/18 the service has received 12 compliments. We have received more compliments in the Planning service this quarter than complaints, this is a testament to the effort of the team in focussing on customer service.
		Spend on professional fees in relation to planning appeals	£47,323	No Target	M	Cumulative				Number of successful appeals - Planning	0	No Target	M	Period only		No successful appeals in March 2018.
		Income received against budget	-£3,940,742.00	-£3,940,742.00	M	Cumulative				Application decisions needing an extension of time to complete	38	No Target	M	Period only		Out of the 137 planning applications decided in March 2018, 38 applications required an extension of time. In 45% of cases there was an agreed Extension of Time because the case officer was awaiting the submission of amended plans or additional information from the applicant. Only 2% of applications had an agreed Extension of Time because the application was awaiting a slot at DCC or Delegation Panel, 7.8% of applications had an agreed Extension of Time because of extended consultation periods. 18.6% of applications had an agreed Extension of Time because the proposals were still the subject of negotiation and 26.0% of EOT's had either no reason or a unique reason.
		% of non-disputed invoices paid within 30 days	92.31	95.00	M	Period only		65 invoices processed in March.		Total validation backlog	90	No Target	M	Cumulative		During the last year the process within the Validation Team has changed significantly and the validation time for planning applications has improved. A resilient and flexible team is being created in this area to respond to the fluctuation in the number of applications received on a month to month basis. With continuous improvement within the planning service our customers will continue to receive far better customer service. The dip in the amount of validation backlog is because, during the winter months we receive less planning applications than the rest of the year and we were able to reduce the amount of applications awaiting validation.
		% of debt over 90 days old	49.70	10.00	M	Cumulative		The Total debt of £17062 includes £8,491 over 90 days, £6,631 out of £13,982 47% represents FHDC, £1,860 out of £3,079 60.4% of SEBC represents the debts over 90 Days		% of invalid planning applications received	51.00	No Target	M	Period only		In March 2018, 285 applications were validated, 144 of those applications were invalid. 82 of applications validated had a pre-app, 44 of those applications that had a pre-app were invalid.
		DFG mandatory grants paid £	655156.00	£808,629.00	M	Cumulative		The service has supported 1000 vulnerable and elderly residents to meet essential needs and maintain independence in their homes. At the beginning of the year the Home Improvement Agency (HIA) had a large backlog for assessment, this has now been cleared and residents have been referred to the relevant schemes. Residents are now being assessed through the HIA as their requests for support are made. DFG spend is £354,666 out of £485,930 in SEBC and £300,490 out of £322,699 in FHDC. This includes additional funding in 2017/18 £72,136 for SEBC and £44,520 for FHDC. We have worked with partners to fund alternative schemes to meet residents needs, providing them with minor aids, equipment and adaptations which will again be central to our future strategy. Our strategic aims are on preventing harm, increasing access and enjoyment of the home, whilst reducing hospital admissions and facilitating patients returning to their homes. The HIA partnership remains key to achieving our strategic aims, continuing to improve performance and further develop the services we provide. The underspend is largely due to the backlog of OT referrals being delayed and over estimating the level of demand, to facilitate hospital discharge & minor adaptations. The referrals for DFG are committed to be delivered in 18-19 with forecast spend of £853,000 to date. This is in addition to funding which will support residents through non-DFG schemes in WS								
Staff	Cases per member of staff - Housing Standards	31.30	50.00	Q	Period only		This indicator flags up the overall caseload within the service and allows a drill down for further analysis. At the moment the workload is manageable, as we have ensured adequate resource in the service to build the framework and cover the expected demand due to changes to legislation in the private rented sector including civil sanctions and extended licensing of HMOs to maintain satisfactory standards for tenants in the sector which are coming through in 2018/19 and implementation of those schemes									
INTERNAL PROCESSES	PLANNING	% of major planning applications determined within 13 weeks	80.00	60.00	M	Period only		5 major planning applications were determined in March 2018 (4 SEBC, 1 FHDC), 4 applications required an extension of time and 1 application was determined later than 13 weeks. Throughout 2017/18 we have consistently exceeded the performance targets set by central government. This has been achieved through improvements in the validation process, efficient caseload management by officers and the use of extensions of time which are recognised by Government as an acceptable means of managing the delivery of timely planning decisions.	REGULATORY	% of food businesses receiving a top food hygiene rating (rating of 5)	83.30	60.00	Q	Period only		A very slight decrease of 0.5% in the proportion of top-rated food premises. The team continue to work with the poorest-performing businesses to achieve sustained improvements. There was an initial increase in this indicator primarily due to an improvement in the accuracy of the data being used. The overall level has remained very high throughout the year at over 83%.
		% of minor planning applications determined within 8 weeks	94.29	65.00	M	Period only		35 minor planning applications were determined in March 2018 (21 SEBC, 14 FHDC), 19 applications were determined within 8 weeks, 14 applications required an extension of time and 2 applications were determined later than 8 weeks. Throughout 2017/18 we have consistently exceeded the performance targets set by central government. This has been achieved through improvements in the validation process, efficient caseload management by officers and the use of extensions of time which are recognised by Government as an acceptable means of managing the delivery of timely planning decisions.		Private sector Properties brought up to standard	112.00	60.00	Q	Cumulative		Throughout 2017/18 we have brought over 100 properties up to standard to protect the residents of West Suffolk. We have significantly exceeded our target, which is indicative of the focused work on making homes decent and safe for residents and tenants, involving pro-active and reactive work. In future, we welcome our Civil Sanctions Policy which will enable further enforcement options for the most serious offences. The policy is being used as a trigger to consider our enforcement approach in the private rented sector, which will be consistent, proportionate and reasonable. We will continue to work with the good landlords to drive up standards in the sector, and target the very worst with the new sanctions.
		% of other planning applications determined within 8 weeks	96.91	80.00	M	Period only		97 other planning applications were determined in March 2018 (73 SEBC, 24 FHDC), 74 applications were determined within 8 weeks, 20 applications required an extension of time and 3 applications were determined later than 8 weeks. Throughout 2017/18 we have consistently exceeded the performance targets set by central government. This has been achieved through improvements in the validation process, efficient caseload management by officers and the use of extensions of time which are recognised by Government as an acceptable means of managing the delivery of timely planning decisions.		Renewable energy generated on Council properties (kWh)	57,682	63,567	Q	Period only		9% reduction on same period last year, caused by poor generation during March 2018.
	PLANNING ENFORCEMENT	Number of new enforcement cases opened	33	No Target	M	Period only		33 new enforcement cases were opened in March 2018, 20 with SEBC and 13 with FHDC.		Renewable energy generated on Solar Farm (MWh)	1,631	1,539	Q	Period only		A 6% increase in actual generation, due primarily to excellent generation conditions in February 2018. In 2017/18 the solar farm generated more MWh than predicted, 11667 MWh against a target of 11682MWh.
		Number of enforcement cases closed	24	No Target	M	Period only		24 enforcement cases were closed in March 2018, 15 with SEBC and 9 within FHDC. 6 cases were closed as retrospective consent was granted, 11 cases were closed due to PD/Lawful/not expedient/no breach, and 6 cases were remedied informally. 1 case was transferred to a new enforcement case.		Value generated by Solar Farm (£)	£169,669.00	£161,000.00	Q	Period only		A 6% increase in actual generation, due primarily to excellent generation conditions in February 2018.
		Total number of enforcement cases open	335	No Target	M	Period only		There are currently 335 enforcement cases open, 205 within SEBC and 126 within FHDC. The fluctuating total of enforcement cases on hand has largely been affected by the number of cases received and the complexity of those cases. Whilst the service experiences pressures at peak times as a result of these fluctuations, they continue to be successful in appeals and prosecutions and resolution of cases without the need to take formal action.		Solar for Business Income (£)	£23,031.00	£21,715.00	B	Period only		The target (based on the current number of installations) for this period was £21,715, there was a 5.8% increase in revenue. This is made up of feed in tariff payments and electricity sales to the host business. A business plan for 2018/18 is currently being developed with the aim of increasing the number of Solar for Business installations.

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# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Performance Management - 18/19 Draft Performance Indicators, Targets and Format (including financial reporting)</b>	
<b>Report No:</b>	<b>PAS/FH/18/015</b>	
<b>Report to and dates:</b>	<b>Performance and Audit Scrutiny Committee</b>	31 May 2018
<b>Portfolio holders:</b>	Councillor Stephen Edwards Portfolio Holder for Resources and Performance <b>Tel:</b> 01799 530325 <b>Email:</b> <a href="mailto:stephen.edwards@forest-heath.gov.uk">stephen.edwards@forest-heath.gov.uk</a>	
<b>Lead officer:</b>	Rachael Mann Assistant Director (Resources and Performance) <b>Tel:</b> 01638 719245 <b>Email:</b> <a href="mailto:rachael.mann@westsuffolk.gov.uk">rachael.mann@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	This report is intended to provide the opportunity to discuss and review the principles, metrics and format proposed to be used for Performance Management for 2018/19.	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>It is <u>RECOMMENDED</u> that members scrutinise the proposed Balanced Scorecards indicators and targets for 2018/19 and identify any further information required for their use commencing Q1 2018/19 Performance and Audit Scrutiny Committee in July 2018.</b>	

<b>Key Decision:</b> <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>		<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
<b>Consultation:</b>		<ul style="list-style-type: none"> <li>Leadership team (LT), Portfolio Holders and service areas have been consulted during the development of the 2018/19 draft performance indicators, targets and format</li> </ul>	
<b>Alternative option(s):</b>		<ul style="list-style-type: none"> <li>Keep the existing format. However, the opportunity will be missed to let the current framework evolve and improve to achieve better performance management outcomes.</li> </ul>	
<b>Implications:</b>			
<i>Are there any <b>financial</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<i>Are there any <b>staffing</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<i>Are there any <b>ICT</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<i>Are there any <b>legal and/or policy</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<i>Are there any <b>equality</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
	Low/Medium/ High*		Low/Medium/ High*
Failure to update performance targets may impact on their effectiveness	Medium	Regular review of performance metrics and targets at Leadership Team, with Portfolio Holders and at PASC.	Low
<b>Ward(s) affected:</b>		All Wards	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>			
<b>Documents attached:</b>		<b>Appendix A</b> – Proposed PASC 2018-2019 Balanced Scorecard	

## **1. Introduction and Purpose**

- 1.1 West Suffolk Councils have a clear set of Strategic Priorities that set out what the councils are aiming to achieve from 2018 to 2020. We have during 2017/18 proposed a revision to the current performance management approach to develop into a performance framework that enables understanding of progress towards those strategic priorities as well as giving insight on the delivery of the large range of day-to-day services to the residents of West Suffolk.
- 1.2 Throughout 2017/18 Performance and Audit Scrutiny Committee (PASC) has reviewed each quarter a set of 97 Key Performance Indicators (KPIs) split across 5 service-based balanced scorecards. They have been in use in various formats since April 2015.
- 1.3 This report is intended to provide the opportunity to discuss and review the draft principles, metrics and format proposed to be used for Performance Management for 2018/19.
- 1.4 The purpose of this evolution and development of the performance management framework is to ensure that management information supplied to the PASC, Cabinet and Leadership Team clearly shows:
  - Progress towards strategic goals.
  - Insight on initiatives that will ensure future progress.
  - Areas that require decisions and actions to keep on track to their goals.
  - Items with a significant level of risk associated with them.
  - Flexibility in approach allowing the escalation of performance successes and challenges
  - Inclusion of qualitative information as part of our overall story/messaging around performance.

## **2. Process**

- 2.1 There have been series of workshop sessions with each service area over the last few months, which have had the aim of defining each services strategic goal and where it sits with relation to those strategic goals.
- 2.2 Using these as a starting point, metrics were then devised that would show progress towards these goals (outcomes) and activities undertaken to achieve them (activities and outputs).
- 2.3 These have then been refined within the services with regard to information availability and value. Targets have also been proposed based on prior year's information and trends where they are available (these are still in development for the Growth scorecard).
- 2.4 Thresholds that would trigger an Amber or Red warning dependant on variance against Target has also been defined and recorded.
- 2.5 These KPIs have then been categorised to match up against the Strategic Priorities or day to day service delivery creating 4 scorecards attached at **Appendix A**.

### **3. Principles**

#### **3.1 Focus on message**

- 3.1.1 As part of the quarterly production of the balanced scorecards to PASC, the executive summary should provide the key messages (messages supported by the communications team) that need to be raised and communicated for that time period along with any forecasted performance successes and/or challenges (might be based on trend or additional information).
- 3.1.2 This will be supported by the key relevant metrics as required. The full set of key performance indicators (KPI's) will sit behind this summary.
- 3.1.3 This would build on the current approach but with more emphasis on key messages as part of our overall story/messaging around performance rather than the detail of individual KPIs.

#### **3.2 Relevance and Value**

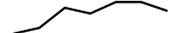
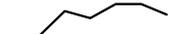
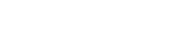
- 3.2.1 Each metric has been assessed on its relevance to delivering each services strategic goal (and therefore the councils Strategic Priorities) and whether it is of real value to aid decision making and management of that service.
- 3.2.2 There are services where it has been identified that it is extremely difficult to track progress using regularly reported metrics due to the longer term qualitative nature of the work.
- 3.2.3 These services are:
  - Families & Communities
  - Policy
- 3.2.4 These areas are best represented through case-studies and examples of specific initiative delivery. These should be called out as part of the overall commentary and supported by relevant data as each case requires.

### **4 Performance and Audit Scrutiny Committee Format**

- 4.1 The proposal is that the primary report to Performance and Audit Scrutiny Committee (PASC) will be a summary of the key financial indicators, the key KPIs relevant to that periods performance and a commentary that uses these KPIs (and any additional information) to highlight the key areas for discussion and decision making. This would be supported by the full set of KPIs split by Strategic Priority (plus Day-to-Day service monitoring) and the detailed Budget Monitoring reports (rather than them being a separate report to PASC).
- 4.2 This is planned to integrate our reporting in a way that presents the key messages in one place for quick and clear understanding whilst retaining the supporting metrics and information to give confidence in and visibility of overall council delivery.
- 4.3 It is envisaged that this new format will continue to evolve during 2018/19 taking into account feedback from Cabinet and PASC members.
- 4.4 This format will be used from Q1 review at PASC in July 2018.

**PASC BALANCED SCORECARD**  
**JUN 2018**

<b>Budget Monitoring - Over/(Under) spend</b>				EXAMPLE
<b>Revenue</b>	<b>SEBC</b>	<b>FHDC</b>	<b>West Suffolk</b>	
Net Year-end forecast variance to Budget	(50)	0	(50)	
Income Year-end forecast variance	(1,723)	(309)	(2,032)	
Expenditure Year-end forecast variance	1,673	309	1,982	
<b>Capital</b>	<b>SEBC</b>	<b>FHDC</b>	<b>West Suffolk</b>	
Net Year-end forecast variance to Budget	(22,203)	(18,279)	(40,482)	
<b>Reserves</b>	<b>SEBC</b>	<b>FHDC</b>	<b>West Suffolk</b>	
Net Year-end forecast variance to Budget	(2,992)	(5,303)	(8,295)	

<b>Key Performance Indicators</b>				EXAMPLE
	Value	Target	Trend	
<b>Inclusive Growth</b>				
Income from entire property portfolio (£)	(4,199)	(3,980)		
<b>Housing</b>				
Uptake of pre-application advice (% of all applications - major/...	28%	40%		
% of planning applications that had a pre-app which are valid fi...	75%	60%		
<b>Families &amp; Communities</b>				
Number of cases of accepted statutory homeless	52	37		
Number of households in Bed and Breakfasts (as at last day of t...	14	15		
<b>Day-to-Day</b>				
Income from waste & street scene services (£)	(2,437)	(1,997)		
Apex income (£)	(1,200)	(1,015)		
<b>Corporate Efficiency</b>				
Number of reportable breaches of GDPR	5	0		

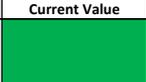
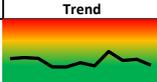
**Commentary** EXAMPLE

Financially strong income levels continue to offset the unplanned costs relating to Ill Health Early Retirement Pension costs. Driving this income above Budget are the high occupancy rates of the industrial units, increased customer uptake of our trade waste services (use of the Rollonof vehicle is particularly high) and increased sales of Apex tickets.

Outside of this impact the main trends of 2017/18 continued with ongoing pressure on Homeless Advice and Prevention as the cold weather drives increased demand for these services. The caseload remains high but numbers of households in B&B and the numbers in Bands A&B remain under control.

With the General Data Protection Regulation legislation to come into force on 25th May 2018 any breaches are being recorded and investigated. There have been 5 instances of what would have to be reported as a breach this year. These have primarily been associated with e-mail exchange of data caused by human error. These are being investigated and action will be taken to restrict the likelihood of reoccurrence.

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STRATEGIC PRIORITY - INCLUSIVE GROWTH						JUNE 2018	
No.	Quadrant	Indicator	Rationale	Current Value	Target	Trend	Commentary
G1	Outcome	Job growth over time			TBC		
G2	Outcome	% of residents with NVQ3 and NVQ4 with STEM and construction qualifications over time			TBC		
G3	Outcome	External Funding received for infrastructure			TBC		
G4	Outcome	% of business and residents with high speed broadband.			TBC		
G5	Outcome	Median wage levels			TBC		
G6	Outcome	% of jobs paying living wage or higher			TBC		

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STRATEGIC PRIORITY - FAMILIES & COMMUNITIES						JUNE 2018	
No.	Quadrant	Indicator	Rationale	Current Value	Target	Trend	Commentary
F1	Outcome	Number of cases of accepted statutory homeless	Outcome - trend of homeless numbers		No target		
F2	Outcome	Number of households in Bed and Breakfasts (as at last day of month)	Output - indicator of demand and process		11		
F3	Outcome	Attendance at Council Leisure facilities operated by Abbeycroft	To measure the use of our leisure assets to support the wellbeing and activity of residents		No target yet		
F4	Outcome	Number of local participants of Mass Participation Events at Council Leisure facilities			No target yet		
F5	Outcome	Number of people doing 30 mins or more of physical activity per week at Council Leisure facilities			No target yet		
F6	Outcome	Residual household waste per household (kg)	Outcome - impact of awareness campaigns and initiatives		550kg		
F7	Outcome	Number of flytipping incidents recorded in West Suffolk	Outcome - impact of prevention initiatives		625		
F8	Outcome	Apex ticket volume	Output - impact of advertising and act variety		TBC		

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STRATEGIC PRIORITY - HOUSING						JUNE 2018	
No.	Quadrant	Indicator	Rationale	Current Value	Target	Trend	Commentary
H1	Outcome	Housing starts on site and completions by year (net additional houses)			TBC		
H2	Outcome	Number of housing units delivered for affordable or social rent or intermediate			TBC		
H3	Outcome	Total number of empty homes.	To ensure all suitable empty properties are available as homes		1164		
H4	Outcome	Number of empty homes reduced against the total of prioritised homes.	increase the number of available homes (by reducing the total number of empty homes)		TBC		
H5	Outcome	Housing improvement - Number of residents/households supported via interventions.	All homes available are safe, decent and healthy to live in, Homes are suitable for physical and mental, health and well being.		N/A - New indicator		
H6	Outcome	Housing Improvement - Number of properties identified as below standard that have been made safe/decent by removing hazards.	People live in suitable homes, Supporting independence in the home		N/A - New indicator		
H7	Outcome	Housing improvement - Number of households supported through funding schemes.	We want people to have a decent home to live in.		N/A - New indicator		
H8	Internal Process	Housing improvement - % of resolved service requests relating to poor housing standards.	We want people to have a decent home to live in.		N/A - New indicator		

