

Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title:	Agenda												
Date:	Wednesday 25 July 2018												
Time:	5.30 pm												
Venue:	Conference Chamber West West Suffolk House Western Way Bury St Edmunds												
Full Members:	<p style="text-align: center;">Chairman Sarah Broughton Vice Chairman Patricia Warby</p> <p><u>Conservative Members (9)</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Sarah Broughton</td> <td style="width: 33%;">Karen Richardson</td> </tr> <tr> <td>Beccy Hopfensperger</td> <td>Andrew Smith</td> </tr> <tr> <td>Jane Midwood</td> <td>Peter Thompson</td> </tr> <tr> <td>Clive Pollington</td> <td>Patricia Warby</td> </tr> <tr> <td>David Roach</td> <td></td> </tr> </table> <p><u>UKIP Member (1)</u> Barry Robbins</p>			Sarah Broughton	Karen Richardson	Beccy Hopfensperger	Andrew Smith	Jane Midwood	Peter Thompson	Clive Pollington	Patricia Warby	David Roach	
Sarah Broughton	Karen Richardson												
Beccy Hopfensperger	Andrew Smith												
Jane Midwood	Peter Thompson												
Clive Pollington	Patricia Warby												
David Roach													
Substitutes:	<p><u>Conservative Members (4)</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Mary Evans</td> <td style="width: 33%;">Elaine McManus</td> </tr> <tr> <td>Susan Glossop</td> <td>Vacancy</td> </tr> <tr> <td>Mary Evans</td> <td></td> </tr> </table>			Mary Evans	Elaine McManus	Susan Glossop	Vacancy	Mary Evans					
Mary Evans	Elaine McManus												
Susan Glossop	Vacancy												
Mary Evans													
Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.												
Quorum:	Four Members												
Committee administrator:	<p>Christine Brain Democratic Services Officer (Scrutiny) Tel: 01638 719729 Email: christine.brain@westsuffolk.gov.uk</p>												

5.30pm	Informal joint discussions with Forest Heath District Council's Performance and Audit Scrutiny Committee on the five items listed under Items 4 to 8 inclusive, to be held in Conference Chamber West . The formal meeting of the Performance and Audit Scrutiny Committee will commence immediately following the conclusion of the informal joint discussions in Conference Chamber West .
---------------	---

All Members of Forest Heath District Council's Performance and Audit Scrutiny Committee will be in attendance to enable informal joint discussions on the reports listed in Items 4 to 8 to take place between the two authorities:

COUNCILLORS

Conservative
Members (8)

Michael Anderson
Rona Burt
Christine Mason

Chris Barker
Louis Busuttil
Colin Noble

John Bloodworth
Simon Cole

UKIP Members (2)

Peter Ridgwell

Reg Silvester

Public Information

Venue:	West Suffolk House Western Way Bury St Edmunds Suffolk IP33 3YU	Tel: 01284 763233 Email: democratic.services@westsuffolk.gov.uk Web: www.westsuffolk.gov.uk
Access to agenda and reports before the meeting:	Copies of the agenda and reports are open for public inspection at the above address at least five clear days before the meeting. They are also available to view on our website.	
Attendance at meetings:	The Borough Council actively welcomes members of the public and the press to attend its meetings and holds as many of its meetings as possible in public.	
Public speaking:	Members of the public who live or work in the Borough are invited to put one question or statement of not more than three minutes duration relating to items to be discussed in Part 1 of the agenda only. If a question is asked and answered within three minutes, the person who asked the question may ask a supplementary question that arises from the reply. 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.	
Disabled access:	West Suffolk House has facilities for people with mobility impairments including a lift and wheelchair accessible WCs. However, in the event of an emergency use of the lifts is restricted for health and safety reasons. Visitor parking is at the car park at the front of the building and there are a number of accessible spaces.	
Induction loop:	An Induction loop is available for meetings held in the Conference Chamber.	
Recording of meetings:	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). 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.	
:Personal Information:	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: http://www.westsuffolk.gov.uk/Council/Data_and_information/howweuseinformation.cfm or call Customer Services: 01284 7633233 and ask to speak to the Data Protection Officer.	