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STRATEGIC PRIORITY - DAY TO DAY						JUNE 2018	
No.	Quadrant	Indicator	Rationale	Current Value	Target	Trend	Commentary
D1	Customers	Total number of Complaints	Output - measure of customer satisfaction		No Target		
D2	Customers	Total number of Compliments	Output - measure of customer satisfaction		No Target		
D3	Customers	% Response rate to annual canvass of electors	Output - effectiveness of process		95.00		
D4	Customers	Number & % of phone calls answered	Activity - indicator of process and demand		90%		
D5	Customers	% of customers satisfied with the overall journey	Outcome - effect of customer process and solution		80%		
D6	Customers	Number of unique users of the West Suffolk Councils website	Output - indicator of customer engagement		37,600		
D7	Customers	Social Media audience increase	Output - indicator of customer engagement		10% rise		
D8	Customer	Uptake of pre-application advice (% of all applications - major/minor).	We want to ensure all stakeholders and Members have high confidence in West Suffolk as a planning authority. We want to be the regional planning employer of choice		40%		
D9	Financial	Total Amount of Debt over 90 Days	Output - scale of debt issue		No Target		
D10	Financial	% Un-Disputed Invoices paid within 30 Days	Output - impact of AP activity.		95.00		
D11	Financial	% Collection of 2018/19 Council Tax - FH	Output - results of collection activity		96%		
D12	Financial	% Collection of 2018/19 Council Tax - SE	Output - results of collection activity		96%		
D13	Financial	% Collection of 2018/19 Business Rates - FH	Output - results of collection activity		93%		
D14	Financial	% Collection of 2018/19 Business Rates - SE	Output - results of collection activity		93%		
D15	Internal Process	Council Tax Reduction Scheme claims - Days taken to process - FH	Output - results of collection activity				
D16	Internal Process	Council Tax Reduction Scheme claims - Days taken to process - SE	Output - results of collection activity				
D17	Internal Process	Housing Benefits Claims - Days taken to process - FH	Output - results of collection activity				
D18	Internal Process	Housing Benefits Claims - Days taken to process - SE	Output - results of collection activity				
D19	Resource	% completion of approved Audit Plan with approved revisions	Output - progress against plan		100%		
D20	Internal Process	Time taken to complete recruitment process - advert to offer (days)	Output - efficiency of process.		35.00		
D21	Resource	Average number of sick days lost per FTE per annum	Output - indicator of healthy, motivated workforce		6.50		
D22	Outcome	% of Voluntary turnover	Output - indicator of employee satisfaction		7-12		
D23	Resource	Income from entire property portfolio (£)	Output - indicator of premises demand		£4,951,483		
D24	Outcome	Void properties (%)	Output - indicator of premises demand		7%		
D25	Internal Process	Number of actions to combat flytipping in West Suffolk	Activity - focus on prevention		1250		
D26	Internal Process	% of planning applications determined within agreed timescales.	We want to make speedy and consistent planning decisions		Majors 60% Minors 65% Other 80% (these targets are set nationally)		
D27	Internal Process	% of planning applications that had a pre-app which are valid first time.	To provide maximum effectiveness in meeting Strategic goals quickly & reliably.		60%		
D28	Outcome	% of Broadly compliant food businesses.	Ensuring access to safe, nutritious food is important for good health. We work with businesses and consumers to promote and secure high standards of food safety, and minimise risks to the health of residents and visitors by ensuring that all food processes, premises and food handlers to maintain good levels of hygiene.		95%		
D29	Outcome	Renewable energy production from West Suffolk's investments.	Continue to investigate opportunities for renewable energy generation as part of the West Suffolk Community Energy Plan and Energy Framework.		3000		
D30	Internal Process	Planning enforcement cases - numbers (new and closed) and resolution.	Enforcement resource targeted effectively		No target		
D31	Internal Process	Resolution of noise nuisance complaints.	Residents enjoy living in their environment/community		N/A - New indicator		
D32	Internal Process	100% of all planning and licensing consultations responded to within the required time period.			100%		
D33	Financial	% Rate of return on investment	Output - key to delivery of Treasury Management Strategy		0.6%		
D34	Financial	Cost of Borrowing	Output - key to delivery of Treasury Management Strategy				

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Financial Reporting to go here - existing  
Budget Monitoring Format

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# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>West Suffolk Strategic Risk Register Quarterly Monitoring Report – March 2018</b>	
<b>Report No:</b>	<b>PAS/FH/18/016</b>	
<b>Report to and date:</b>	<b>Performance and Audit Scrutiny Committee</b>	31 May 2018
<b>Portfolio holder:</b>	Councillor Stephen Edwards Portfolio Holder for Resources Performance <b>Tel:</b> 01799 530325 <b>Email:</b> <a href="mailto:stephen.edwards@forest-heath.gov.uk">stephen.edwards@forest-heath.gov.uk</a>	
<b>Lead officer:</b>	Rachael Mann / Gregory Stevenson Assistant Director / Service Manager - Finance and Performance <b>Tel:</b> 01638 719245 / 01284 757264 <b>Email:</b> <a href="mailto:rachael.mann@westsuffolk.gov.uk">rachael.mann@westsuffolk.gov.uk</a> <a href="mailto:gregory.stevenson@westsuffolk.gov.uk">gregory.stevenson@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	To review the West Suffolk Strategic Risk Register Quarterly Monitoring Report	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>It is <u>RECOMMENDED</u> that Members scrutinise the updated West Suffolk Strategic Risk Register at Appendix 1 and refer any major issues requiring attention to Cabinet.</b>	

<b>Key Decision:</b> <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>		<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
<b>Consultation:</b>		The West Suffolk Strategic Risk Register is updated regularly by the Risk Management Group and has been considered by the Leadership Team.	
<b>Alternative option(s):</b>		• <b>Not Applicable</b>	
<b>Implications:</b>			
<i>Are there any <b>financial</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> • 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 <b>staffing</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any <b>ICT</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any <b>legal and/or policy</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<i>Are there any <b>equality</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> •	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
See individual assessments against each risk as detailed in Appendix 1			
<b>Ward(s) affected:</b>		All Wards	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		None	
<b>Documents attached:</b>		<b>Appendix 1</b> - 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, Governance and Performance. Assistant Directors and / or Service Managers may be required to provide further information as requested by the Group.
- 1.1.2 At its most recent assessment in March 2018, 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 March 2018 have been removed from the register.

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

- 1.2.1 There have been no major amendments to current risks 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 2018-2020, adopted by the Council in December 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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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	take advantage of latest budget planning / monitoring functionality. Upgrade complete - development continuing	LT		Oct-19	
							A	6) Strengthen the overall Performance Management Framework. E.g. Balanced Scorecards, PDRs, (also see WS18), Risk management, Project monitoring, Financial Reporting. Review in light of Northants CC Inspectors report	LT	Apr-17	May-18	
							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. Review of a West Suffolk MTFS as part of single council work.	Assistant Director - Resources & Performance	Sep-16	N/A	
							A	10) Implement Suffolk wide Business Rates monitoring and forecasting tool to assist with control #2 above. Workshop scheduled for Q4 review to maximise functionality.	Assistant Director - Resources & Performance	Jul-17	Jun-18	
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. Following agreement at Council in Feb 18 there will be a 2 yr review in Feb 2020 and ongoing review.	LT	Sep-16	Oct-19	
							A	10) Utilise Suffolk wide Business Rates monitoring and forecasting to assist with forecasting and financial planning across the MTFs. The new tool will also provide the opportunity to model for different scenarios under a 100% Business Rate Retention Scheme.	Assistant Director - Resources and Performance	Jul-17	On-going	
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.	<p>Impact</p>	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	<p>Impact</p>
							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.	<p>Impact</p>	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	<p>Impact</p>
							A	2) Specifications for a new CRM system to be drawn up to meet customer requirements and expectations.	Assistant Director - Families & Communities	Jun-18	Sep-19	
							C	3) 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	4) Continuing development to ensure web site remains fit for purpose.	Assistant Director - Families & Communities	N/A	N/A	

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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. Continue to develop succession routes - apprentices and career pathways for example. Woekforce Strategy agreed 31st March 18. Focus on delivery of these action plans	HR Manager	Reviewed OD plan 2016	On-going	
							C	2) Regularly evaluate outcome of Performance Reviews to identify talent management to inform succession planning.	HR Manager	Jun-14	Ongoing	
							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 increasing National Living Wage and the changing roles of the 21C Public Servant.	Assistant Director - HR, Legal and Democratic Services	N/A	ongoing	
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. Assign dedicated corporate project resources to support new projects.	LT	N/A	On-going	
							A	3) Review and align service and skilled resources available to the strategic plan including communication 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	
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: ICT, Finance, Legal and Property	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	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	

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			Holders-Resources and Performance				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 profiles. No tolerance approach adopted.	Infrastructure Support Manager	N/A	N/A	
							A	5) Development of a West Suffolk Information Strategy and links to the wider public sector integration agenda (Transformation Challenge Award).	Service Manager (ICT)	N/A	Complete	
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 West Suffolk Strategic Plan.	Service Manager (Families & Communities)	Jul-17	Complete	
							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	
							A	4) Assess impact and opportunity of West Suffolk Council on Families and Communities agenda (locality budgets, councillor representation of local communities etc.)	Service Manager (Families & Communities)	Jun-18	Apr-20	
	(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 Local Enterprise Partnership and supporting development of the emerging combined authority business board. 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		Complete	

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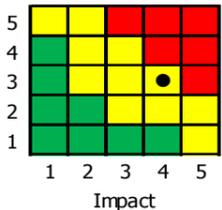
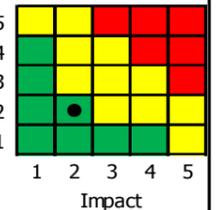
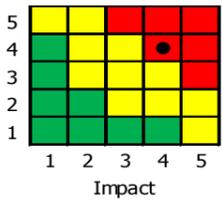
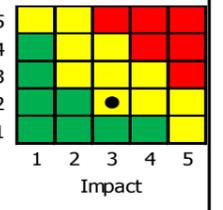
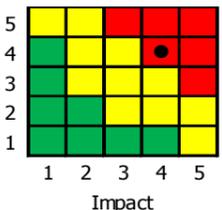
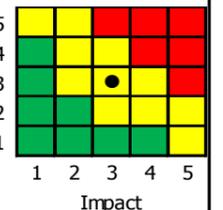
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	( c )		Assistant Director & Portfolio Holders - Growth, Families & Communities and Planning.	Failure to deliver; Housing Agenda	<p>Opportunities being missed to create or influence the provision of:</p> <p>(i) sufficient housing for current and future generations, including more affordable homes and improvements to existing housing</p> <p>(ii) new developments that are fit for the future, properly supported by infrastructure, and that build communities, not just housing</p> <p>(iii) homes that are flexible for people's changing needs</p>	<p>Impact</p>		<p>1) West Suffolk Housing strategy adopted, implementation of agreed Action Plan, with annual monitoring .Review of Housing Strategy to be undertaken in 2017</p> <p>2) Cambridge Sub-regional Strategic Housing Market Assessment completed 2008 to identify levels of need, with annual updates and reviews.</p> <p>3) Local Investment Plan 2014-18 approved by HCA, now working with RP partners to deliver. Quarterly monitoring of plan and annual review.</p> <p>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.</p> <p>5) Review of West Suffolk Lettings Partnership to ensure that the package of support provided meets the needs of the landlords and local housing market, particularly in light of Universal Credit.</p> <p>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. A formal review of the contract was completed in January 2017.</p> <p>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. Review of Business Plan for Barley Homes completed as part of the 2018-2022 MTFS in Dec-17.</p> <p>8) Monitor implications and proposals contained in new Government publications (including Housing &amp; 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.</p>	Assistant Directors for Growth, Families and Communities and Planning	N/A	N/A	<p>Impact</p>

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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	The benefits of becoming a single Council for West Suffolk are not realised; the Council 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 legislations, policy and structure proposals (including EU).		C	1) Keep a watching brief on, and disseminate information on new policies, funding models and opportunities through MHCLG, 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, local government funding changes, proposed structural changes for local government in Suffolk and the wider East Anglia area.	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) Continue to actively work with MHCLG and LGBCE to deliver single for West Suffolk from 1st April 2019.	Chief Executive and Directors.	Sep-17	On-going	
							A	7) 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, High Street Retailers) 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			
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	

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						Impact	C	4) Understand the cumulative impact of complex partnership delivery arrangements.	CEO and LT	Dec-15	N/A	Impact
							A	5) Develop robust governance arrangements for council owned companies. Barley Homes Business Plan under review in detail as part of regular reporting.	LT	On-going	On-going	
WS14	10-Jul-14	Physical Social Legal	Director & Portfolio Holders	Service failure through unplanned events	Reduced level of failure to deliver services to both internal and external clients due to unforeseen events.		A	1) Services must have a workable, up to date 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	
								Please also see WS16 - Breach of data protection and information security				
							A	Adoption of lessons learned from Carillion and Capita issues. Revise procurement and contract management policies to include learnings	LT	Apr-18	Sep-18	
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. Damage to individuals. Avoid legal challenge. Prevent potential claims for compensation. Financial penalty for failing to comply with GDPR		C	1) Information governance group coordinates councils' approach to risks.	Director	N/A	N/A	
							C	2) Regular buildings checks to ensure information is held securely.	Service Manager (Internal Audit)	N/A	N/A	
							A	3) Improve staff and member communication on good practices and data security.	Service Manager (Corporate Communications)	Apr-14	On-going	
							A	4) 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	
							A	5) Programme plan has been developed and will be in place to support compliance with General Data Protection Regulation by May 25th. Online GDPR training rolled out in Dec-17.	Data Protection Officer	Oct-17	May-18	
WS18	10-Jul-14	Customer Financial Professional	Assistant Director & Portfolio Holders - Resources & Performance	Poor Performance	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	3) Strengthen the overall Performance Management Framework. E.g. Balanced Scorecards, PDRs, (also see WS18), Risk management, Project monitoring, Financial Reporting.	LT	Apr-17	May-18	
							C	4) Use PDR's to aid early identification of potential problem areas.	Line Managers	N/A	N/A	
								Please also see WS7 - Poor Project Management				

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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 Strategic Planning, Service Planning and Policy Development.	Assistant Director - Families and Communities/ Planning /Growth/Operations	N/A	N/A	
							A	2) Monitor, research and analysis around demographics through MHCLG, 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	
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 and councillors. 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 and councillors.	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	
							C	7) Implementation of new H&S Management software.	Health & Safety Manager	Nov-17	Jul-18	

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
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.	<p>Impact</p>	A	1) Working in Countywide safeguarding partnership - external annual S11 Audit of Council procedures and the annual self-assessment.	Service Manager Strategic Housing	Jul-09	On-going	<p>Impact</p>
							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	
							A	4) Ensure appropriate training is provided to front-line staff.	Service Manager Strategic Housing	Nov-15	On-going	
WS22	21-Apr-15	Economic and social	Director & Portfolio Holders	Failure to make the most of the opportunity presented by the closure of RAF Mildenhall	Failing to get the best mixed use options for the future of the site would lead to a negative impact on the local economy, families and community or the housing market.	<p>Impact</p>	A	1) Co-ordinate and lead the Forest Heath member-led local Mildenhall and Lakenheath Airbases Group	Director (JK)	Mar-15	On-going	<p>Impact</p>
							A	2) 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	3) 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	
							A	4) 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	
							A	5) Work with and influence the MoD on site transfer.	Director (JK)	Sep-16	On-going	
WS23	06-Oct-17	Economic, Financial, Political, Legal	Directors, Assistant Directors & Portfolio Holders	Cyber Security	Failure to appropriately protect West Suffolk's systems and Services from Cyber Attack	<p>Impact</p>	A	1) User Education & Awareness - Update Info Sec training to include more detail on data protection and introduce new education programme for all staff.	Service Manager ICT HR Business Partner	Oct-17	On-going	<p>Impact</p>
							A	2) User Education & Awareness - Info Sec policy to be reviewed and disseminated to all staff (inc ARP) - and to be reviewed regularly	Service Manager ICT HR Business Partner	Oct-17	On-going	

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# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Financial Performance Report (Revenue and Capital) Outturn – 2017-18</b>	
<b>Report No:</b>	<b>PAS/FH/18/017</b>	
<b>Report to and dates:</b>	<b>Performance and Audit Scrutiny Committee</b>	31 May 2018
<b>Portfolio holder:</b>	Councillor Stephen Edwards Portfolio Holder for Resources and Performance <b>Tel:</b> 01638 660518 <b>Email:</b> <a href="mailto:Stephen.edwards@forest-heath.gov.uk">Stephen.edwards@forest-heath.gov.uk</a>	
<b>Lead officer:</b>	Rachael Mann Assistant Director (Resources and Performance) <b>Tel:</b> 01638 719245 <b>Email:</b> <a href="mailto:Rachael.mann@westsuffolk.gov.uk">Rachael.mann@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	This report sets out the Financial Performance for St Edmundsbury Borough Council and Forest Heath District Council for the year of 2017-18.	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>Members are requested to <u>note</u> the 2017/18 outturn revenue and capital positions and forward any relevant issues or comments to Cabinet for their consideration.</b>	

<b>Key Decision:</b> <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>		<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
<b>Consultation:</b>		<ul style="list-style-type: none"> <li>This report and the figures therein have been compiled by the Finance team in consultation with the relevant budget holders, services and Leadership Team.</li> </ul>	
<b>Alternative option(s):</b>		<ul style="list-style-type: none"> <li>In order for the Council to be able to meet its strategic priorities it is essential that sufficient and appropriate financial resources are available.</li> </ul>	
<b>Implications:</b>			
<i>Are there any <b>financial</b> implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>As set out in the body of this report.</li> </ul>	
<i>Are there any <b>staffing</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
<i>Are there any <b>ICT</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
<i>Are there any <b>legal and/or policy</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li>As outlined in the body of this report.</li> </ul>	
<i>Are there any <b>equality</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
	Low/Medium/ High*		Low/Medium/ High*
Budget variances	High	Clear responsibilities for budget monitoring and control ensure that there is strong accountability for each individual budget line. Budget monitoring is undertaken on a monthly basis with budget holders and reported to Leadership Team quarterly.	Low

Wider economic situation around income levels	High	Budgets reflect the economic situation facing the Council, and have been scrutinised by officers and members at budget setting time. Continue to monitor areas closely to ensure assumptions remain reasonable.	Medium
Capital investment plans continue to be affordable, prudent and sustainable	Medium	Prudential Indicators are in place to safeguard the Council	Low
Treasury Management	Medium	Treasury Management Policy and Procedures are in place	Low
Fluctuation in Business rate retention yield	High	Work with ARP to understand the variance to deliver a realistic forecast.	Medium
<b>Ward(s) affected:</b>	All Ward		
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>	None		

**Documents attached:**

**Appendix A** – FHDC Overall Year End Position for 2017/18.

**Appendix B** – FHDC Revenue outturn position for 2017/18.

**Appendix C** – FHDC Analysis of revenue variances for 2017/18

**Appendix D** – FHDC Capital outturn position for 2017/18

**Appendix E** – FHDC Earmarked Reserves for 2017/18

**Appendix F** – SEBC Overall Year End Position for 2017/18

**Appendix G** – SEBC Revenue outturn position for 2017/18

**Appendix H** – SEBC Analysis of revenue variances for 2017/18

**Appendix I** – SEBC Capital outturn position for 2017/18

**Appendix J** – SEBC Earmarked Reserves for 2017/18

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

### 1.1 Key Issues

1.1.1 Monitoring year-end financial performance plays an important role in understanding how the Council's financial plans and strategies have contributed towards the achievement of the Council's priorities.

1.1.2 The councils continue to face considerable financial challenges as a result of uncertainty in the wider economy and constraints on public sector spending, declining interest receipts and increased demand on front line services such as Housing Benefits and homelessness along with the reduction in central government grant funding. In order to respond to these pressures, Forest Heath and St Edmundsbury, working in partnership as West Suffolk have been tackling these changes together since 2010. We saved in excess of £4m annually through sharing services and are continuing this savings and transformation journey through the creation of a new single Council from April 2019, with a further £800k of savings and efficiencies planned.