Agenda

Procedural Matters

Part 1 - Public

1. Substitutions

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

2. Apologies for Absence

3. Public Participation

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

A person who wishes to speak must register at least 15 minutes before the time the meeting is scheduled to start. There is an overall limit of 15 minutes for public speaking, which may be extended at the Chairman's discretion.

(Following the informal discussions held with Forest Heath District Council's Performance and Audit Scrutiny Committee on Items 4 to 9 below, Members are reminded that no further debate shall take place. However, Members are requested to either formally note/resolve/recommend Items 4 to 9 below).

- | | | |
|-----------|--|----------------|
| 4. | 2018-2019 Performance Report - Quarter 1 | 1 - 66 |
| | Report No: PAS/SE/18/021
<i>(For reference purposes, Forest Heath District Council's Report Number is PAS/FH/18/020)</i> | |
| 5. | West Suffolk Strategic Risk Register Monitoring Report - June 2018 | 67 - 80 |
| | Report No: PAS/SE/18/022
<i>(For reference purposes, Forest Heath District Council's Report Number is PAS/FH/18/021)</i> | |
| 6. | Work Programme Update | 81 - 84 |
| | Report No: PAS/SE/18/023
<i>(For reference purposes, Forest Heath District Council's Report Number is PAS/FH/18/022)</i> | |

(The following two reports are to be considered as part of the function delegated to the Performance and Audit Scrutiny Committee relating to the new West Suffolk Council).

- | | | |
|-----------|--|----------------|
| 7. | Approach to Delivering a Sustainable West Suffolk Budget 2019-2020 and Medium Term Plan | 85 - 90 |
| | Report No: PAS/SE/18/024
<i>(For reference purposes, Forest Heath District Council's Report Number is PAS/FH/18/023)</i> | |
| 8. | Appointment of Auditors for West Suffolk Council | 91 - 98 |
| | Report No: PAS/SE/18/025
<i>(For reference purposes, Forest Heath District Council's Report Number is PAS/FH/18/024)</i> | |

Part 2 – Exempt

NONE

This page is intentionally left blank

Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	2018/19 Performance Report - Quarter 1	
Report No:	PAS/SE/18/021	
Report to and date:	Performance and Audit Scrutiny Committee	25 July 2018
Portfolio holder:	Ian Houlder Portfolio Holder for Resources and Performance Tel: 07970 729435 Email: ian.houlder@stedsbc.gov.uk	
Lead officer:	Rachael Mann Assistant Director (Resources and Performance) Tel: 01638 719245 Email: Rachael.mann@westsuffolk.gov.uk	
Purpose of report:	This report sets out the Performance for the first quarter and forecasted financial outturn position for 2018/19.	
Recommendation:	Performance and Audit Scrutiny Committee: Members are requested to <u>note</u> the year end forecast financial position and forward any relevant issues or comments to Cabinet for their consideration.	
Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	

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

Capital investment plans continue to be affordable, prudent and sustainable	Medium	Prudential Indicators are in place to safeguard the Council.	Low
Treasury Management	Medium	Treasury Management Policy and Procedures are in place	Low
Fluctuation in Business rate retention yield	High	Work with ARP to understand the variance to deliver a realistic forecast.	Medium
Ward(s) affected:		All Wards	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		2018-2019 Draft Performance Indicators and Targets (PAS/SE/18/013)	
Documents attached:		<p>Appendix A – Performance Indicators – Commentary</p> <p>Appendix B – Performance Indicators – Growth</p> <p>Appendix C – Performance Indicators – Families & Communities</p> <p>Appendix D – Performance Indicators – Housing</p> <p>Appendix E – Performance Indicators – Day to Day</p> <p>Appendix F – FHDC Financial Forecast – Revenue, Capital & Reserves</p> <p>Appendix G – FHDC Revenue Forecast Summary</p> <p>Appendix H – FHDC Revenue Forecast Details</p> <p>Appendix I – FHDC Capital Programme</p> <p>Appendix J – FHDC Earmarked Reserves</p> <p>Appendix K – SEBC Financial Forecast – Revenue, Capital & Reserves</p> <p>Appendix L – SEBC Revenue Forecast Summary</p> <p>Appendix M – SEBC Revenue Forecast Details</p> <p>Appendix N – SEBC Capital Programme</p> <p>Appendix O – SEBC Earmarked Reserves</p>	

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.
- 1.2 During 2017/18 the performance management approach was reviewed with the intention of developing 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 (Report PAS/SE/18/013 "2018-2019 Draft Performance Indicators and Targets" dated 31 May 2018 refers).
- 1.3 The purpose of this evolution and development of the performance management framework is to ensure that management information supplied to the Performance and Audit Scrutiny Committee, 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; and
 - Inclusion of qualitative information as part of our overall story/messaging around performance.
- 1.4 In previous years Performance Indicators and Budget Monitoring figures were reported separately to this committee. It is now the intention to combine these reports in order to give a clearer indication of the councils' overall performance.

2. Performance

- 2.1 This report shows the current Performance Indicators for the first quarter of 2018/19, as set out in the attached appendices as follows:

2.2 Appendix A: 2018/19 Performance Indicators – Commentary

This appendix shows a high level summary of the councils' Budget Monitoring forecast position for Revenue, Capital and Reserves, and draws out a number of key performance indicators at strategic priority level.

2.3 Appendices B to E: Performance Indicators by Strategic Priority

These appendices support Appendix A and include more detail about how the councils are performing against each strategic priority.

2.4 Appendices F to O: Financial Performance of each council

These appendices contain the current financial forecast positions for each council in respect of Revenue, Capital and Earmarked Reserves.

- 2.5 The table below shows the current performance status for all indicators, grouped by Strategic Priority and further detailed in **Appendices A to E**.

Key Performance Indicators					
Quarter 1 - 2018/19					
Appendix	Strategic Priority	On or Exceeding Target	Below Target within tolerance	Below Target, outside of tolerance	Data ONLY Indicators
B	Inclusive Growth	2	3	0	0
C	Families & Communities	4	0	2	3
D	Housing	0	0	2	2
E	Day to Day	21	6	3	4
	West Suffolk Totals:	27	9	7	9

This page is intentionally left blank

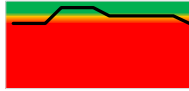




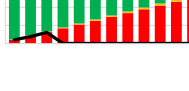


PASC BALANCED SCORECARD

JUNE 2018

Budget Monitoring - Over/(Under) spend

Revenue	SEBC	FHDC	West Suffolk
Net Year-end forecast variance to Budget	156	(53)	103
Income Year-end forecast variance	(17)	697	681
Expenditure Year-end forecast variance	173	(751)	(578)
Capital	SEBC	FHDC	West Suffolk
Net Year-end forecast variance to Budget	(4,658)	(1,169)	(5,827)
Reserves	SEBC	FHDC	West Suffolk
Net Year-end forecast variance to Budget	(673)	(612)	(1,285)

Key Performance Indicators

	Value	Target	Trend
Inclusive Growth			
Housing			
Housing improvement - Number of residents/households supported via our help.	309	350	
Families & Communities			
Number of households in Bed and Breakfasts (as at last day of month)	22	11	
Number of households in Temporary Accommodation (as at last day of month)	60	40	
Number of flytipping incidents recorded in West Suffolk	119	156	
Day-to-Day			
Uptake of pre-application advice (% of all applications - major/minor).	15%	40%	
Car park income (£)	1,224,265	1,326,255	
Income from entire property portfolio (£)	1,330,119	1,155,804	
Renewable energy production from West Suffolk's investments. MWh	5,551	4,920	
Corporate Efficiency			

This page is intentionally left blank

PASC BALANCED SCORECARD

JUNE 2018

Commentary

Financial Performance - The forecast revenue position across West Suffolk currently shows an overall overspend of £103k, representing 0.09% of the total budget across the 2 councils. This is comprised of a number of positive and negative variances to budget, which will be monitored closely as the year progresses.