1.1.3 This report gives the final outturn position for both councils for the year 2017/18.

**Appendix A** shows the Forest Heath revenue year end position as a break-even against budget, with explanations of significant variances over £50k. Further details are given in appendices B and C.

Forest Heath's capital financial position for year end 2017/18 shows expenditure of £2,486,880. Further details are provided in **Appendix D**.

**Appendix F** shows the St Edmundsbury revenue year end position as an underspend of £35,523, again with explanations of significant variances over £50k.

In accordance with the recommendations from report COU/SE/18/004 "Budget and Council Tax Setting: 2018/2019 and Medium Term Financial Strategy 2018-2022", the St Edmundsbury £35k underspend will be transferred to the council's Invest to Save reserve (included at **Appendix J**).

St Edmundsbury's capital financial position for the year end of 2017/18 shows expenditure of £14,712,450. Further details are provided in **Appendix I**.

1.1.4 As we move into the 2018/19 budget monitoring process, the 2017/18 year end outturn figures will be taken into consideration as we continue to review and challenge our ongoing budget assumptions going forward.

1.1.5 The councils hold a variety of reserves which are earmarked for specific purposes as outlined to Council in February as part of the Budget and Council Tax Setting reports. These include reserves to fund the management of council assets and reserves committed to support the strategic objectives and medium term financial strategy.

1.1.6 A summary of the earmarked reserves along with the year-end position for 2017/18 can be found at **Appendix E** for Forest Heath and **Appendix J** for St Edmundsbury.

Please note that the numbers reported here are subject to the final stages of the councils' 2017/18 accounts closure process and the review from external auditors Ernst and Young. These figures may change depending on the findings and outcomes of those pieces of work, however any changes will be reported to this committee as part of the final accounts report in July 2018.

## Performance & Monitoring Scrutiny Committee – 31 May 2018

### Appendix A – Forest Heath District Council – Year End position

#### Revenue Performance

The revenue outturn position as at 31 March 2018 currently shows an overall break-even position. A summary by Assistant Director can be found in **Appendix B** with comments for variances by cost centre in **Appendix C**. This break-even position has been achieved against an annual total income of around £36m.

For Forest Heath District Council, in 2017/18 operational delivery against the budget gave rise to a surplus of £23,396. However this surplus has been moved to the Capital Financing Reserve in order to manage the requirement for internal borrowing that will exist in 2018/19.

#### **Forest Heath District Council Major Outturn Variances over £50k.**

<b>Year end variance: Over /(under) spend £'000s</b>	<b>Explanation (in Assistant Director order)</b>
(53)	<b>Anglia Revenue Partnership</b> Distribution of year end surplus to the Anglia Revenues Partners as agreed by ARP Joint Committee.
115	<b>Non-Distributed Costs</b> The includes Forest Heath's share of the Pension Capital Costs payment in respect of ill health retirement contributions (over and above our annual allowance – linked to our current pension contribution rates) under the local government pension scheme rules.  This is a one-off cost that we are accommodating within the overall budget position.
67	<b>Development Control</b> Income from planning applications during 2017/18 has underachieved against budgeted levels by £78k.

<b>Year end variance: Over /(under) spend £'000s</b>	<b>Explanation (in Assistant Director order)</b>
<p>51</p>	<p><b>Building Control</b></p> <p>Underachievement of budgeted income.</p> <p>Fee income has been closely monitored during 2017/18. The assumptions around income going forward, based upon the council's market share and the team's capacity have been considered and factored into the 2018/19 budget setting process.</p>
<p>(125)</p>	<p><b>Compostable Collection (Brown Bin)</b></p> <p>We are currently in year two of a three year transitional period for the introduction of the subscription-based garden waste collection service.</p> <p>Take-up of the service has continued to be strong and it is performing well. Budgets for the scheme were prudent and performance is currently positive against the levels set. There is an aspiration that it can ultimately be fully cost neutral (ie. only those that use it, pay for it) and whilst this isn't yet the case, we are working towards this outcome for the future.</p> <p>This cost centre includes a £67k transfer to the Invest to Save Reserve, representing one third of the projected year end position. This reflects the three year nature of the Garden Waste Scheme, and is prudent in terms of the future cost sharing arrangements.</p>
<p>23</p>	<p><b>Interest</b></p> <p>The interest figures as shown in Appendix A comprise a number of elements that relate not only to investments, but also project financing and the budget assumptions around the ongoing growth agenda.</p> <p>The detailed breakdown of the £23k overspend is as follows:</p> <p>Interest Receivable: £56k underachievement</p> <p>Contributions to Reserves: £251k additional to budget</p> <p>Interest payable on borrowing: (£341k) underspend</p> <p>Minimum Revenue Provision: (£552k) underspend</p> <p>Growth Income assumptions: £388k underachievement</p> <p>Project Cash Flow Benefit: £221k underachievement</p>

	<p><b>Interest (continued)</b></p> <p>The contribution to reserves represents the overall benefit to the council of the net project financing position for 2017/18, and is also referred to in the Reserves Appendix E against the Capital Project Financing Reserve.</p>
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### **Performance of Toggam Solar Farm**

The council has now owned Toggam Solar Farm since July 2016 and the data below sets out the performance of the site for year ending 31 March 2018.

Overall the site has outperformed the modelled performance for the year. The site met its annual generation target of 11,680MWh of electricity, producing 11,683MWh. This has resulted in a financial return of £1,225,039 against a budget of £1,214,340. After revenue costs, performance exceeded budget by £19,351.

The site underwent its first annual performance assessment during the summer of 2017 under a two year contract warranty period. This was the second of a three stage independent technical evaluation under the warranty where the performance of the site is judged against specific industry-standard performance indicators. This first anniversary since commissioning is termed the Interim Assessment Certification (IAC). The IAC confirmed that the site is performing above the contracted standard, with the key performance indicator called the Performance Ratio reported at 89.74% compared a guaranteed minimum performance ratio of 84%. This is understood to be above the UK industry standard for this size and age of solar farm.

Output from Toggam was lower than the previous year, down from 12,039MWh. This was evaluated by the independent technical consultants who concluded, after taking into account other factors, that the downturn in production was solely due to lower annual irradiance during the year.

## **Capital Position**

The Council has spent £2,486,880 of its capital budget of £5,678,080 as at the 31 March 2018. A further £3,082,315 is being requested to be carried forward from the 2017/18 capital budget into 2018/19 as a result of project timings.

The following table gives a high level summary of capital expenditure against budget for 2017/18. Further detail by capital project can be found at **Appendix D**.

<b>Assistant Director</b>	<b>2017/18 Revised Full Year Budget</b>	<b>2017/18 Actual Spend to Date</b>	<b>2017/18 External Grant Funded</b>	<b>2017/18 Carried Forward</b>	<b>2017/18 Actual Over / (under) Spend</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Resources & Performance	443	39	39	342	0
HR, Legal & Democratic	14	0	0	14	0
Families & Communities	50	50	0	0	0
Planning & Regulatory	973	743	261	230	0
Operations	4,163	1,602	86	2,514	(47)
Growth	36	54	0	(18)	0
<b>Totals:</b>	<b>5,679</b>	<b>2,488</b>	<b>386</b>	<b>3,082</b>	<b>(47)</b>

Summary by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

Assistant Director	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual For year £	Net Actual for Year £	Year End Over/ (Under) Spend £
Resources & Performance	22,310,468	(25,790,691)	(3,480,223)	22,035,200	(25,427,203)	(3,391,998)	88,225
Human Resources, Legal & Democratic	1,194,346	(246,492)	947,854	1,233,131	(289,424)	943,708	(4,146)
Families & Communities	1,461,911	(337,937)	1,123,974	1,564,224	(485,726)	1,078,497	(45,477)
Planning & Regulatory	1,635,088	(2,410,790)	(775,702)	1,605,964	(2,288,926)	(682,962)	92,740
Operations	7,354,374	(6,407,249)	947,125	8,133,397	(7,268,080)	865,313	(81,812)
Growth	1,102,138	(351,235)	750,903	1,196,337	(518,363)	677,973	(72,930)
<b>TOTALS:</b>	<b>35,058,325</b>	<b>(35,544,394)</b>	<b>(486,069)</b>	<b>35,768,253</b>	<b>(36,277,722)</b>	<b>(509,469)</b>	<b>(23,400)</b>
Interest Receivable	0	(181,000)	(181,000)	0	(124,748)	(124,748)	56,252
Interest Payable	509,100	0	509,100	168,671	0	168,671	(340,429)
Minimum Revenue Provision and other Capital Financing	545,469	(387,500)	157,969	465,546	0	465,546	307,577
<b>TOTALS:</b>	<b>36,112,894</b>	<b>(36,112,894)</b>	<b>0</b>	<b>36,402,470</b>	<b>(36,402,470)</b>	<b>0</b>	<b>0</b>

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## Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

## ASSISTANT DIRECTOR - RESOURCES &amp; PERFORMANCE

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual For year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Resources & Performance	397,306	(700)	396,606	394,337	(1,502)	392,835	(3,771)	
General Fund Adjustments	3,973,415	(9,571,354)	(5,597,939)	4,322,993	(9,920,932)	(5,597,939)	0	
<b>Resources &amp; Performance:</b>	<b>4,370,721</b>	<b>(9,572,054)</b>	<b>(5,201,333)</b>	<b>4,717,330</b>	<b>(9,922,434)</b>	<b>(5,205,104)</b>	<b>(3,771)</b>	
Internal Audit	71,541	(4,725)	66,816	74,195	(4,845)	69,350	2,534	
<b>Internal Audit:</b>	<b>71,541</b>	<b>(4,725)</b>	<b>66,816</b>	<b>74,195</b>	<b>(4,845)</b>	<b>69,350</b>	<b>2,534</b>	
ICT	651,066	(155,417)	495,649	674,414	(176,077)	498,337	2,688	
<b>ICT:</b>	<b>651,066</b>	<b>(155,417)</b>	<b>495,649</b>	<b>674,414</b>	<b>(176,077)</b>	<b>498,337</b>	<b>2,688</b>	
Anglia Revenues Partnership	891,211	0	891,211	899,518	(61,212)	838,307	(52,904)	Distribution of year end surplus to the Anglia Revenues Partners as agreed by ARP Joint Committee.
Council Tax Administration	1,000	(190,386)	(189,386)	1,229	(190,986)	(189,757)	(371)	
Business Rate Administration	1,000	(96,100)	(95,100)	1,229	(94,455)	(93,226)	1,874	
Housing Benefits	15,327,995	(15,639,276)	(311,281)	14,392,173	(14,707,969)	(315,796)	(4,515)	
<b>Anglia Revenues Partnership:</b>	<b>16,221,206</b>	<b>(15,925,762)</b>	<b>295,444</b>	<b>15,294,149</b>	<b>(15,054,622)</b>	<b>239,528</b>	<b>(55,916)</b>	
Corporate Expenditure	976,923	(132,733)	844,190	1,141,200	(269,225)	871,979	27,789	Includes £20k Tour of Britain contribution, of which £5k has been externally funded, year end charge for increase to council's bad debt provision (£8k) and under achievement of credit card surcharge income due to change in regulations (£4k).
Non-Distributed Costs	0	0	0	114,564	0	114,564	114,564	Includes the council's share of the Pension Capital Costs payment in respect of ill health retirement contributions (over and above our annual allowance – linked to our current pension contribution rates) under the local government pension scheme rules.
<b>Corporate Expenditure:</b>	<b>976,923</b>	<b>(132,733)</b>	<b>844,190</b>	<b>1,255,764</b>	<b>(269,225)</b>	<b>986,543</b>	<b>142,353</b>	
Emergency Planning	19,011	0	19,011	19,348	0	19,348	337	
<b>Emergency Planning:</b>	<b>19,011</b>	<b>0</b>	<b>19,011</b>	<b>19,348</b>	<b>0</b>	<b>19,348</b>	<b>337</b>	
<b>TOTALS: RESOURCES &amp; PERFORMANCE</b>	<b>22,310,468</b>	<b>(25,790,691)</b>	<b>(3,480,223)</b>	<b>22,035,200</b>	<b>(25,427,203)</b>	<b>(3,391,998)</b>	<b>88,225</b>	

Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

ASSISTANT DIRECTOR - HUMAN RESOURCES , LEGAL & DEMOCRATIC SERVICES

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual For year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Human Resources & Payroll	317,865	(66,915)	250,950	275,358	(61,967)	213,391	(37,559)	Under-utilisation of central agency allocation.
<b>Human Resources:</b>	<b>317,865</b>	<b>(66,915)</b>	<b>250,950</b>	<b>275,358</b>	<b>(61,967)</b>	<b>213,391</b>	<b>(37,559)</b>	
Health & Safety	58,484	(1,800)	56,684	54,703	(3,838)	50,865	(5,819)	
<b>Health &amp; Safety:</b>	<b>58,484</b>	<b>(1,800)</b>	<b>56,684</b>	<b>54,703</b>	<b>(3,838)</b>	<b>50,865</b>	<b>(5,819)</b>	
Central Training Services	77,809	(800)	77,009	55,548	(803)	54,746	(22,263)	Training spend lower than budgeted along with a vacancy in the team.
<b>Learning &amp; Development:</b>	<b>77,809</b>	<b>(800)</b>	<b>77,009</b>	<b>55,548</b>	<b>(803)</b>	<b>54,746</b>	<b>(22,263)</b>	
Legal Services	305,860	(160,170)	145,690	331,501	(201,114)	130,387	(15,303)	
<b>Legal Services:</b>	<b>305,860</b>	<b>(160,170)</b>	<b>145,690</b>	<b>331,501</b>	<b>(201,114)</b>	<b>130,387</b>	<b>(15,303)</b>	
Democratic Services	110,407	0	110,407	146,118	0	146,118	35,711	Overspend includes the council's share of additional costs to be incurred as a result of the General Data Protection Regulation requirements.
Members Allowances & Expenses	211,550	0	211,550	220,454	0	220,454	8,904	
Mayoralty & Civic Functions	9,713	0	9,713	5,997	(400)	5,597	(4,116)	
<b>Democratic Services:</b>	<b>331,670</b>	<b>0</b>	<b>331,670</b>	<b>372,569</b>	<b>(400)</b>	<b>372,169</b>	<b>40,499</b>	
Electoral Registration	90,658	(1,507)	89,151	131,452	(21,302)	110,150	20,999	Overspend due to additional elections.
Election Expenses	12,000	(15,300)	(3,300)	12,000	0	12,000	15,300	
<b>Elections:</b>	<b>102,658</b>	<b>(16,807)</b>	<b>85,851</b>	<b>143,452</b>	<b>(21,302)</b>	<b>122,150</b>	<b>36,299</b>	
<b>TOTALS: HR, LEGAL &amp; DEMOCRATIC</b>	<b>1,194,346</b>	<b>(246,492)</b>	<b>947,854</b>	<b>1,233,131</b>	<b>(289,424)</b>	<b>943,708</b>	<b>(4,146)</b>	

Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

ASSISTANT DIRECTOR - FAMILIES & COMMUNITIES

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual For Year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Policy	129,781	0	129,781	105,244	(7,679)	97,565	(32,216)	The staff saving represents a combination of a vacancy in the projects team which will be filled in 2018/19, once the wider review of resourcing is complete and a secondment of a part time member of staff to fill a full time post.
<b>Policy:</b>	<b>129,781</b>	<b>0</b>	<b>129,781</b>	<b>105,244</b>	<b>(7,679)</b>	<b>97,565</b>	<b>(32,216)</b>	
Communications	74,887	0	74,887	73,836	0	73,836	(1,051)	
Website and Intranet	21,475	0	21,475	22,182	0	22,182	707	
<b>Communications:</b>	<b>96,362</b>	<b>0</b>	<b>96,362</b>	<b>96,018</b>	<b>0</b>	<b>96,018</b>	<b>(344)</b>	
Customer Services	342,489	0	342,489	357,910	0	357,910	15,421	
Bus Stations	59,067	(13,231)	45,836	55,006	(4,785)	50,221	4,385	
<b>Customer Services:</b>	<b>401,556</b>	<b>(13,231)</b>	<b>388,325</b>	<b>412,916</b>	<b>(4,785)</b>	<b>408,131</b>	<b>19,806</b>	
Families & Communities	204,444	(28,088)	176,357	176,157	(7,507)	168,649	(7,708)	
Community Chest - Families & Communities	287,356	(197,606)	89,750	248,586	(158,836)	89,750	0	
Health, Culture & Arts	10,000	0	10,000	9,767	0	9,767	(233)	
Community Centres	2,870	0	2,870	8,053	(4,124)	3,929	1,059	
<b>Families &amp; Communities:</b>	<b>504,670</b>	<b>(225,694)</b>	<b>278,977</b>	<b>442,563</b>	<b>(170,467)</b>	<b>272,095</b>	<b>(6,882)</b>	
Housing Options: Choice Based Lettings	82,303	(28,195)	54,108	206,608	(170,199)	36,409	(17,699)	
Housing Options: Advice & Prevention	188,605	(64,552)	124,053	248,139	(130,254)	117,885	(6,168)	
Housing Options: Solutions	58,634	(6,265)	52,368	50,364	(2,342)	48,022	(4,346)	
Housing Options: Severe Weather Emergency Provision (SW)	0	0	0	2,372	0	2,372	2,372	
<b>Housing Options:</b>	<b>329,542</b>	<b>(99,012)</b>	<b>230,529</b>	<b>507,483</b>	<b>(302,795)</b>	<b>204,688</b>	<b>(25,841)</b>	
<b>TOTALS: FAMILIES &amp; COMMUNITIES</b>	<b>1,461,911</b>	<b>-337,937</b>	<b>1,123,974</b>	<b>1,564,224</b>	<b>-485,726</b>	<b>1,078,497</b>	<b>-45,477</b>	

## Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

## ASSISTANT DIRECTOR - PLANNING &amp; REGULATORY SERVICES

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual For year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Development Control	439,371	(690,488)	(251,117)	430,079	(614,573)	(184,494)	66,623	Planning application fees down on budget.
<b>Development Control:</b>	<b>439,371</b>	<b>(690,488)</b>	<b>(251,117)</b>	<b>430,079</b>	<b>(614,573)</b>	<b>(184,494)</b>	<b>66,623</b>	
Land Charges	51,022	(92,600)	(41,578)	45,050	(117,928)	(72,878)	(31,300)	Land Charges income exceeded budget.
Building Control	133,608	(165,141)	(31,533)	130,683	(111,708)	18,975	50,508	Fee income/Energy Assessments underachieved by £50k. Budget reviewed for 2018/19
Planning & Regulatory Support	173,349	0	173,349	190,390	0	190,390	17,041	
<b>Business (BC &amp; Support):</b>	<b>357,979</b>	<b>(257,741)</b>	<b>100,238</b>	<b>366,123</b>	<b>(229,636)</b>	<b>136,487</b>	<b>36,249</b>	
Prevention of Pollution	37,369	(9,715)	27,654	28,089	(6,422)	21,667	(5,987)	
Environmental Management	32,420	(80,395)	(47,975)	40,258	(55,438)	(15,180)	32,795	Solar for business income underachieved by £30k due to lower Capital investment than previously anticipated.
Drinking Water Quality	24,162	(340)	23,822	23,849	(7,775)	16,075	(7,747)	
Climate Change	21,953	0	21,953	24,230	0	24,230	2,277	
Solar Farm	293,000	(1,214,000)	(921,000)	288,945	(1,229,296)	(940,351)	(19,351)	The Solar Farm achieved £11k more income than budget as well as lower maintenance costs.
Home Energy Conservation	6,210	(2,702)	3,508	8,677	0	8,677	5,169	
<b>Environment:</b>	<b>415,114</b>	<b>(1,307,152)</b>	<b>(892,038)</b>	<b>414,048</b>	<b>(1,298,931)</b>	<b>(884,882)</b>	<b>7,156</b>	
Licensing	86,510	(93,736)	(7,226)	83,818	(94,251)	(10,433)	(3,207)	
Hackney Carriage & Private Hire Licensing	2,370	(53,265)	(50,895)	2,750	(40,655)	(37,905)	12,990	
Food Safety	67,695	(3,100)	64,595	58,194	(2,195)	55,999	(8,596)	
Health & Safety at Work Act/Enforcement	50,099	(2,600)	47,499	49,343	(2,000)	47,343	(156)	
<b>Business Regulations &amp; Licensing:</b>	<b>206,674</b>	<b>(152,701)</b>	<b>53,973</b>	<b>194,105</b>	<b>(139,101)</b>	<b>55,004</b>	<b>1,031</b>	
Housing Renewals	77,608	(195)	77,413	71,043	(199)	70,844	(6,569)	
Burial of the Dead	9,769	(33)	9,736	10,434	170	10,603	867	
Other Public Health Services	128,573	(2,480)	126,093	120,132	(6,656)	113,476	(12,617)	
<b>Public Health &amp; Housing:</b>	<b>215,950</b>	<b>(2,708)</b>	<b>213,242</b>	<b>201,609</b>	<b>(6,685)</b>	<b>194,923</b>	<b>(18,319)</b>	
<b>TOTALS: PLANNING</b>	<b>1,635,088</b>	<b>-2,410,790</b>	<b>-775,702</b>	<b>1,605,964</b>	<b>-2,288,926</b>	<b>-682,962</b>	<b>92,740</b>	

Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

ASSISTANT DIRECTOR - OPERATIONS

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual For year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Pool Cars	516	0	516	513	0	513	(3)	
Vehicle Workshop Trading Account - FHDC	0	0	0	2,897	(2,897)	0	0	
<b>Fleet Management:</b>	<b>516</b>	<b>0</b>	<b>516</b>	<b>3,410</b>	<b>(2,897)</b>	<b>513</b>	<b>(3)</b>	
Depots	74,367	(112,597)	(38,230)	(2,874)	(36,468)	(39,342)	(1,112)	
Grounds Maintenance Operatives	354	0	354	65,750	(26,259)	39,491	39,137	Overspend is a result of one-off start-up costs associated with the mobilisation of the Grounds Maintenance service becoming an in-house service from 01/11/17.
Waste & Cleansing Operatives	1,541,986	(1,575,429)	(33,443)	1,613,126	(1,626,590)	(13,464)	19,979	
Markets	98,357	(27,350)	71,007	97,145	(20,373)	76,771	5,764	
<b>Operational:</b>	<b>1,715,064</b>	<b>(1,715,376)</b>	<b>(312)</b>	<b>1,773,147</b>	<b>(1,709,690)</b>	<b>63,456</b>	<b>63,768</b>	
Street Cleansing	613,948	(10,210)	603,738	622,651	(7,146)	615,504	11,766	
Refuse Collection (Black Bin)	433,820	(11,981)	421,839	461,905	(13,253)	448,652	26,813	Staffing costs £12k over budget, and Fee income £12k short of budget.
Recycling Collection (Blue Bin)	458,378	(109,900)	348,478	522,314	(184,667)	337,646	(10,832)	Includes £55k transfer to the Invest to Save Reserve.
Compostable Collection (Brown Bin)	566,467	(460,000)	106,467	509,453	(527,576)	(18,123)	(124,590)	Includes £67k transfer to the Invest to Save Reserve.
Bulky, Fridges, Metal & Scrap Collection	57,689	(17,027)	40,662	61,555	(30,676)	30,879	(9,783)	
Clinical & Hazardous Waste Collection	5,211	(1,020)	4,191	7,403	(306)	7,097	2,906	
Multi-Bank Recycling Sites	29,997	(67,150)	(37,153)	30,835	(67,828)	(36,993)	160	
Trade Waste	394,820	(477,994)	(83,174)	480,410	(573,119)	(92,709)	(9,535)	
<b>Waste - Business &amp; Commercial</b>	<b>2,560,330</b>	<b>(1,155,282)</b>	<b>1,405,048</b>	<b>2,696,526</b>	<b>(1,404,571)</b>	<b>1,291,953</b>	<b>(113,095)</b>	
Non-HRA Housing Properties	30,525	(19,650)	10,875	23,404	(15,084)	8,319	(2,556)	
Property Services	381,704	(53,237)	328,467	328,645	(3,797)	324,849	(3,618)	
<b>Property Maintenance:</b>	<b>412,229</b>	<b>(72,887)</b>	<b>339,342</b>	<b>352,049</b>	<b>(18,881)</b>	<b>333,168</b>	<b>(6,174)</b>	

## Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

## ASSISTANT DIRECTOR - OPERATIONS (continued)

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual For year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Industrial & Business Units	706,900	(1,309,782)	(602,882)	708,919	(1,342,007)	(633,089)	(30,207)	Industrial rent income currently forecasted to exceed budget reflecting better occupancy levels than previously anticipated. Ongoing budget being reviewed
Town Centres & Shops	30,833	(907,075)	(876,242)	46,955	(895,271)	(848,317)	27,925	Shop rental income lower than budgeted
<b>Property Management:</b>	<b>737,733</b>	<b>(2,216,857)</b>	<b>(1,479,124)</b>	<b>755,874</b>	<b>(2,237,278)</b>	<b>(1,481,406)</b>	<b>(2,282)</b>	
Offices: College Heath Road	255,521	(394,301)	(138,780)	290,326	(423,724)	(133,398)	5,382	
Offices: Brandon & Newmarket Guineas	15,087	(34,287)	(19,200)	40,412	(44,712)	(4,299)	14,901	
Public Conveniences	62,439	(10,400)	52,039	74,025	(9,922)	64,103	12,064	
CCTV	89,752	0	89,752	103,136	0	103,136	13,384	
District Highways Services	25,834	(33,714)	(7,880)	29,504	(45,350)	(15,846)	(7,966)	
Land Drainage & Associated Works	74,500	0	74,500	78,919	0	78,919	4,419	
<b>Facilities, CCTV &amp; Highways Services:</b>	<b>523,133</b>	<b>(472,702)</b>	<b>50,431</b>	<b>616,322</b>	<b>(523,708)</b>	<b>92,615</b>	<b>42,184</b>	
Courier & Postal Service	18,659	0	18,659	22,129	0	22,129	3,470	
Printing & Copying Service	52,084	(5,981)	46,103	21,893	(833)	21,060	(25,043)	Staffing costs underspent. Budget under review.
<b>Central Services:</b>	<b>70,743</b>	<b>(5,981)</b>	<b>64,762</b>	<b>44,022</b>	<b>(833)</b>	<b>43,189</b>	<b>(21,573)</b>	
Off Street Car Parks	259,526	(628,314)	(368,788)	366,461	(767,196)	(400,735)	(31,947)	Car park transactions are up in the last year by around 25,000, mostly likely as a result of visits to the home of horse racing
<b>Car Parking:</b>	<b>259,526</b>	<b>(628,314)</b>	<b>(368,788)</b>	<b>366,461</b>	<b>(767,196)</b>	<b>(400,735)</b>	<b>(31,947)</b>	
Arboriculture (Tree Maintenance Works)	98,052	0	98,052	100,205	(470)	99,735	1,683	
Other Parks and Play Provision	276,895	(17,651)	259,244	363,202	(124,919)	238,283	(20,961)	
Children's Play Areas	65,438	(4,799)	60,639	79,776	(22,028)	57,748	(2,891)	
Cemeteries & Closed Churchyards	0	0	0	78,135	(81,815)	(3,680)	(3,680)	
Allotments	0	0	0	0	(214)	(214)	(214)	
<b>Parks &amp; Open Spaces</b>	<b>440,385</b>	<b>(22,450)</b>	<b>417,935</b>	<b>621,318</b>	<b>(229,446)</b>	<b>391,872</b>	<b>(26,063)</b>	

Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

ASSISTANT DIRECTOR - OPERATIONS (continued)

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual For year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Sports & Leisure Centres	584,412	(99,900)	484,512	528,795	(36,803)	491,992	7,480	
Leisure & Sports	22,000	0	22,000	15,445	0	15,445	(6,555)	
<b>Sports &amp; Leisure Development</b>	<b>606,412</b>	<b>(99,900)</b>	<b>506,512</b>	<b>544,240</b>	<b>(36,803)</b>	<b>507,437</b>	<b>925</b>	
Arts, Heritage & Cultural Services	11,333	(1,000)	10,333	9,593	(229)	9,364	(969)	
<b>Heritage</b>	<b>11,333</b>	<b>(1,000)</b>	<b>10,333</b>	<b>9,593</b>	<b>(229)</b>	<b>9,364</b>	<b>(969)</b>	
Tourist Information Centres	0	0	0	0	(20)	(20)	(20)	
Shopmobility	8,340	0	8,340	5,714	0	5,714	(2,626)	
The Pavilion - Lady Wolverton Playingfield	8,630	(16,500)	(7,870)	6,219	(14,889)	(8,670)	(800)	
Palace House and Stables	0	0	0	338,502	(321,639)	16,863	16,863	
Halls & Events	16,970	(16,500)	470	350,435	(336,548)	13,887	13,417	
<b>TOTALS: OPERATIONS</b>	<b>7,354,374</b>	<b>(6,407,249)</b>	<b>947,125</b>	<b>8,133,397</b>	<b>(7,268,080)</b>	<b>865,313</b>	<b>(81,812)</b>	

Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

ASSISTANT DIRECTOR - GROWTH

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual For year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Housing Development & Strategy	86,047	(14,350)	71,697	165,628	(101,032)	64,597	(7,100)	
Gypsies & Travellers	13,675	(33)	13,642	13,596	(33)	13,562	(80)	
<b>Housing Development &amp; Strategy:</b>	<b>99,722</b>	<b>(14,383)</b>	<b>85,339</b>	<b>179,224</b>	<b>(101,065)</b>	<b>78,159</b>	<b>(7,180)</b>	
Strategic Property	67,763	(1,000)	66,763	51,796	0	51,796	(14,967)	Underspend arising from Staff Vacancies.
<b>Strategic Property</b>	<b>67,763</b>	<b>(1,000)</b>	<b>66,763</b>	<b>51,796</b>	<b>0</b>	<b>51,796</b>	<b>(14,967)</b>	
Housing Business & Partnerships	28,263	(440)	27,823	36,233	(15,924)	20,309	(7,514)	
<b>Housing Business &amp; Partnerships:</b>	<b>28,263</b>	<b>(440)</b>	<b>27,823</b>	<b>36,233</b>	<b>(15,924)</b>	<b>20,309</b>	<b>(7,514)</b>	
Planning Policy	364,938	(20,621)	344,317	358,795	(26,296)	332,498	(11,819)	
Local Plan	289,100	(282,500)	6,600	256,617	(252,307)	4,310	(2,290)	
<b>Place Shaping:</b>	<b>654,038</b>	<b>(303,121)</b>	<b>350,917</b>	<b>615,412</b>	<b>(278,603)</b>	<b>336,808</b>	<b>(14,109)</b>	
Economic Development & Growth	207,819	(32,291)	175,528	276,588	(122,771)	153,817	(21,711)	
Strategic Tourism & Markets	29,853	0	29,853	26,107	0	26,107	(3,746)	
Vibrant Town Centres	14,680	0	14,680	10,977	0	10,977	(3,703)	
<b>Economic Development &amp; Growth:</b>	<b>252,352</b>	<b>(32,291)</b>	<b>220,061</b>	<b>313,672</b>	<b>(122,771)</b>	<b>190,901</b>	<b>(29,160)</b>	
<b>TOTALS: GROWTH:</b>	<b>1,102,138</b>	<b>-351,235</b>	<b>750,903</b>	<b>1,196,337</b>	<b>-518,363</b>	<b>677,973</b>	<b>-72,930</b>	

2017/18 March (Outturn) Capital Budget Monitoring Report

Project Description	Revised Budget for Year £	Actual Spend for Year £	Funded from External Sources £	2017-18 Carry Forward Requested £	Over/ (Under) Spend for Year £	Notes	Carry Forward Financed From	Total Project Budget 2017-2021 £
<b>Resources &amp; Performance</b>								
Home of Horseracing Project	100,525	38,544	38,544	0	0	This is not an underspend as such, all expenditure in 2017/18 to be fully funded by donations.	Grants	100,525
Invest to Save Projects	282,000	0	0	282,000	0	Budget to be allocated to projects as they arise. Remaining funding requested to be carried forward for utilisation in 2018/19.	Strategic Priorities & MTFS Reserve	282,000
Leisure Capital Investment Fund	60,000	0	0	60,000	0	Work continues on the investment opportunities with Abbeycroft and business cases are being considered. Funding requested to be carried forward for utilisation in 2018/19.	Strategic Priorities & MTFS Reserve	3,500,000
<b>Human Resources, Legal &amp; Democratic</b>								
Health & Safety Management Software	14,000	0	0	14,000	0	Carry forward requested for spend in 2018/19. Budget transferred from invest to save project in line with existing delegations.	Invest to Save Reserve	14,000
<b>Families &amp; Communities</b>								
Affordable Housing	50,000	50,000	0	0	0	2017/18 Budget fully utilised in line with the Capital Programme.	N/A	405,000
<b>Planning &amp; Regulatory</b>								
Private Sector Disabled Facilities Grants	329,090	300,490	0	28,600	0	We commenced performance improvement conversations in July with the provider. The service has been reviewed and the improvements are in progress. Request underspend to be carried forward into 2018/19 where it is expected to be fully utilised.	Grants	875,000
Private Sector Renewal Grants	95,396	51,047	0	44,349	0	Spend lower than budget as a result of lower demand. Request carry forward for 2018/19 where demand is expected to increase including the provision of Warmer Homes grants.	Capital Receipts	1,100,000
Historic Buildings Grant	15,000	347	0	14,653	0	Carry forward requested to be utilised in 2018/19	Planning Delivery Grant Reserve	30,000
Community Energy Plan	272,355	130,081	0	142,274	0	Project spend plan under review. Remaining budget requested to be carried forward in order to facilitate the updated spend profile.	Strategic Priorities & MTFS Reserve	1,482,821
Parish Council S106 Grants	260,847	260,847	260,847	0	0	Spending funded from Section 106 monies.	N/A	190,824
<b>Operations</b>								

**2017/18 March (Outturn) Capital Budget Monitoring Report**

Project Description	Revised Budget for Year £	Actual Spend for Year £	Funded from External Sources £	2017-18 Carry Forward Requested £	Over/ (Under) Spend for Year £	Notes	Carry Forward Financed From	Total Project Budget 2017-2021 £
Asset Management Plan	504,271	0	0	504,271	0	To be allocated to projects as Business Cases are approved. Carry forward requested.	Strategic Priorities & MTFS Reserve	636,271
Vehicle & Plant Purchases	474,000	491,848	0	(17,848)	0	Small overspend in 2017/18 against the approved budget, resulting from timing of purchases. £18k overspend to be funded from the 2018/19 capital budget.	Vehicle & Plant Renewals Reserve	1,842,000
Mildenhall Hub	2,000,000	775,516	0	1,224,484	0	Project budget approved in 2018/19. Carry forward requested	Strategic Priorities & MTFS Reserve	19,810,000
Playground Improvements	28,730	28,730	28,730	0	0	Funded from S106 monies and the Leisure reserve.	N/A	28,730
Waste & Street Scene Back Office System	54,128	5,643	0	48,485	0	Project still in progress. Carry forward requested.	Invest to Save Reserve	25,595
Craven Way, Newmarket - Unit Refurbishment & Electrical Upgrade	22,000	21,599	0	0	(401)	Project Complete - underspend to be returned to Asset Management Plan.	N/A	22,000
Refurbishment & Upgrade of Commercial Areas, Harvey Adam Enterprise Centre	25,595	25,595	0	0	0	Project completed	N/A	25,595
West Suffolk Operational Hub	881,560	157,013	0	724,547	0	Project budget approved in 2018/19. Carry forward requested	Borrowing	4,042,000
Red Lodge Nature Reserve	4,600	0	0	0	(4,600)	Spending funded from Section 106 monies. To be reclassified as Revenue spend as amount is below the Capital deminimis level.	Grants	0
James Carter Road Resurfacing	30,000	0	0	30,000	0	Project timing delay. Carry forward requested	Strategic Priorities & MTFS Reserve	30,000
15,16,17 Wimbledon Avenue New Wiring & LED	80,000	38,097	0	0	(41,903)	Project Complete - underspend to be returned to Asset Management Plan.	N/A	80,000
Play Area - Studlands	57,733	57,733	57,733	0	0	Spending funded from Section 106 monies.	N/A	57,733
<b>Growth</b>								
Private Housing Company	36,250	53,750	0	(17,500)	0	2018/19 budget to be revised to allow for timing differences on this project	Capital Receipts	2,975,000
<b>TOTALS;</b>	<b>5,678,080</b>	<b>2,486,880</b>	<b>385,854</b>	<b>3,082,315</b>	<b>(46,904)</b>			<b>37,609,222</b>

MTFS Earmarked Reserves Projections

2017/18 March (Outturn) Budget Monitoring Report

Account	Reserve Description	2017/18 Opening Balance	2017/18 Net Budgeted Movement	2017/18 Budgeted Closing Balance	2017/18 Year End Closing Balance	2017/18 Actual Variance (Under) / Over spent	Variance Notes
BZ896	Investing in our Growth Agenda Reserve	0	950,000	950,000	940,845	9,155	This reserve has been set up to support the delivery of the council's growth agenda, £500k in this year and a further £500k to be utilised in 2018/19. Reports CAB/FH/17/018 and COU/FH/17/004 refer. Utilisation in 2017/18 relates to Primary School Science Projects and Feasibility Funding.
BZ897	Capital Project Financing Reserve	0	0	0	251,518	(251,518)	This is a new Reserve which has been set up in order to facilitate the Capital Financing requirements of the council, and to account for fluctuations and timing differences in the expected spend profile. This includes a "one-off" contribution in 2017/18 which has arisen from savings in internal borrowing.
BZ803	Strategic Priorities & MTFS Reserve	8,317,190	(2,480,853)	5,836,337	8,321,861	(2,485,524)	Budgeted Reserve movement includes £3.1m Capital Programme Funding for 2017/18. The under-utilisation mainly relates to £2.2m Capital Project underspend requested to be carried forward into 2018/19, £110k revenue carry forward requests resulting from timing of projects, plus several smaller variations in funding.
BZ804	Invest to Save Reserve	379,543	(151,177)	228,366	381,532	(153,166)	Budgeted utilisation during 2017/18 includes funding for the Waste & Street Scene Back Office System - see also appendix D. Closing balance Includes £3.9k transfer from the Local Land Charges Reserve, £55k from Blue Bin Recycling and £67k from Garden Waste.
BZ808	Risk/Recession Reserve	421,323	(237,000)	184,323	169,994	14,329	Feasibility Studies for Newmarket Cinema funded from this reserve, as per report CAB/FH/031 and subsequent portfolio holder agreement.
BZ809	BRR Equalisation Reserve	35,886	665,926	701,812	1,046,938	(345,126)	Increased reserve contribution resulting from reduction in Suffolk Pool receipts forecasted, offset by reduced levy payable to pool and increase in S31 grants.
BZ810	Self Insured Fund	111,069	25,000	136,069	136,069	0	No movement during 2017/18.
BZ811	Computer & Telephone Equipment Reserve	158,527	35,000	193,527	177,251	16,276	Utilised towards ICT hardware refreshes.