The forecast variance includes assumptions around the timing of our "Investing in our Growth Agenda" capital fund overall performance that is intended to generate a net income stream of around £400k across West Suffolk per annum, after allowing for the cost of borrowing and the minimum revenue provision.

As business cases come forward the financing of those business cases make provision for borrowing costs (minimum revenue provision and external borrowing costs). However, actual external borrowing would only take place when the Council's treasury management activities identify such a need. For example, this could be when the Council's cash flow management activities anticipate that an external cash injection is required to maintain the appropriate level of cash balances for the Council to operate and fulfil its budget and service delivery requirements.

As projects from this fund are confirmed the budgets will be updated accordingly, and the figures shown assume that we will utilise the monies set aside for savings in external borrowing in order to offset the timing of this fund's performance.

Housing Improvement - In Q1 we supported 309 residents/households, 44 housing grants, 75 housing requests and 190 of interventions through Orbit providing grab rails, the handy person service and equipment.

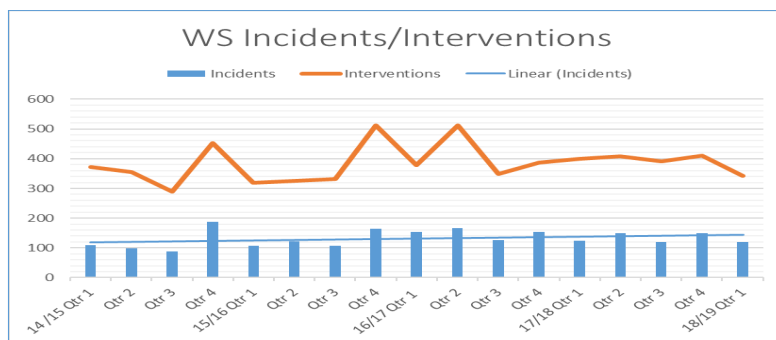
Households in B&B and Temp Accommodation - Demand for housing continues and there has been a rise in the number of people needing to be accommodated in Bed and Breakfast and temporary accommodation. The housing team is focussed on preventing homelessness in the first instance and continues to provide proactive support and advice where possible. New legislation has been in place since April 2018 and as a result the team is managing a significantly higher case load. We will continue to monitor the impact of the new legislation and compare our performance with other authorities to identify best practice.

Flytipping - Over the last quarter there have been 119 recorded incidents of flytipping in West Suffolk. Of these 115 were reported as taking place on public land and 4 were reported on private land. The total cost for clearance and disposal of these incidents in West Suffolk is estimated to be £18,295 using the data provided through the national Waste Data Flow reporting system.

59 of the incidents were of a 'car boot load' size or less and 60 were the size of a 'transit van' load or less. There were no reported incidents involving 'tipper lorry' or significant multiple loads.

Over the same time period there have been 342 interventions carried out to combat incidents of flytipping, both proactively to reduce breaches of legislation and reactively to deter and investigate offenders. Of these interventions 207 were proactive 'Duty of Care' inspections where businesses are asked to demonstrate how they dispose of waste generated through their activities. In addition to this and in response to identified incidents 94 investigations were carried out which led to 38 warning letters and 3 fixed penalty notices being issued. Enforcement action is always taken where there is sufficient evidence available. Warning signs have been installed at 'hot spot' locations and advice given to private landowners and householders.

The graph below shows the combined figures for West Suffolk and indicates a marginal increase in recorded incidents of flytipping over the last 4 years. Enforcement interventions continue in response to incidents.