**MTFS Earmarked Reserves Projections**

**2017/18 March (Outturn) Budget Monitoring Report**

Account	Reserve Description	2017/18 Opening Balance	2017/18 Net Budgeted Movement	2017/18 Budgeted Closing Balance	2017/18 Year End Closing Balance	2017/18 Actual Variance (Under) / Over spent	Variance Notes
BZ814	HB Equalisation Reserve	161,046	107,320	268,366	129,846	138,520	This reserve is utilised in order to smooth out the effect of variations between the amounts of Housing Benefits paid out and subsequently grant funded by DWP.
BZ818	Professional Fees Reserve	74,780	35,000	109,780	114,560	(4,780)	
BZ820	ARP Reserve	412,879	(95,168)	317,711	343,329	(25,618)	Closing balance includes additional New Burdens Grant Funding received in 2017/18.
BZ830	Vehicle & Plant Renewal Fund	443,601	(144,000)	299,601	281,752	17,849	In line with expected spend on Vehicles, Plant & Equipment in the year, as further detailed in the Capital Programme appendix. 2017/18 overspend as a result of timings of purchases, 2018/19 budget to be reduced correspondingly.
BZ831	Waste Management Reserve	112,256	0	112,256	99,003	13,253	No movement during 2017/18.
BZ832	BR-Building Repairs Reserve - Leisure	0	27,932	27,932	27,932	(0)	No movement during 2017/18.
BZ833	BR-Building Repairs Reserve - Other	25,907	136,170	162,077	129,725	32,352	Forecasted Spend on Building Repairs & Maintenance currently expected to be below budget for 2017/18.
BZ834	Industrial Units - Service Charges	0	0	0	761	(761)	This is a new reserve set up in 2017/18 in order to hold monies received from Industrial Service Charges which are to be allocated to specific spend in line with the lease agreements.
BZ850	Commuted Maintenance Reserve	503,355	(8,000)	495,355	507,544	(12,189)	
BZ856	Newmarket Stallion Statue Reserve	22,459	0	22,459	20,809	1,650	
BZ862	Communities against Drugs Reserve	30,000	0	30,000	30,000	0	No movement expected during 2017/18.
BZ870	Planning Reserve	25,835	75,500	101,335	131,527	(30,192)	2017/18 Underutilisation resulting from timings of Local Plan spend.
BZ871	Building Regulations Charging Reserve	1	0	1	1	0	
BZ872	Planning Delivery Grant	87,597	(30,300)	57,297	72,297	(15,000)	Includes Capital Programme funding for Historic Building Grants, see Capital Appendix D requesting to carry forward the unspent balance for 2017/18.
BZ876	S106 Monitoring Officer Reserve	35,564	(20,621)	14,943	22,662	(7,719)	

**MTFS Earmarked Reserves Projections**

**2017/18 March (Outturn) Budget Monitoring Report**

Account	Reserve Description	2017/18 Opening Balance	2017/18 Net Budgeted Movement	2017/18 Budgeted Closing Balance	2017/18 Year End Closing Balance	2017/18 Actual Variance (Under) / Over spent	Variance Notes
<b>BZ885</b>	Homelessness Legislation Reserve	127,736	13,828	141,564	183,380	(41,816)	Budget includes contributions in respect of the DCLG Flexible Homelessness Support Grant which is being utilised to support the Housing Options Team. Full reserve contribution in 2017/18 not required as a result of staffing vacancies in the team.
<b>BZ886</b>	S106 Revenue Reserve	127,305	0	127,305	152,221	(24,916)	
<b>BZ890</b>	Election Reserve	43,091	10,000	53,091	53,091	0	Additional closing balance includes Individual Electoral Registration (IER) Income moved to reserve for future utilisation
	<b>Forest Heath Totals</b>	<b>11,827,980</b>	<b>(1,252,496)</b>	<b>10,575,484</b>	<b>13,726,449</b>	<b>(3,150,965)</b>	

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## Performance & Monitoring Scrutiny Committee – 31 May 2018

### Appendix F - St Edmundsbury Borough Council – Year End position

#### Revenue Performance

The revenue outturn position as at 31 March 2018 currently shows an overall underspend of £35,519 (0.05% of the budget). A summary by Assistant Director can be found in **Appendix G** with comments for variances by cost centre in **Appendix H**. This underspend has been achieved against an annual total income of around £75m.

#### **St Edmundsbury Borough Council Major Outturn Variances over £50k.**

<b>Year end variance: Over /(under) spend £'000s</b>	<b>Explanation (in Assistant Director order)</b>
(83)	<b>Anglia Revenue Partnership</b> Distribution of year end surplus to the Anglia Revenue Partners as agreed by ARP Joint Committee.
576	<b>Non-Distributed Costs</b> This includes St Edmundsbury's share of the Pension Capital Costs payment in respect of ill health retirement contributions (over and above our annual allowance – linked to our current pension contribution rates) under the local government pension scheme rules.  This is a one-off cost that we are accommodating within the overall budget position.
(56)	<b>Council Tax Administration</b> Income from court costs recovered higher than anticipated.

<b>Year end variance: Over /(under) spend £'000s</b>	<b>Explanation (in Assistant Director order)</b>
<p>53</p>	<p><b>Democratic Services</b></p> <p>This includes St Edmundsbury's share of the additional costs to be incurred as a result of the General Data Protection Regulation requirements. £30k has therefore been included in the base costs, with an additional £30k transferred to reserves in respect of 2018/19.</p> <p>This is a one-off cost that we are accommodating within the overall budget position.</p>
<p>95</p>	<p><b>Housing Options</b></p> <p>Accommodation, including the running of the Winter homeless shelter, and associated homeless prevention costs have exceeded the budgeted levels, driven by the increase in homelessness cases.</p> <p>This budget is going to continually be under pressure as we are facing increased demands.</p> <p>The budget has been reviewed for 18/19 in light of the combined impact of new legislation, welfare reform, Universal Credit and continued housing pressures.</p>
<p>(68)</p>	<p><b>Development Control</b></p> <p>Planning Application income exceeded budget, predominantly driven by major applications, including the Suffolk Business Park extension.</p>
<p>(103)</p>	<p><b>Trade Waste</b></p> <p>Income from Trade Waste higher than budgeted. We have seen a big increase in income during the year (including Cardboard Collections).</p> <p>Income assumptions for this service were revisited during the 2017/18 budget setting process, which are currently being more than borne out by the projections.</p>

<b>Year end variance: Over /(under) spend £'000s</b>	<b>Explanation (in Assistant Director order)</b>
<p>(191)</p>	<p><b>Compostable Collection (Brown Bin)</b></p> <p>We are currently in year two of a three year transitional period for the introduction of the subscription-based garden waste collection service.</p> <p>Take-up of the service has continued to be strong and it is performing well. Budgets for the scheme were prudent and performance is currently well under the levels set. There is an aspiration that it can ultimately be fully cost neutral (ie. only those that use it, pay for it) and whilst this isn't yet the case, we are working towards this outcome for the future.</p> <p>This cost centre includes a £90k transfer to the Invest and Save Reserve, representing one third of the year end position.</p> <p>This reflects the three year nature of the Garden Waste Scheme, and is prudent in terms of the future cost sharing arrangements.</p>
<p>(65)</p>	<p><b>Ground Maintenance Operatives</b></p> <p>Income greater than budgeted due to additional contractual arrangements.</p>
<p>(136)</p>	<p><b>Industrial &amp; Business Units</b></p> <p>Industrial rent income exceeded budget reflecting better occupancy levels than previously anticipated. Ongoing budget being reviewed.</p>
<p>(60)</p>	<p><b>The Apex</b></p> <p>Ticket sales for the programme have exceeded expectations. The Apex has recently hit its £2m ticket sale milestone showing the continued success of the venue.</p>
<p>26</p>	<p><b>Interest</b></p> <p>The interest figures as shown in Appendix A comprise a number of elements that relate not only to investments, but also project financing and the budget assumptions around the ongoing growth agenda.</p>

### **Interest (continued)**

The detailed breakdown of the £26k overspend is as follows:

Interest Receivable: (£88k) overachievement

Contributions to Reserves: £125k additional to budget

Interest payable on borrowing: (£170k) underspend

Minimum Revenue Provision: (£185k) underspend

Growth Income assumptions: £345k underachievement

£120k of the contribution to reserves represents the overall benefit to the council of the net project financing position for 2017/18, and is also referred to in the Reserves Appendix D against the Capital Project Financing Reserve. The remainder relates to dividend income.

### **Capital Position**

The Council has spent £14,712,450 of its revised capital budget of £19,163,522 as at the 31 March 2018. A further £4,365,098 is being requested to be carried forward from the 2017/18 capital budget into 2018/19 as a result of project timings.

The following table gives a high level summary of capital expenditure against budget for 2017/18. Further detail by capital project can be found at **Appendix I**.

<b>Assistant Director:</b>	<b>2017/18 Revised Full Year Budget</b>	<b>2017/18 Actual Spend for Year</b>	<b>2017/18 External Grant Funded</b>	<b>2017/18 Carried Forward</b>	<b>2017/18 Actual Over / (under) Spend</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Resources & Performance	174	0	0	174	0
HR, Legal & Democratic	26	0	0	26	0
Families & Communities	68	48	0	19	0
Planning & Regulatory	1,099	529	0	570	0
Operations	7,731	5,118	304	2,608	(5)
Growth	10,066	9,017	14	968	(81)
<b>Totals:</b>	<b>19,164</b>	<b>14,712</b>	<b>318</b>	<b>4,365</b>	<b>(86)</b>

Summary by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

Assistant Director	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual For year £	Net Actual for Year £	Year End Over/(Under) Spend £
Resources & Performance	38,261,606	(45,595,065)	(7,333,459)	37,805,136	(44,681,867)	(6,876,731)	456,728
Human Resources, Legal & Democratic	2,253,509	(394,651)	1,858,858	2,354,688	(501,467)	1,853,219	(5,639)
Families & Communities	2,296,607	(465,164)	1,831,443	3,020,133	(1,100,708)	1,919,423	87,980
Planning & Regulatory	2,414,462	(1,735,353)	679,109	2,435,360	(1,782,930)	652,430	(26,679)
Operations	27,011,572	(24,998,669)	2,012,903	28,009,948	(26,584,415)	1,425,537	(587,366)
Growth	2,242,057	(990,375)	1,251,682	1,791,693	(527,281)	1,264,412	12,730
<b>TOTALS:</b>	<b>74,479,813</b>	<b>(74,179,277)</b>	<b>300,536</b>	<b>75,416,958</b>	<b>(75,178,668)</b>	<b>238,290</b>	<b>(62,246)</b>
Interest Receivable	0	(263,500)	(263,500)	0	(348,896)	(348,896)	(85,396)
Interest Payable	169,562	0	169,562	0	0	0	(169,562)
Minimum Revenue Provision and other Capital Financing	275,902	(482,500)	(206,598)	0	75,083	75,083	281,681
<b>TOTALS:</b>	<b>74,925,277</b>	<b>(74,925,277)</b>	<b>0</b>	<b>75,416,958</b>	<b>(75,452,481)</b>	<b>(35,523)</b>	<b>(35,523)</b>

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## Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

## ASSISTANT DIRECTOR - RESOURCES &amp; PERFORMANCE

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual for Year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Resources & Performance	691,430	(1,300)	690,130	698,737	(19,100)	679,637	(10,493)	
General Fund Adjustments	4,923,216	(15,603,577)	(10,680,360)	5,278,827	(15,959,188)	(10,680,360)	0	
<b>Resources &amp; Performance:</b>	<b>5,614,646</b>	<b>(15,604,877)</b>	<b>(9,990,230)</b>	<b>5,977,564</b>	<b>-15,978,288</b>	<b>-10,000,723</b>	<b>-10,493</b>	
Internal Audit	130,012	(8,775)	121,237	133,400	(8,675)	124,725	3,488	
<b>Internal Audit:</b>	<b>130,012</b>	<b>(8,775)</b>	<b>121,237</b>	<b>133,400</b>	<b>-8,675</b>	<b>124,725</b>	<b>3,488</b>	
ICT	1,148,333	(297,567)	850,766	1,388,629	(538,691)	849,938	(828)	
<b>ICT:</b>	<b>1,148,333</b>	<b>(297,567)</b>	<b>850,766</b>	<b>1,388,629</b>	<b>-538,691</b>	<b>849,938</b>	<b>-828</b>	
Anglia Revenues Partnership	1,385,524	(18,205)	1,367,319	1,396,278	(111,214)	1,285,063	(82,256)	Distribution of year end surplus to the Anglia Revenues Partners as agreed by ARP Joint Committee.
Council Tax Administration	0	(240,388)	(240,388)	507	(296,852)	(296,345)	(55,957)	Income from recovering court costs higher than anticipated along with additional Grant income.
Business Rate Administration	0	(166,907)	(166,907)	482	(164,735)	(164,253)	2,654	
Housing Benefits	28,761,425	(29,102,042)	(340,617)	26,849,789	(27,192,482)	(342,693)	(2,076)	
<b>Anglia Revenues Partnership:</b>	<b>30,146,949</b>	<b>(29,527,542)</b>	<b>619,407</b>	<b>28,247,056</b>	<b>-27,765,283</b>	<b>481,772</b>	<b>-137,635</b>	
Corporate Expenditure	998,459	(148,283)	850,175	1,259,416	(383,299)	876,117	25,942	Under achievement of credit card surcharge income due to change in rules (£13k), expenditure on single council over approved £10k funding from Invest to Save reserve (£8k), staff advertising costs unbudgeted (£8k), higher than budgeted bank charges (£9k), offset by year end reduction in the council's bad debt provision (£9k) and other miscellaneous minor budget variances.
Non-Distributed Costs	146,000	(4,021)	141,979	721,301	(3,631)	717,670	575,691	This includes the council's share of the Pension Capital Costs payment in respect of ill health retirement contributions (over and above our annual allowance – linked to our current pension contribution rates) under the local government pension scheme rules.
Non-Distributed Costs - Cost of Unused Assets	47,070	(4,000)	43,070	47,070	(4,000)	43,070	0	
<b>Corporate Expenditure:</b>	<b>1,191,529</b>	<b>(156,304)</b>	<b>1,035,224</b>	<b>2,027,787</b>	<b>-390,930</b>	<b>1,636,857</b>	<b>601,633</b>	
Emergency Planning	30,137	0	30,137	30,700	0	30,700	563	
<b>Emergency Planning:</b>	<b>30,137</b>	<b>0</b>	<b>30,137</b>	<b>30,700</b>	<b>0</b>	<b>30,700</b>	<b>563</b>	
<b>TOTALS: RESOURCES &amp; PERFORMANCE</b>	<b>38,261,606</b>	<b>(45,595,065)</b>	<b>(7,333,459)</b>	<b>37,805,136</b>	<b>-44,681,867</b>	<b>-6,876,731</b>	<b>456,728</b>	

## Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

## ASSISTANT DIRECTOR - HUMAN RESOURCES , LEGAL &amp; DEMOCRATIC SERVICES

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual for Year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Human Resources & Payroll	595,044	(131,058)	463,986	548,254	(133,699)	414,554	(49,432)	Under-utilisation of central agency allocation.
<b>Human Resources:</b>	<b>595,044</b>	<b>(131,058)</b>	<b>463,986</b>	<b>548,254</b>	<b>-133,699</b>	<b>414,554</b>	<b>-49,432</b>	
Health & Safety	107,671	(6,150)	101,521	113,066	(10,000)	103,066	1,545	
<b>Health &amp; Safety:</b>	<b>107,671</b>	<b>(6,150)</b>	<b>101,521</b>	<b>113,066</b>	<b>-10,000</b>	<b>103,066</b>	<b>1,545</b>	
Central Training Services	164,409	0	164,409	157,740	(15,937)	141,803	(22,606)	Training spend lower than budgeted along with a vacancy in the team.
<b>Learning &amp; Development:</b>	<b>164,409</b>	<b>0</b>	<b>164,409</b>	<b>157,740</b>	<b>-15,937</b>	<b>141,803</b>	<b>-22,606</b>	
Legal Services	544,926	(251,148)	293,778	580,420	(290,788)	289,632	(4,146)	
<b>Legal Services:</b>	<b>544,926</b>	<b>(251,148)</b>	<b>293,778</b>	<b>580,420</b>	<b>-290,788</b>	<b>289,632</b>	<b>-4,146</b>	
Democratic Services	193,957	0	193,957	246,898	0	246,898	52,941	The overspend includes the council's share of additional costs to be incurred as a result of the General Data Protection Regulation requirements.
Members Allowances & Expenses	348,915	0	348,915	356,747	0	356,747	7,832	
Mayoralty & Civic Functions	101,293	(4,100)	97,193	89,918	(3,865)	86,053	(11,140)	
<b>Democratic Services:</b>	<b>644,165</b>	<b>(4,100)</b>	<b>640,065</b>	<b>693,563</b>	<b>-3,865</b>	<b>689,698</b>	<b>49,633</b>	
Electoral Registration	165,294	(2,195)	163,099	229,645	(47,178)	182,466	19,367	Overspend due to additional elections.
Election Expenses	32,000	0	32,000	32,000	0	32,000	0	
<b>Elections:</b>	<b>197,294</b>	<b>(2,195)</b>	<b>195,099</b>	<b>261,645</b>	<b>-47,178</b>	<b>214,466</b>	<b>19,367</b>	
<b>TOTALS: HR &amp; DEMOCRATIC SERVICES</b>	<b>2,253,509</b>	<b>(394,651)</b>	<b>1,858,858</b>	<b>2,354,688</b>	<b>-501,467</b>	<b>1,853,219</b>	<b>-5,639</b>	

## Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

## ASSISTANT DIRECTOR - FAMILIES &amp; COMMUNITIES

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual for Year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Policy	205,318	0	205,318	218,882	(49,368)	169,514	(35,804)	The staff saving represents a combination of a vacancy in the projects team which will be filled in 2018/19, once the wider review of resourcing is complete and a secondment of a part time member of staff to fill a full time post.
<b>Policy:</b>	<b>205,318</b>	<b>0</b>	<b>205,318</b>	<b>218,882</b>	<b>-49,368</b>	<b>169,514</b>	<b>-35,804</b>	
Communications	124,167	0	124,167	128,732	0	128,732	4,565	
Website and Intranet	36,565	0	36,565	33,989	0	33,989	(2,576)	
<b>Communications:</b>	<b>160,732</b>	<b>0</b>	<b>160,732</b>	<b>162,721</b>	<b>0</b>	<b>162,721</b>	<b>1,989</b>	
Customer Services	535,727	0	535,727	570,831	0	570,831	35,104	Overspend mainly relates to additional staffing costs.
<b>Customer Services:</b>	<b>535,727</b>	<b>0</b>	<b>535,727</b>	<b>570,831</b>	<b>0</b>	<b>570,831</b>	<b>35,104</b>	
Families & Communities	301,766	0	301,766	297,075	(8,835)	288,240	(13,526)	
Community Chest - Families & Communities	459,135	(242,652)	216,483	382,517	(166,034)	216,483	0	
Lifelink Project	0	0	0	135,268	(135,268)	0	0	
Community Centres	43,979	(5,000)	38,979	54,782	(10,534)	44,248	5,269	
<b>Families &amp; Communities:</b>	<b>804,880</b>	<b>(247,652)</b>	<b>557,228</b>	<b>869,642</b>	<b>-320,671</b>	<b>548,971</b>	<b>-8,257</b>	
Housing Options: Choice Based Lettings	132,485	(68,118)	64,367	338,293	(282,680)	55,612	(8,755)	
Housing Options: Advice & Prevention	300,977	(54,310)	246,667	672,312	(384,042)	288,269	41,602	Overspend mainly relates to additional accommodation and homelessness prevention costs.
Housing Options: Solutions	156,488	(95,084)	61,404	134,011	(63,947)	70,064	8,660	
Housing Options: Severe Weather Emergency Provision (SWEPP)	0	0	0	53,441	0	53,441	53,441	Cost of running homeless shelter during Winter.
<b>Housing Options:</b>	<b>589,950</b>	<b>(217,512)</b>	<b>372,438</b>	<b>1,198,057</b>	<b>-730,669</b>	<b>467,386</b>	<b>94,948</b>	
<b>TOTALS: FAMILIES &amp; COMMUNITIES</b>	<b>2,296,607</b>	<b>-465,164</b>	<b>1,831,443</b>	<b>3,020,133</b>	<b>-1,100,708</b>	<b>1,919,423</b>	<b>87,980</b>	

## Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

## ASSISTANT DIRECTOR - PLANNING &amp; REGULATORY SERVICES

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual for Year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Development Control	768,951	(868,203)	(99,252)	795,445	(962,203)	(166,758)	(67,506)	Major Planning Applications & Pre-application Fees exceeded income budgets
<b>Development Control:</b>	<b>768,951</b>	<b>(868,203)</b>	<b>(99,252)</b>	<b>795,445</b>	<b>(962,203)</b>	<b>(166,758)</b>	<b>(67,506)</b>	
Land Charges	71,120	(182,650)	(111,530)	72,718	(211,495)	(138,776)	(27,246)	Income exceeded budget.
Building Control	245,357	(252,453)	(7,096)	236,739	(202,025)	34,713	41,809	Fee income underachieved by £50k. Budget reviewed for 2018/19.
Planning & Regulatory Support	331,521	0	331,521	344,388	0	344,388	12,867	
<b>Business (BC &amp; Support):</b>	<b>647,998</b>	<b>(435,103)</b>	<b>212,895</b>	<b>653,845</b>	<b>(413,520)</b>	<b>240,325</b>	<b>27,430</b>	
Prevention of Pollution	73,644	(19,281)	54,363	49,570	(13,576)	35,994	(18,369)	
Environmental Management	57,715	(93,451)	(35,736)	80,096	(87,467)	(7,372)	28,364	Solar for business income underachieved by £29k due to lower Capital investment than previously assumed as well as poorer weather conditions.
Drinking Water Quality	45,845	(9,691)	36,154	40,685	(15,293)	25,392	(10,762)	
Climate Change	32,026	0	32,026	48,688	(10,497)	38,191	6,165	
Home Energy Conservation	4,850	0	4,850	1,296	0	1,296	(3,554)	
<b>Environment:</b>	<b>214,080</b>	<b>(122,423)</b>	<b>91,657</b>	<b>220,335</b>	<b>(126,833)</b>	<b>93,501</b>	<b>1,844</b>	
Licensing	164,016	(170,506)	(6,490)	182,974	(153,902)	29,072	35,562	Income down on budget by £15k . Remainder offsets with other Business Reg & Licencing in relation to carry forward request for licencing software.
Hackney Carriage & Private Hire Licensing	35,920	(100,286)	(64,366)	34,540	(89,198)	(54,657)	9,709	
Food Safety	112,892	(26,500)	86,392	110,289	(25,896)	84,393	(1,999)	
Health & Safety at Work Act/Enforcement	98,414	(6,500)	91,914	93,079	(6,500)	86,579	(5,335)	
<b>Business Reg &amp; Licensing:</b>	<b>411,242</b>	<b>(303,792)</b>	<b>107,450</b>	<b>420,882</b>	<b>(275,496)</b>	<b>145,387</b>	<b>37,937</b>	
Housing Renewals	134,445	(625)	133,820	122,150	(416)	121,734	(12,086)	
Burial of the Dead	17,389	(98)	17,291	17,948	(848)	17,100	(191)	
Other Public Health Services	220,357	(5,109)	215,248	204,755	(3,614)	201,141	(14,107)	
<b>Public Health &amp; Housing:</b>	<b>372,191</b>	<b>(5,832)</b>	<b>366,359</b>	<b>344,853</b>	<b>(4,878)</b>	<b>339,975</b>	<b>(26,384)</b>	
<b>TOTALS: PLANNING &amp; GROWTH</b>	<b>2,414,462</b>	<b>(1,735,353)</b>	<b>679,109</b>	<b>2,435,360</b>	<b>(1,782,930)</b>	<b>652,430</b>	<b>(26,679)</b>	

## Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

## ASSISTANT DIRECTOR - OPERATIONS

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual for Year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Vehicle Workshop	592,146	(653,822)	(61,676)	656,086	(724,637)	(68,551)	(6,875)	
Pool Cars	35,132	(15,000)	20,132	32,273	(12,141)	20,132	0	
Vehicle Workshop Trading Account - FHDC	418,400	(408,140)	10,260	439,520	(429,260)	10,260	0	
<b>Fleet Management:</b>	<b>1,045,678</b>	<b>(1,076,962)</b>	<b>(31,284)</b>	<b>1,127,879</b>	<b>-1,166,038</b>	<b>-38,159</b>	<b>-6,875</b>	
Depots	522,678	(681,718)	(159,040)	431,998	(595,270)	(163,272)	(4,232)	
Grounds Maintenance Operatives	1,279,511	(1,437,355)	(157,844)	1,451,149	(1,673,733)	(222,585)	(64,741)	Income greater than expected due to additional contractual arrangements.
Tree Maintenance Operatives	153,956	(153,555)	401	193,626	(184,115)	9,511	9,110	
Waste & Cleansing Operatives	4,599,953	(5,003,494)	(403,541)	4,652,837	(5,052,815)	(399,978)	3,563	
Markets	314,598	(381,772)	(67,174)	322,750	(388,626)	(65,876)	1,298	
<b>Operational:</b>	<b>6,870,696</b>	<b>(7,657,894)</b>	<b>(787,198)</b>	<b>7,052,360</b>	<b>-7,894,559</b>	<b>-842,200</b>	<b>-55,002</b>	
Street Cleansing	1,561,359	(81,075)	1,480,284	1,597,376	(101,159)	1,496,218	15,934	
Refuse Collection (Black Bin)	1,202,068	(31,886)	1,170,182	1,252,225	(71,595)	1,180,630	10,448	
Recycling Collection (Blue Bin)	1,056,826	(250,410)	806,416	1,183,534	(377,310)	806,223	(193)	Income from recycling exceeded budget. £86k transferred to the Invest to Save Reserve.
Compostable Collection (Brown Bin)	1,246,296	(973,500)	272,796	1,206,586	(1,125,270)	81,316	(191,480)	Position includes £90k transfer to the Invest to Save Reserve.
Bulky, Fridges, Metal & Scrap Collection	162,417	(32,650)	129,767	160,043	(41,780)	118,263	(11,504)	
Clinical & Hazardous Waste Collection	22,194	(7,290)	14,904	20,690	(6,245)	14,446	(458)	
Multi-Bank Recycling Sites	97,773	(109,621)	(11,848)	73,932	(121,464)	(47,532)	(35,684)	The positive variance is as a result of an increase in the Recycling Performance Payment income received from SCC combined with a slight reduction in the service charges from the contractors used. The figures are currently estimated as the complete year's data has not been received and validated.
Trade Waste	1,272,959	(1,498,116)	(225,157)	1,523,218	(1,850,931)	(327,713)	(102,556)	income exceeded budget levels
<b>Waste - Business &amp; Commercial</b>	<b>6,621,892</b>	<b>(2,984,548)</b>	<b>3,637,344</b>	<b>7,017,604</b>	<b>-3,695,754</b>	<b>3,321,851</b>	<b>-315,493</b>	
Non-HRA Housing Properties	997	0	997	15,788	(14,581)	1,207	210	
Property Services	567,860	(58,162)	509,698	540,598	(7,617)	532,981	23,283	
<b>Property Maintenance:</b>	<b>568,857</b>	<b>(58,162)</b>	<b>510,695</b>	<b>556,386</b>	<b>-22,198</b>	<b>534,188</b>	<b>23,493</b>	

## Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

## ASSISTANT DIRECTOR - OPERATIONS (CONTINUED)

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual for Year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Industrial & Business Units	303,767	(1,731,163)	(1,427,396)	463,804	(2,027,057)	(1,563,253)	(135,857)	Industrial rent income exceeded budget reflecting better occupancy levels than previously anticipated. Ongoing budget being reviewed.
Town Centres & Shops	303,248	(1,090,430)	(787,182)	91,090	(891,791)	(800,701)	(13,519)	
<b>Property Management:</b>	<b>607,015</b>	<b>(2,821,593)</b>	<b>(2,214,578)</b>	<b>554,894</b>	<b>-2,918,848</b>	<b>-2,363,954</b>	<b>-149,376</b>	
Offices: West Suffolk House	924,708	(1,072,683)	(147,975)	1,077,633	(1,226,953)	(149,320)	(1,345)	
Offices: Haverhill House	238,429	(285,379)	(46,950)	142,668	(149,201)	(6,533)	40,417	Overspend on budget due to reduced contribution from SCC as running costs lower than expected. Balance previously reserve funded, but not required due to overall surplus position. Costs to be reviewed on an ongoing basis.
Offices: College Heath Road	0	0	0	30	(660)	(630)	(630)	
Public Conveniences	162,147	(32,000)	130,147	155,836	(28,371)	127,466	(2,681)	
CCTV	394,241	(213,986)	180,255	387,545	(197,910)	189,636	9,381	
Green Travel Plan	49,466	(60,065)	(10,599)	54,838	(73,866)	(19,028)	(8,429)	
Street Banners & Displays	6,963	(6,547)	416	7,184	(5,159)	2,025	1,609	
District Highways Services	474,207	(54,261)	419,946	461,028	(57,562)	403,466	(16,480)	
Street Furniture	48,666	(168)	48,498	72,762	(7,107)	65,655	17,157	
Land Drainage & Associated Works	8,500	(1,021)	7,479	3,942	(3,346)	596	(6,883)	
Bus Stations	137,437	(62,152)	75,285	94,349	(5,187)	89,162	13,877	
<b>Facilities, CCTV &amp; Highways Services:</b>	<b>2,444,764</b>	<b>(1,788,262)</b>	<b>656,502</b>	<b>2,457,815</b>	<b>-1,755,322</b>	<b>702,495</b>	<b>45,993</b>	
Courier & Postal Service	244,410	(130,000)	114,410	237,505	(111,022)	126,483	12,073	
Printing & Copying Service	63,820	(39,910)	23,910	65,889	(35,487)	30,402	6,492	
<b>Central Services:</b>	<b>308,230</b>	<b>(169,910)</b>	<b>138,320</b>	<b>303,394</b>	<b>-146,509</b>	<b>156,885</b>	<b>18,565</b>	
Off Street Car Parks	1,573,768	(4,682,729)	(3,108,961)	1,736,582	(4,884,387)	(3,147,805)	(38,844)	Car Parking income levels exceeded the budgeted levels.
On Street Car Parking	804,011	(930,000)	(125,989)	639,885	(765,874)	(125,989)	0	
<b>Car Parking:</b>	<b>2,377,779</b>	<b>(5,612,729)</b>	<b>(3,234,950)</b>	<b>2,376,467</b>	<b>-5,650,261</b>	<b>-3,273,794</b>	<b>-38,844</b>	

## Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

## ASSISTANT DIRECTOR - OPERATIONS (CONTINUED)

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual for Year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Arboriculture (Tree Maintenance Works)	192,741	(25,010)	167,731	192,061	(24,953)	167,107	(624)	
Other Parks and Play Provision	747,673	(261,060)	486,613	855,507	(360,792)	494,715	8,102	
Abbey Gardens	350,200	(77,317)	272,883	355,578	(88,701)	266,878	(6,005)	
Nowton Park	201,806	(120,585)	81,221	231,177	(161,295)	69,882	(11,339)	
East Town Park	109,640	(14,360)	95,280	117,928	(29,699)	88,229	(7,051)	
Clare Country Park	27,805	(23,782)	4,023	28,552	(23,567)	4,985	962	
Children's Play Areas	109,704	(6,808)	102,896	124,151	(7,401)	116,750	13,854	
Cemeteries & Closed Churchyards	393,760	(127,800)	265,960	438,905	(166,146)	272,758	6,798	
Allotments	700	(730)	(30)	700	(1,621)	(921)	(891)	
<b>Parks &amp; Open Spaces:</b>	<b>2,134,029</b>	<b>(657,452)</b>	<b>1,476,577</b>	<b>2,344,559</b>	<b>-864,175</b>	<b>1,480,383</b>	<b>3,806</b>	
Sports & Leisure Centres	540,670	(101,550)	439,120	546,180	(113,218)	432,963	(6,157)	
Leisure & Sports	39,070	0	39,070	37,051	0	37,051	(2,019)	
<b>Sports &amp; Leisure Development</b>	<b>579,740</b>	<b>(101,550)</b>	<b>478,190</b>	<b>583,231</b>	<b>-113,218</b>	<b>470,014</b>	<b>-8,176</b>	
Arts, Heritage & Cultural Services	91,050	(3,050)	88,000	96,210	(16,385)	79,825	(8,175)	
Moyse's Hall Museum	319,626	(74,600)	245,026	326,170	(76,643)	249,527	4,501	
West Stow Country Park	399,214	(267,800)	131,414	437,443	(316,734)	120,709	(10,705)	
West Stow ASVT Operating Account	1,000	(1,000)	0	0	0	0	0	
Heritage Outreach Services	3,500	0	3,500	0	0	0	(3,500)	
Heritage Sites & Monuments	18,563	(13,000)	5,563	10,382	(4,829)	5,553	(10)	
West Front Houses	87,580	(36,800)	50,780	58,230	(9,313)	48,917	(1,863)	
<b>Heritage</b>	<b>920,533</b>	<b>(396,250)</b>	<b>524,283</b>	<b>928,435</b>	<b>-423,904</b>	<b>504,531</b>	<b>-19,752</b>	
Leisure Promotion	151,076	0	151,076	154,527	(705)	153,822	2,746	
The Apex	1,876,883	(1,419,450)	457,433	2,107,347	(1,710,112)	397,236	(60,197)	Ticket sales for the programme have exceeded expectations.
The Athenaeum	151,837	(106,850)	44,987	132,282	(102,161)	30,121	(14,866)	
The Guildhall, Bury St Edmunds	53,706	(23,900)	29,806	50,529	(2,786)	47,743	17,937	
Tourist Information Centres	101,846	(11,880)	89,966	92,455	(12,982)	79,473	(10,493)	
Shopmobility	41,971	(8,150)	33,821	31,705	(1,900)	29,805	(4,016)	
Bury Festival	155,040	(103,127)	51,913	138,079	(102,983)	35,097	(16,816)	
<b>Halls &amp; Events</b>	<b>2,532,359</b>	<b>(1,673,357)</b>	<b>859,002</b>	<b>2,706,924</b>	<b>-1,933,629</b>	<b>773,297</b>	<b>-85,705</b>	
<b>TOTALS: OPERATIONS</b>	<b>27,011,572</b>	<b>(24,998,669)</b>	<b>2,012,903</b>	<b>28,009,948</b>	<b>-26,584,415</b>	<b>1,425,537</b>	<b>-587,366</b>	

## Detail by Assistant Director

2017/18 March - Year End Revenue Outturn Budget Monitoring Report

## ASSISTANT DIRECTOR - GROWTH

Cost Centre Description	Expenditure Budget for Year £	Income Budget for Year £	Net Budget for Year £	Expenditure Actual for Year £	Income Actual for Year £	Net Actual for Year £	Over/(Under) Spend for Year £	Year End Variance Notes
Housing Development & Strategy	111,680	(6,000)	105,680	165,179	(40,496)	124,683	19,003	
Gypsies & Travellers	24,800	(98)	24,702	24,114	(68)	24,046	(656)	
<b>Housing Development &amp; Strategy:</b>	<b>136,480</b>	<b>(6,098)</b>	<b>130,382</b>	<b>189,293</b>	<b>-40,564</b>	<b>148,729</b>	<b>18,347</b>	
Strategic Property	128,542	0	128,542	109,694	0	109,694	(18,848)	
<b>Strategic Property</b>	<b>128,542</b>	<b>0</b>	<b>128,542</b>	<b>109,694</b>	<b>0</b>	<b>109,694</b>	<b>-18,848</b>	
Housing Business & Partnerships	50,556	(32,000)	18,556	67,370	(25,666)	41,704	23,148	
<b>Housing Business &amp; Partnerships:</b>	<b>50,556</b>	<b>(32,000)</b>	<b>18,556</b>	<b>67,370</b>	<b>-25,666</b>	<b>41,704</b>	<b>23,148</b>	
Planning Policy	591,559	(1,850)	589,709	578,260	(4,693)	573,566	(16,143)	
Local Plan	30,000	(30,000)	0	15,160	(10,850)	4,310	4,310	
<b>Place Shaping:</b>	<b>621,559</b>	<b>(31,850)</b>	<b>589,709</b>	<b>593,420</b>	<b>-15,543</b>	<b>577,876</b>	<b>-11,833</b>	
Economic Development & Growth	1,132,387	(767,818)	364,569	560,922	(202,846)	358,076	(6,493)	
Strategic Tourism & Markets	35,258	(5,640)	29,618	41,827	(9,941)	31,887	2,269	
Bury Christmas Fayre	137,275	(146,969)	(9,694)	202,372	(212,524)	(10,152)	(458)	
Park & Ride	0	0	0	25,182	(20,197)	4,985	4,985	
Vibrant Town Centres	0	0	0	1,613	0	1,613	1,613	
<b>Economic Development &amp; Growth:</b>	<b>1,304,920</b>	<b>(920,427)</b>	<b>384,493</b>	<b>831,916</b>	<b>-445,508</b>	<b>386,409</b>	<b>1,916</b>	
<b>TOTALS: GROWTH:</b>	<b>2,242,057</b>	<b>-990,375</b>	<b>1,251,682</b>	<b>1,791,693</b>	<b>-527,281</b>	<b>1,264,412</b>	<b>12,730</b>	

## 2017/18 March (Outturn) Capital Budget Monitoring Report

Project Description	Revised Budget for Year £	Actual Spend for Year £	2017-18 Funded from External Sources £	2017-18 Carry Forward Requested £	Over/(Under) Spend for Year £	Notes	Carry Forward Financed From	Total Project Budget 2017-2021 £
<b>Resource &amp; Performance</b>								
Invest to Save Projects	118,328	0	0	118,328	0	Budget to be allocated to projects as they arise. Remaining funding requested to be carried forward for utilisation in 2018/19.	Strategic Priorities & MTFS Reserve	118,328
Leisure Capital Investment Fund	55,620	0	0	55,620	0	Work continues on the investment opportunities with Abbecroft and business cases are being considered. Funding requested to be carried forward for utilisation in 2018/19.	Strategic Priorities & MTFS Reserve	1,525,984
<b>Human Resources, Legal &amp; Democratic</b>								
Health & Safety Management System	26,000	0	0	26,000	0	Carry forward requested as purchase delayed until 2018/19. Budget transferred from invest to save project in line with existing delegations.	Invest to Save Reserve	26,000
<b>Families &amp; Communities</b>								
Rural Initiatives Grant Scheme	67,500	48,044	0	19,456	0	Requested to carry forward unspent balance into 2018/19.	Capital Receipts	67,500
<b>Planning &amp; Regulatory</b>								
Private Sector Disabled Facilities Grants	569,485	354,666	0	214,819	0	We commenced performance improvement conversations in July with the provider. The service has been reviewed and the improvements are in progress. Request underspend to be carried forward into 2018/19 where it is expected to be fully utilised.	Grants	1,875,000
Private Sector Renewal Grants	77,966	65,179	0	12,787	0	Spend lower than budget as a result of lower demand. Request carry forward for 2018/19 where demand is expected to increase including the provision of Warmer Homes grants.	Capital Receipts	1,277,966
West Stow Biomass Boiler	120,000	0	0	120,000	0	Carry forward requested due to delay in project. Expected to commence in 2018/19	Strategic Priorities & MTFS Reserve	120,000
Community Energy Plan	331,486	109,409	0	222,077	0	Project spend plan under review. Remaining budget requested to be carried forward in order to facilitate the updated spend profile.	Strategic Priorities & MTFS Reserve	1,118,851
<b>Operations</b>								