Car Parking Income - Car parking income has been on a downward path since December although transactions have recovered over the past month. This is supported by recent footfall data particularly in Bury St Edmunds town centre which has seen some recovery. Recent car parking occupancy analysis has shown that peak time car parking transactions remain strong and seen growth in comparison to the 2015 car parking review. However mid-week occupancy has declined and is the cause of the lower than estimated income receipts. Nationally, town centres are facing a challenging and unpredictable time, and therefore it is difficult to predict with any certainty on-going trends. We are slightly down on income against actual receipts from 2017 at the moment but this may change as we move through the financial year. To note, the relocation of the market to the High Street in Newmarket will provide an additional 58 car parking spaces at peak times from September 2018, providing an opportunity to generate income from transactions.

Property Portfolio Income - Q1 Income has outstripped the budget by £174k. This is predominantly due to a void % of only 6% (against a forecast 7%)


Development Management - The quality and speed of determination of applications is partly determined by good engagement during pre-app. The target to increase pre-app take-up to 40% is by year end. We have just entered our first formal Planning Performance Agreement for a strategic site. Focus on pre-apps is a key area within our Improvement Plan and we are using new capacity to deliver this, amongst other things. Improved engagement with developers is key.

Renewable Energy - This covers all solar installations owned and operated by the councils, comprising Toggam Solar and installations both on council property and within the Solar for Business portfolio. Exceeding the Q1 target has been achieved by a combination of sunny weather experienced in the latter part of Q1 and ongoing high standard of maintenance, monitoring and management of business performance

This page is intentionally left blank

STRATEGIC PRIORITY - INCLUSIVE GROWTH

Month Ending Jun-18

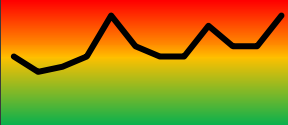

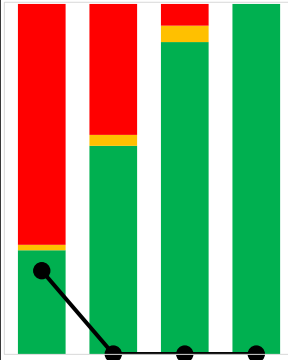
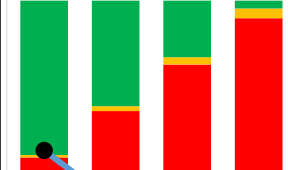
No.	Indicator	Rationale	Current Value	Target	Frequency	Trend	Commentary
G1	Job growth over time - % in Employment		81.00%	85.00%	A		
G2	% of residents with NVQ3 qualifications over time		59.00%	57.00%	A		
G3	% of residents with NVQ4 qualifications over time		37.00%	35.00%	A		
G4	External Funding received for infrastructure		£ -	£ -	A		
G5	% of business and residents with high speed broadband		92.60%	95.00%	A		
G6	Median salary to average house price		7.65%	8.0%	Q		