## 2017/18 March (Outturn) Capital Budget Monitoring Report

Project Description	Revised Budget for Year £	Actual Spend for Year £	2017-18 Funded from External Sources £	2017-18 Carry Forward Requested £	Over/(Under) Spend for Year £	Notes	Carry Forward Financed From	Total Project Budget 2017-2021 £
Major Planned Building Works	(9,794)	0	0	0	9,794	Overspend on major planned building works to be funded from the building maintenance reserve.	N/A	0
Leisure Asset Management Scheme	49,208	0	0	49,208	0	To be allocated to projects as Business Cases are approved. Request remainder to be carried forward to 2018/19.	Leisure Building Repairs Reserve	1,416,077
Community Sports Facility - Moreton Hall	1,552,500	0	0	1,552,500	0	The project partners are currently finalising the legal details with a view to transferring the sum in 2018/19	Capital Receipts	1,552,500
Vehicle & Plant Purchases	1,361,445	1,510,621	0	(149,176)	0	For 2017/18 there was an overspend of £149k, relating to a timing difference in the purchase of an additional refuse freighter which had been scheduled for purchase in 2018/19. The 2018/19 budget will be reduced in line with this spend.	Vehicle & Plant Renewals Reserve	4,779,945
Lark Valley Path	27,000	0	0	27,000	0	Awaiting Lease settlement - Carry forward requested	Grants	27,000
Bury Leisure Centre - All Weather Pitch	150,000	0	0	150,000	0	Renewal of Astro Turf surface at BSE Leisure Centre/King Edwards School - likely to be in 2018/19 (once specification is agreed).	Leisure Building Repairs Reserve	150,000
Waste & Street Scene Back Office System	75,020	10,480	0	64,540	0	Project still in progress. Carry forward requested.	Invest to Save Reserve	75,020
Street Lighting Renewals	677,709	223,818	0	453,891	0	Project still in progress. Carry forward requested.	Capital Receipts	677,709
Bury Sports Club Project	0	50,000	0	(50,000)	0	Spend earlier than anticipated. 2018/19 budget to be reduced accordingly.	Capital Receipts	50,000
East Town Park - Reconfiguration of kiosk and play area refurbishment	6,940	6,940	0	0	0	Project completed in 2017/18.	N/A	6,940
Path access improvements East of River Lark and Abbey Gardens	29,607	29,607	0	0	0	Project completed in 2017/18.	N/A	29,607
Parish Council S106 Grants	87,446	87,446	87,446	0	0	Funded by S106 contributions.	N/A	87,446
West Stow Education Shelter	43,520	43,520	43,520	0	0	Arts Council Resilience Grant funded	N/A	43,520

## 2017/18 March (Outturn) Capital Budget Monitoring Report

Project Description	Revised Budget for Year £	Actual Spend for Year £	2017-18 Funded from External Sources £	2017-18 Carry Forward Requested £	Over/(Under) Spend for Year £	Notes	Carry Forward Financed From	Total Project Budget 2017-2021 £
West Suffolk Operational Hub	3,000,000	2,605,518	0	394,482	0	Spend in 2017/18 in relation to Land and preliminary construction costs. Requested to carry forward the balance.	Capital Receipts	13,758,000
Heldhaw Road Outdoor Gym	29,793	29,793	29,793	0	0	Project completed in 2017/18.	N/A	29,793
Leisure: Howe Road Play Area	60,000	50,180	0	0	(9,820)	Project completed in 2017/18. Underspend to be put back in Leisure Maintenance reserve for future projects	N/A	60,000
Leisure: Severn Road Play Park	60,000	38,781	0	21,219	0	Project not yet complete. Carry forward requested	Leisure Building Repairs Reserve	60,000
Leisure: Oakes Road Play Park	60,000	39,897	0	20,103	0	Project not yet complete. Carry forward requested	Leisure Building Repairs Reserve	60,000
Leisure: Medell Close Play Area	30,000	25,913	0	4,087	0	Project not yet complete. Carry forward requested	Leisure Building Repairs Reserve	30,000
South Parade, Bury St Edmunds, Access Improvements	25,000	23,573	0	0	(1,427)	Project completed in 2017/18. Balance to be returned to Asset Management Plan.	N/A	25,000
Drinkstone Aestal	27,500	27,500	27,500	0	0	Project completed in 2017/18.	Grants	27,500
Leisure: Abbey Gardens Replacement Retail Facility	70,000	0	0	70,000	0	Awaiting Historic England consent for the new containerised building. Carry forward requested in anticipation of commencement in 2018/19	Leisure Building Repairs Reserve	70,000
Leisure: Hardwick Heath Access Gate Renewal	15,000	15,352	0	0	352	Project completed in 2017/18. Small overspend to be funded from Leisure Building Repairs Reserve	N/A	15,000
Leisure - Heldhaw Road	29,993	29,993	29,993	0	0	Funded by S106 contributions.	N/A	29,993
Leisure: Nowton Park Electronic Automated Gate	13,000	10,524	0	0	(2,476)	Project completed in 2017/18. Underspend to be put back in Leisure Maintenance reserve for future projects	N/A	13,000
Haverhill House	180,000	182,804	85,674	0	2,804	Additional spend to be funded from the Invest to Save Reserve	N/A	180,000
2 & 3 Bunting Road - Re-Roofing	80,000	75,569	0	0	(4,431)	Project completed in 2017/18. Balance to be returned to Asset Management Plan.	N/A	80,000
<b>Growth</b>								
Suffolk Business Park Investment	3,000,000	3,000,000	0	0	0	Payment made in 2017/18.	N/A	3,000,000

## 2017/18 March (Outturn) Capital Budget Monitoring Report

Project Description	Revised Budget for Year £	Actual Spend for Year £	2017-18 Funded from External Sources £	2017-18 Carry Forward Requested £	Over/(Under) Spend for Year £	Notes	Carry Forward Financed From	Total Project Budget 2017-2021 £
Gypsy and traveller site	0	14,342	14,342	(14,342)	0	Preliminary design works commenced earlier than anticipated. 2018/19 budget to be revised accordingly	Grants	587,000
Private Housing Company	36,250	53,750	0	(17,500)	0	2018/19 budget to be revised to allow for timing differences on this project	Capital Receipts	2,975,000
Commercial Asset Portfolio	6,030,000	5,949,231	0	0	(80,769)	Project completed.	N/A	6,030,000
Loan Facility - Suffolk Business Park	1,000,000	0	0	1,000,000	0	Carry forward requested as loan facility not yet utilised. If utilised, the expectation is that the £4m total loan will be repaid during the term of the current capital programme.	Borrowing	4,000,000
<b>TOTALS</b>	<b>19,163,522</b>	<b>14,712,450</b>	<b>318,268</b>	<b>4,365,099</b>	<b>(85,973)</b>			<b>46,055,679</b>

## MTFS Earmarked Reserves Projections

## 2017/18 March (Outturn) Budget Monitoring Report

Account	Reserve Description	2017/18 Opening Balance	2017/18 Net Budgeted Movement	2017/18 Budgeted Closing Balance	2017/18 Year End Closing Balance	2017/18 Actual Variance (Under) / Over spent	Variance Notes
BZ896	Investing in our Growth Agenda Reserve	0	950,000	950,000	970,000	(20,000)	This reserve which has been set up to support the delivery of the council's growth agenda, £500k in this year and a further £500k to be utilised in 2018/19. Reports CAB/SE/17/020 and COU/SE/17/004 refer. 2017/18 spend relates to Primary School Science funding.
BZ897	Capital Project Financing Reserve	0	0	0	117,458	(117,458)	This is a new Reserve which has been set up in order to facilitate the Capital Financing requirements of the council, and to account for fluctuations and timing differences in the expected spend profile. This includes a "one-off" contribution in 2017/18 which has arisen from savings in internal borrowing.
BZ803	Strategic Priorities & MTFS Reserve	4,202,219	(789,771)	3,412,448	4,531,995	(1,119,547)	Budgeted Reserve movement includes £764k Capital Programme Funding for 2017/18. The under-utilisation mainly relates to £655k Capital Project underspend requested to be carried forward into 2018/19, £290k revenue carry forward requests resulting from timing of projects, plus £190k Commercial Asset Portfolio funding not yet utilised.
BZ804	Invest to Save Reserve	1,517,056	812,628	2,329,684	2,698,227	(368,543)	Budgeted utilisation during 2017/18 includes funding for the Waste & Street Scene Back Office System - see appendix I. Closing balance also includes £35k overall underspend as detailed in the main report, £7.2k transfer from the Local Land Charges Reserve, £86k from Blue Bin Recycling and £90k from Garden Waste.
BZ808	Risk/Recession Reserve	467,786	0	467,786	467,786	(0)	No movement during 2017/18.
BZ809	BRR Equalisation Reserve	626,056	1,162,696	1,788,752	2,138,718	(349,966)	Reserve utilisation lower than budgeted as a result of a lower Pool Levy payment than originally anticipated.
BZ810	Self Insured Fund	231,739	0	231,739	231,739	(0)	No movement during 2017/18.
BZ811	Computer & Telephone Equipment Reserve	369,752	105,500	475,252	253,756	221,496	Funding utilised during 2017/18 in order to facilitate ICT hardware refreshes.
BZ812	Office Equipment Reserve	458,598	(41,646)	416,952	422,953	(6,001)	
BZ813	Section 106 - Public Service Village	64,901	0	64,901	78,477	(13,576)	

MTFS Earmarked Reserves Projections

2017/18 March (Outturn) Budget Monitoring Report

Account	Reserve Description	2017/18 Opening Balance	2017/18 Net Budgeted Movement	2017/18 Budgeted Closing Balance	2017/18 Year End Closing Balance	2017/18 Actual Variance (Under) / Over spent	Variance Notes
BZ814	HB Equalisation Reserve	1,417,156	(503,789)	913,367	615,594	297,773	This reserve is utilised in order to smooth out the effect of variations between the amounts of Housing Benefits paid out and subsequently grant funded by DWP.
BZ816	Interest Equalisation Reserve	359,630	0	359,630	359,630	(0)	No movement during 2017/18.
BZ818	Professional Fees Reserve	170,372	60,000	230,372	216,522	13,850	Funding approved projects
BZ820	ARP Reserve	428,164	(16,755)	411,409	491,538	(80,129)	ARP budgeted reserve funding not utilised.
BZ830	Vehicle & Plant Renewal Fund	2,518,547	(761,445)	1,757,102	1,607,925	149,177	In line with expected spend on Vehicles, Plant & Equipment in the year, as further detailed in the Capital Programme appendix. 2017/18 overspend as a result of timings of purchases, 2018/19 budget to be reduced correspondingly.
BZ831	Waste Management Reserve	341,366	21,950	363,316	400,716	(37,400)	Currently anticipating to fund bin and equipment purchases within existing waste budgets.
BZ832	BR-Building Repairs Reserve - Leisure	454,798	(242,860)	211,938	474,058	(262,120)	Budgeted Reserve movement includes £572k Capital Programme Funding for 2017/18. The under-utilisation of £260k mainly relates to £355k Capital Project underspend requested to be carried forward into 2018/19, offset by £92k revenue funding within parks and play areas.
BZ833	BR-Building Repairs Reserve - Other	1,795,550	(264,421)	1,531,129	2,053,064	(521,935)	The under-utilisation on this reserve has arisen as a result of the overall underspend on Building Repairs and Maintenance during 2017/18.
BZ834	Industrial Units - Service Charges	30,803	0	30,803	55,765	(24,962)	This is a new reserve which has been set up to hold Service Charge income from Industrial Tenants in order to fund agreed works.
BZ835	BR-Leased Flats Management	33,957	0	33,957	33,957	0	No movement during 2017/18.
BZ839	Industrial Rent Reserve	865,000	(110,000)	755,000	755,000	0	
BZ850	Commuted Maintenance Reserve	507,023	(95,200)	411,823	439,950	(28,127)	
BZ851	M-Gershom Parkington Bequest	552,405	3,500	555,905	559,719	(3,814)	
BZ854	Abbey Gardens Donation	38,766	0	38,766	38,766	(0)	No movement during 2017/18.
BZ870	Planning Reserve	108,631	60,000	168,631	187,781	(19,150)	2017/18 Underutilisation resulting from timings of Local Plan spend.
BZ876	S106 Monitoring Officer Reserve	8,324	0	8,324	47,177	(38,853)	Some S106 Monitoring Fees received.
BZ880	Economic Development Reserve (LABGI)	23,187	(5,000)	18,187	18,187	(0)	No movement during 2017/18.

MTFS Earmarked Reserves Projections

2017/18 March (Outturn) Budget Monitoring Report

Account	Reserve Description	2017/18 Opening Balance	2017/18 Net Budgeted Movement	2017/18 Budgeted Closing Balance	2017/18 Year End Closing Balance	2017/18 Actual Variance (Under) / Over spent	Variance Notes
<b>BZ885</b>	Homelessness Legislation Reserve	103,174	7,057	<b>110,231</b>	<b>179,981</b>	<b>(69,750)</b>	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. Full reserve contribution in 2017/18 not required as a result of staffing vacancies in the team.
<b>BZ886</b>	S106 Revenue Reserve	36,015	0	<b>36,015</b>	<b>33,621</b>	<b>2,394</b>	
<b>BZ890</b>	Election Reserve	91,366	30,000	<b>121,366</b>	<b>114,675</b>	<b>6,691</b>	Additional closing balance includes Individual Electoral Registration (IER) Income moved to reserve for future utilisation
<b>St Edmundsbury Totals</b>		<b>18,000,304</b>	<b>217,716</b>	<b>18,218,020</b>	<b>20,594,734</b>	<b>(2,376,714)</b>	

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# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Ernst and Young –2018/2019 Indicative Fees</b>	
<b>Report No:</b>	<b>PAS/FH/18/018</b>	
<b>Report to and date/s:</b>	<b>Performance and Audit Scrutiny Committee</b>	31 May 2018
<b>Portfolio holder:</b>	Councillor Stephen Edwards Portfolio Holder for Resources and Performance <b>Tel:</b> 01799 530325 <b>Email:</b> <a href="mailto:Stephen.edwards@forest-heath.gov.uk">Stephen.edwards@forest-heath.gov.uk</a>	
<b>Lead officer:</b>	Rachael Mann Assistant Director (Resources and Performance) <b>Tel:</b> 01638 719245 <b>Email:</b> <a href="mailto:Rachael.mann@westsuffolk.gov.uk">Rachael.mann@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	To provide members with a basis to review the indicative fees for the 2018/2019 audit as set out in the letter attached at <b>Appendix B</b> .	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>Members are asked to <u>note</u> the External Audit indicative fees for 2018/2019.</b>	

<b>Key Decision:</b> <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>		<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
<b>Consultation:</b>		<ul style="list-style-type: none"> <li>This report has been prepared in consultation with the Resources and Performance team and the Portfolio Holder for Resources and Performance.</li> </ul>	
<b>Alternative option(s):</b>		<ul style="list-style-type: none"> <li>N/A</li> </ul>	
<b>Implications:</b>			
<i>Are there any <b>financial</b> implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>The report includes an indicative audit fee for 2018/19 of £36,235.</li> </ul>	
<i>Are there any <b>staffing</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
<i>Are there any <b>ICT</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
<i>Are there any <b>legal and/or policy</b> implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> <li>External audit is a statutory function.</li> </ul>	
<i>Are there any <b>equality</b> implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> <li></li> </ul>	
<b>Risk/opportunity assessment:</b>		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
	Low/Medium/ High*		Low/Medium/ High*
The assumptions made in arriving at the indicative fee may not be correct.	Medium	Officers will work closely with external audit to ensure that the processes that underlie the assumptions identified in Appendix A are met.	Low
<b>Ward(s) affected:</b>		N/A	
<b>Background papers:</b>		None	
<b>Documents attached:</b>		<b>Appendix A</b> – EY SEBC Annual Audit Fee Letter 2018/2019  <b>Appendix B</b> – EY FHDC Annual Audit Fee Letter 2018/19  <b>Appendix C</b> – EY SEBC Housing Subsidy Certification Letter 2018/19  <b>Appendix D</b> – EY FHDC Housing Subsidy Certification Letter 2018/19	

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

- 1.1 From 2018/19, new rules apply whereby principal authorities are now responsible for making their own arrangements for appointing auditors to carry out the audit of the accounts. Public Sector Audit Appointments Ltd (PSAA) has appointed auditors on behalf of councils that have opted into a national scheme. Appointments, which were confirmed in December 2017, cover the audits of the accounts for 2018/19 to 2022/23. St Edmundsbury Borough Council and Forest Heath District Council opted into the national scheme and have been appointed Ernst and Young LLP (EY) as their auditors.
- 1.2 For 2018/19 PSAA has set the scale fee for each audited body that has opted into the national scheme. The letters at **Appendices A** and **B** set out what the fees are, what they cover and the assumptions underlying the fee levels.
- 1.3 The indicative fees, as set out in the table below, represent a reduction of 23% from the planned fees for 2017/18. Adequate provision has been made in the councils' budgets to cover these fees:

<b>Audit Scale Fee</b>	<b>Planned fee 2017/18 £</b>	<b>Indicative fee 2018/19 £</b>
St Edmundsbury BC	43,767	33,701
Forest Heath DC	47,059	36,235

- 1.4 The indicative fees will be reviewed and updated as necessary following the completion of the 2017/18 audit. They do not include the certification of the councils' 2018/19 housing benefit subsidy claims, which are dealt with below.

### **Housing Subsidy Certification**

- 1.5 Provision of Housing Benefit subsidy certification audit services falls outside of the PSAA remit of appointing auditors. As such they need to be appointed by each participating council.
- 1.6 In order to keep consistency of approach across each partner council that make up the Anglia Revenues Partnership, it is proposed to continue to use EY to deliver the Housing Benefit subsidy certification service for 2018/19.
- 1.7 The indicative fees, as set out in the table below and further detailed in **appendices C** and **D**, represent a reduction of 1.6% from the fees for 2017/18. Adequate provision has been made in the councils' budgets to cover these fees:

<b>Audit scale fee</b>	<b>Fee 2017/18 £</b>	<b>Indicative fee 2018/19 £</b>
St Edmundsbury BC	15,203	14,960
Forest Heath DC	15,203	14,960

- 1.8 As above, it is proposed to continue the use of EY for the 2018/19 period; the s.151 Officer, in consultation with the Portfolio Holder for Resources and Performance will confirm this arrangement. The arrangements for 2019/20 will be a matter for the Shadow Council to appoint, in line with its own constitutional provisions.

23 April 2018

Rachael Mann  
Head of Resources and Performance  
St Edmundsbury Borough Council  
West Suffolk House  
Western Way  
Bury St Edmunds  
IP33 3YU

Dear Rachael,

## St Edmundsbury Borough Council - Annual Audit Fee Letter - 2018/19

We are writing to confirm the audit that we propose to undertake for the 2018/19 financial year at St Edmundsbury Borough Council.

From 2018/19, new arrangements for local auditor appointment set out in the Local Audit and Accountability Act 2014 apply for principal local government and police bodies. These audited bodies are responsible for making their own arrangements for the audit of the accounts and certification of the housing benefit subsidy claim. Public Sector Audit Appointments Ltd (PSAA) has appointed auditors for bodies that have opted into the national scheme. Appointments were made for the duration of the five-year appointing period, covering the audits of the accounts for 2018/19 to 2022/23. Appointments for all bodies that had opted into the appointing person scheme before 9 March 2017 were confirmed, following consultation in December 2017.

### Indicative audit fee

For the 2018/19 financial year, PSAA has set the scale fee for each audited body that have opted into its national auditor appointment scheme. Following consultation on its Work Programme and Scale of Fees, PSAA has reduced the 2018/19 scale audit fee for all opted-in bodies by 23 per cent from the fees applicable for 2017/18.

The fee reflects the risk-based approach to audit planning set out in the National Audit Office's Code of Audit Practice for the audit of local public bodies.

The audit fee covers the:

- Audit of the financial statements
- Value for money conclusion
- Whole of Government accounts.

For St Edmundsbury Borough Council our indicative fee is set at the scale fee level. This indicative fee is based on certain assumptions, including:

- The overall level of risk in relation to the audit of the financial statements is not significantly different from that of the prior year
- Officers meeting the agreed timetable of deliverables;
- The operating effectiveness of the internal controls for the key processes identified within our audit strategy, and where relevant to our audit strategy;
- We can rely on the work of internal audit, where relevant, as planned;
- Our accounts opinion and value for money conclusion being unqualified;
- Appropriate quality of documentation is provided by the St Edmundsbury Borough Council;
- There is an effective control environment; and
- Prompt responses are provided to our draft reports.

Meeting these assumptions will help ensure the delivery of our audit at the indicative audit fee which is set out in the table below.

As we have not yet completed our audit for 2017/18, our audit planning process for 2018/19 will continue as the year progresses. Fees will be reviewed and updated as necessary, within the parameters of our contract.

### Summary of fees

	Indicative fee 2018/19 £'s	Planned fee 2017/18 £'s	Actual fee 2016/17 £'s
Total Code audit fee	33,701	43,767	43,767

Any additional work that we may agree to undertake (outside of the Code of Audit Practice) will be separately negotiated and agreed with you in advance.

The appointment of an auditor to certify the Council's 2018/19 housing benefit subsidy claim is not covered by the PSAA appointment, and is therefore not within this letter. We have corresponded separately with you in relation to this going forwards.

### Billing

The indicative audit fee will be billed in 4 quarterly instalments £8,425.25.

### **Audit plan**

Our plan is expected to be in the January – March 2018 period. This will communicate any significant financial statement risks identified, planned audit procedures to respond to those risks and any changes in fee. It will also set out the significant risks identified in relation to the value for money conclusion. Should we need to make any significant amendments to the audit fee during the course of the audit, we will discuss this in the first instance with you and, if necessary, prepare a report outlining the reasons for the fee change for discussion with the Performance and Audit Scrutiny Committee.

We are committed to providing you with a high quality service. If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please contact me as your Engagement Lead. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London, SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute.

Yours sincerely



Mark Hodgson  
Associate Partner  
For and on behalf of Ernst & Young LLP

Dear Sirs,

Reference is made to your letter of the 17th July 2014 and to the fact that you have been advised that the proposed acquisition of the shares in the company is subject to the completion of the necessary legal and financial due diligence. We are pleased to hear that you are satisfied with the results of the due diligence and that you are proceeding with the acquisition. We will be pleased to assist you in any way we can in connection with the acquisition.

We have reviewed the documents submitted to us and are satisfied that the information provided is accurate and complete. We have also reviewed the financial statements of the company and are satisfied that they are true and fair. We have also reviewed the legal documents relating to the acquisition and are satisfied that they are in compliance with the applicable law. We will be pleased to assist you in any way we can in connection with the acquisition.

Yours faithfully,

Mark Harrison

Senior Counsel  
Ernst & Young

Ernst & Young Global Limited

23 April 2018

Rachael Mann  
Head of Resources and Performance  
Forest Heath District Council  
College heath Road  
Mildenhall  
IP28 7EY

Dear Rachael,

## Forest Heath District Council - Annual Audit Fee Letter - 2018/19

We are writing to confirm the audit that we propose to undertake for the 2018/19 financial year at Forest Heath District Council.

From 2018/19, new arrangements for local auditor appointment set out in the Local Audit and Accountability Act 2014 apply for principal local government and police bodies. These audited bodies are responsible for making their own arrangements for the audit of the accounts and certification of the housing benefit subsidy claim. Public Sector Audit Appointments Ltd (PSAA) has appointed auditors for bodies that have opted into the national scheme. Appointments were made for the duration of the five-year appointing period, covering the audits of the accounts for 2018/19 to 2022/23. Appointments for all bodies that had opted into the appointing person scheme before 9 March 2017 were confirmed, following consultation in December 2017.

### Indicative audit fee

For the 2018/19 financial year, PSAA has set the scale fee for each audited body that have opted into its national auditor appointment scheme. Following consultation on its Work Programme and Scale of Fees, PSAA has reduced the 2018/19 scale audit fee for all opted-in bodies by 23 per cent from the fees applicable for 2017/18.

The fee reflects the risk-based approach to audit planning set out in the National Audit Office's Code of Audit Practice for the audit of local public bodies.

The audit fee covers the:

- Audit of the financial statements
- Value for money conclusion
- Whole of Government accounts.

For Forest Heath District Council our indicative fee is set at the scale fee level. This indicative fee is based on certain assumptions, including:

- The overall level of risk in relation to the audit of the financial statements is not significantly different from that of the prior year

- Officers meeting the agreed timetable of deliverables;
- The operating effectiveness of the internal controls for the key processes identified within our audit strategy, and where relevant to our audit strategy;
- We can rely on the work of internal audit, where relevant, as planned;
- Our accounts opinion and value for money conclusion being unqualified;
- Appropriate quality of documentation is provided by the Forest Heath District Council;
- There is an effective control environment; and
- Prompt responses are provided to our draft reports.

Meeting these assumptions will help ensure the delivery of our audit at the indicative audit fee which is set out in the table below.

As we have not yet completed our audit for 2017/18, our audit planning process for 2018/19 will continue as the year progresses. Fees will be reviewed and updated as necessary, within the parameters of our contract.

#### Summary of fees

	Indicative fee 2018/19 £'s	Planned fee 2017/18 £'s	Actual fee 2016/17 £'s
Total Code audit fee	36,235	47,059	56,309

Any additional work that we may agree to undertake (outside of the Code of Audit Practice) will be separately negotiated and agreed with you in advance.

The appointment of an auditor to certify the Council's 2018/19 housing benefit subsidy claim is not covered by the PSAA appointment, and is therefore not within this letter. We have corresponded separately with you in relation to this going forwards.

#### Billing

The indicative audit fee will be billed in 4 quarterly instalments £9,058.75.

### **Audit plan**

Our plan is expected to be in the January – March 2018 period. This will communicate any significant financial statement risks identified, planned audit procedures to respond to those risks and any changes in fee. It will also set out the significant risks identified in relation to the value for money conclusion. Should we need to make any significant amendments to the audit fee during the course of the audit, we will discuss this in the first instance with you and, if necessary, prepare a report outlining the reasons for the fee change for discussion with the Performance and Audit Scrutiny Committee.

We are committed to providing you with a high quality service. If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please contact me as your Engagement Lead. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London, SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute.

Yours sincerely

*MARK HODGSON*

Mark Hodgson  
Associate Partner  
For and on behalf of Ernst & Young LLP

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The Bank of Yemen is a public institution established by the Yemeni people through the National Assembly. It is the central bank of the Republic of Yemen and is responsible for the monetary policy, the stability of the national currency, and the development of the financial system. The Bank is also responsible for the supervision and regulation of the banking sector.

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Bank of Yemen

Bank of Yemen  
P.O. Box 1000, Sana'a, Yemen  
Tel: +967 1 2222222

31 January 2018

Rachael Mann  
Head of Resources and Performance  
Forest Heath District Council  
District Offices  
College Heath Road  
Mildenhall  
IP28 7EY

Dear Rachael,

### St Edmundsbury Borough Council - 2018/19 Housing Subsidy certification proposal

In line with our discussions, I am pleased to be able to submit this letter in relation to our ongoing provision of housing benefit subsidy certification services for the St Edmundsbury Borough Council from 2018/19 in line with the Department of Work and Pensions circular (HB S1/2017).

Having taken into account the information that we have in relation to your current subsidy certification arrangements, we would propose the following fees in relation to this service:

- A Base fee of £6,180 for the certification of the claim.
- An additional £2,195 in respect of extended testing (40+ or full sample) wherever errors are found (per reportable cell).
- An annual uplift of the fee in line with RPI to reflect increased costs.

Therefore, the fee for 2018/19 based on the current error rate (found during the 2016/17 audit) would be:

- A fee for 2018/19 of **£14,960**, based on the current error rate.
- By comparison the 2016/17 certification fee was £15,203.

#### Baseline Fee

Our baseline price is based on the scope of the work, which is to deliver the responsibilities set out in the DWP SI/2017 which describes the Assurance of Housing Benefit subsidy claims 2018/19. We have made the following assumptions in setting our base fee:

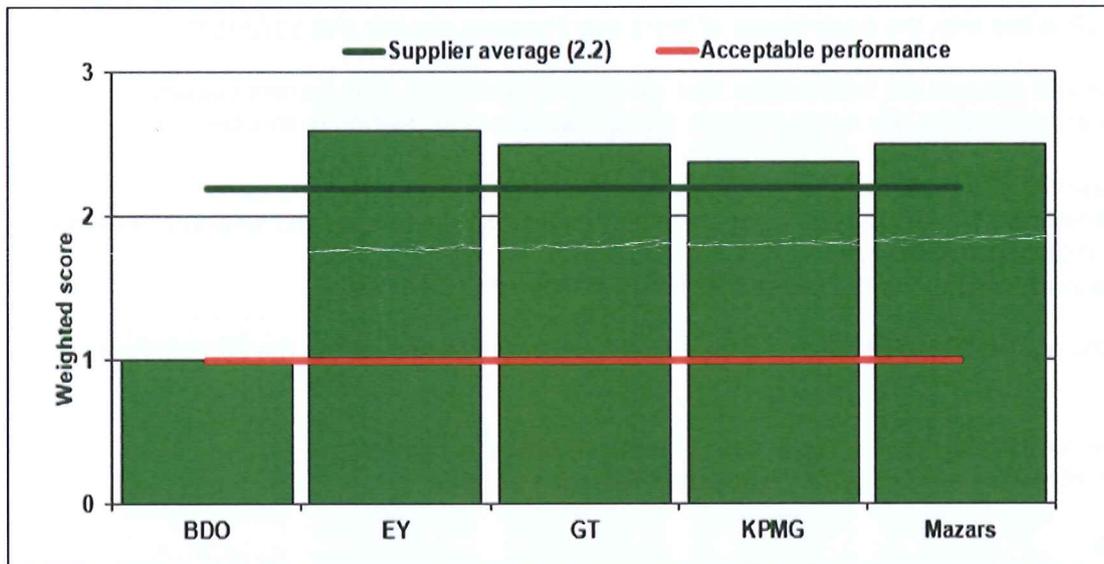
- That you undertake all the initial testing under HBAP Module 3.
- Working papers and audit trails from the Benefits system will be provided, that fully support the completed claim form MPF720A.
- Responses to questions arising will be answered promptly, in accordance with agreed timescales.
- No errors are identified from prior years or current year initial testing which require extended testing by either drill-down or 40+ methodologies.
- There is no qualification or observations to modify the reporting accountant's report.

Extended Testing

Where errors are identified which require extended testing, amendments to the claim, or modifying the report to the DWP, the additional fee per each extended sample (per reportable cell) would be £2,195. This extended testing fee is for standard testing of the extended (40+) sample and assumes a low error rate within that sample (<10%). Any higher level error rate would require further testing and would derive an additional fee based on the standard hourly rate.

Quality Service Provision

We currently provide HB subsidy certification to 106 clients, through our specialist Government & Public Sector team. We provide a quality service, and are proud that in the PSAA's latest Annual Regulatory and Compliance Report (July 2017) we score the highest of all providers, with an average score of 2.6 (out of 3).



I hope that I have provided you with sufficient information for you to approve this approval. If you require any further information, please do not hesitate to contact me on 07541 346507.

Once you have formally approved our appointment we will issue our engagement letter to you.

Yours faithfully,



Mark Hodgson  
Associate Partner  
For and on behalf of EY

31 January 2018

Rachael Mann  
Head of Resources and Performance  
Forest Heath District Council  
District Offices  
College Heath Road  
Mildenhall  
IP28 7EY

Dear Rachael,

## Forest Heath District Council - 2018/19 Housing Subsidy certification proposal

In line with our discussions, I am pleased to be able to submit this letter in relation to our ongoing provision of housing benefit subsidy certification services for the Forest Heath District Council from 2018/19 in line with the Department of Work and Pensions circular (HB S1/2017).

Having taken into account the information that we have in relation to your current subsidy certification arrangements, we would propose the following fees in relation to this service:

- A Base fee of £6,180 for the certification of the claim.
- An additional £2,195 in respect of extended testing (40+ or full sample) wherever errors are found (per reportable cell).
- An annual uplift of the fee in line with RPI to reflect increased costs.

Therefore, the fee for 2018/19 based on the current error rate (found during the 2016/17 audit) would be:

- A fee for 2018/19 of **£14,960**, based on the current error rate.
- By comparison the 2016/17 certification fee was £15,203.

### Baseline Fee

Our baseline price is based on the scope of the work, which is to deliver the responsibilities set out in the DWP SI/2017 which describes the Assurance of Housing Benefit subsidy claims 2018/19. We have made the following assumptions in setting our base fee:

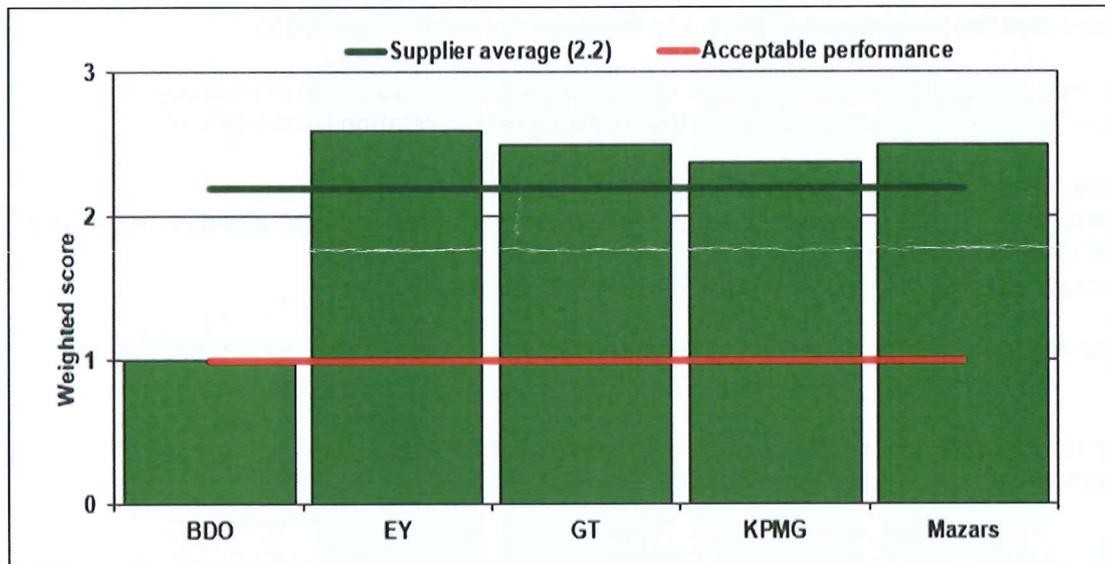
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Yours faithfully,



Mark Hodgson  
Associate Partner  
For and on behalf of EY

# Informal Joint Performance and Audit Scrutiny Committee



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Work Programme Update</b>	
<b>Report No:</b>	<b>PAS/FH/18/019</b>	
<b>Report to and date:</b>	<b>Performance and Audit Scrutiny Committee</b>	31 May 2018
<b>Chairman of the Committee:</b>	Councillor Louis Busuttil Chairman of the Performance and Audit Scrutiny Committee <b>Tel:</b> 01638 810517 <b>Email:</b> <a href="mailto:louis.busuttil@forest-heath.gov.uk">louis.busuttil@forest-heath.gov.uk</a>	
<b>Lead officer:</b>	Christine Brain Democratic Services Officer (Scrutiny) <b>Tel:</b> 01638 719729 <b>Email:</b> <a href="mailto:Christine.brain@westsuffolk.gov.uk">Christine.brain@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	To update members on the current status of its Work Programme, attached at Appendix 1.	
<b>Recommendation:</b>	<b>Performance and Audit Scrutiny Committee:</b>  <b>It is <u>RECOMMENDED</u> that:</b>  <b>1) Members review the current status of its Work Programme for 2018-2019.</b>  <b>2) Members are asked to identify potential topics for future scrutiny on service performance.</b>	

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

Description	Lead Officer
<b>25 July 2018 (Time: 6.00pm)</b> <b>Venue – St Edmundsbury Borough Council</b> <b>(Annual Accounts)</b>	
Ernst and Young – 2017-2018 ISA 260 Annual Results Report to those Charged with Governance	Assistant Director (Resources and Performance)
West Suffolk Annual Governance Statement 2017-2018	Service Manager (Internal Audit)
2017-2018 Statement of Accounts	Assistant Director (Resources and Performance)
Annual Treasury Management Report 2017-2018 and Investment Activity (April to June 2018)	Service Manager (Finance and Performance)
Work Programme Update	Democratic Services Officer (Scrutiny)
<b>27 September 2018 (Time: 5.00pm)</b> <b>Informal Joint Meeting</b> <b>(Hosted by St Edmundsbury Borough Council)</b>	
Balanced Scorecards and Quarter 1 Performance Report 2018-2019	Senior Business Partner (Resources and Performance)
West Suffolk Strategic Risk Register Monitoring Report – June 2018	Senior Business Partner (Resources and Performance)
Financial Performance Report (Revenue and Capital) 2018-2019 - Quarter 1 (April to June 2018)	Assistant Director (Resources and Performance)
Annual Corporate Environmental Statement 2017-2018	Service Manager (Environmental Health)
Work Programme Update	Democratic Services Officer
<b>28 November 2018 (Time: 5.00pm)</b> <b>Informal Joint Meeting</b> <b>(Hosted by Forest Heath District Council)</b>	
Mid-Year Internal Audit Progress Report 2018-2019	Service Manager (Internal Audit)
Balanced Scorecards and Quarter 2 Performance Report 2018-2019	Senior Business Partner (Resources and Performance)
West Suffolk Strategic Risk Register Monitoring Report – September 2018	Senior Business Partner (Resources and Performance)
Building Control – Improvement Plan (Update)	Assistant Director (Planning and Regulatory)
Financial Performance Report (Revenue and Capital) 2018-2019 - Quarter 2 (April to September 2018)	Assistant Director (Resources and Performance)
Ernst and Young – Annual Audit Letter 2017-2018	Assistant Director (Resources and Performance)
Work Programme Update	Democratic Services Officer

<b>Forest Heath Specific Reports</b>	
Delivering a Sustainable Medium Term Financial Strategy 2019-2022	Assistant Director (Resources and Performance)
Mid-Year Treasury Management Report and Investment Activity (April – September 2018)	Service Manager (Finance and Performance)
<b>31 January 2019 (Time: 5.00pm)</b>	
<b>Informal Joint Meeting (Hosted by St Edmundsbury Borough Council)</b>	
Balanced Scorecards and Quarter 3 Performance Report 2018-2019	Senior Business Partner (Resources and Performance)
West Suffolk Strategic Risk Register Monitoring Report – December 2018	Senior Business Partner (Resources and Performance)
Ernst and Young – Certification of Claims and Returns Annual Report (2017-2018)	Assistant Director (Resources and Performance)
Ernst and Young – External Audit Plan and Fees 2018-2019 and 2019-2020 Indicative Fees	Assistant Director (Resources and Performance)
Financial Performance Report (Revenue and Capital) 2018-2019 - Quarter 3 (April to December 2018)	Assistant Director (Resources and Performance)
Work Programme Update	Democratic Services Officer (Scrutiny)
<b>Forest Heath Specific Reports</b>	
Delivering a Sustainable Medium Term Financial Strategy 2019-2022 – Update	Assistant Director (Resources and Performance)
Treasury Management Report 2018-2019 Investment Activity -(April to December 2018)	Service Manager (Finance and Performance)
Treasury Management Policy Statement and Investment Strategy 2019-2020 and Treasury Management Code of Practice	Service Manager (Finance and Performance)

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