This page is intentionally left blank

STRATEGIC PRIORITY - FAMILIES & COMMUNITIES

Month Ending

Jun-18

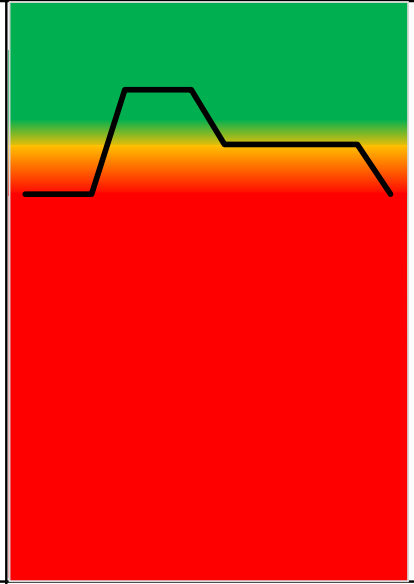
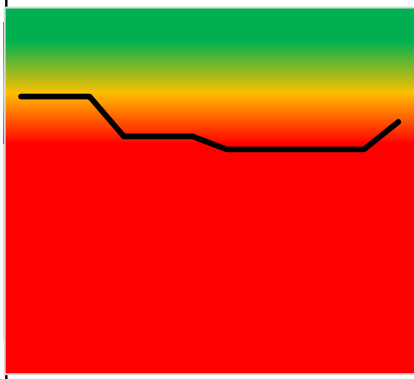
No.	Indicator	Rationale	Current Value	Target	Frequency	Trend	Commentary
F1	Number of cases of accepted statutory homeless	Outcome - trend of homeless numbers	34	No target	Q		
F2	Number of households in Bed and Breakfasts (as at last day of month)	Output - indicator of demand and process	22	11	M		
F3	Number of households in Temporary Accommodation (as at last day of month)	Output - indicator of demand and process	60	40	M		
F4	Number of Households in bands A&B	Output - indicator of demand and process	922	No target	M		39.47% of the total number of households are in bands A&B.
F5	Total number of Households in all bands	Output - indicator of demand and process	2,336	No target	M		
F6	Residual household waste per household (kg)	Outcome - impact of awareness campaigns and initiatives	139	138	Q		There has been a small increase in residual waste this quarter when compared to the previous two quarters. This figure has been estimated as the data was unavailable at the time of reporting.
F7	Number of flytipping incidents recorded in West Suffolk	Outcome - impact of prevention initiatives	119	156	Q		Over the last quarter there have been 119 recorded incidents of flytipping in West Suffolk. Of these 115 were reported as taking place on public land and 4 were reported on private land. The total cost for clearance and disposal of these incidents in West Suffolk is estimated to be £18,295 using the data provided through the national Waste Data Flow reporting system.
F8	Number of actions to combat flytipping in West Suffolk	Activity - focus on prevention	342	313	Q		
F9	Apex income (£)	Output - impact of advertising and act variety	£453,049	£432,355	Q		

This page is intentionally left blank

STRATEGIC PRIORITY - HOUSING

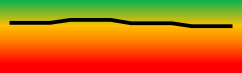
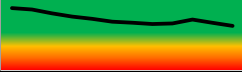
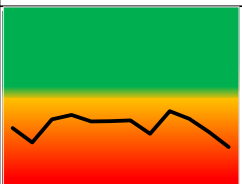




Month Ending Jun-18

Page 15


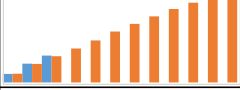




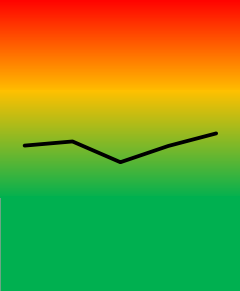

No.	Indicator	Rationale	Current Value	Target	Frequency	Trend	Commentary
H1	Housing completions by year (net additional houses)		725	890	A		FHDC Target 340 Current Value for 2017/18 483. SEBC Target 550 Current value for 2017/18 242
H2	Number of housing units delivered for affordable or social rent or intermediate		51	TBC	A		
H3	% of empty home cases reduced against the total of suitable/prioritised homes allocated.	Increase the number of available homes (by reducing the total number of empty homes)	3.4%	6%	Q		The figure for our direct interventions for this period is 7 cases reduced against the total of suitable/prioritised homes allocated. We hope to improve on this over the next 3 quarters, to meet our annual target. Each case is highly resource intensive and can be complex in nature. The overall number of long-term empty homes has reduced significantly recently, and the trend is for this to continue.
H4	Housing improvement - Number of residents/households supported via our help.	All homes available are safe, decent and healthy to live in. Homes are suitable for physical and mental health and well being.	309	350	Q		In Q1 we supported 309 residents/households: made up of 44 housing grants, 75 housing enforcement interventions and 190 interventions, including grab rails, the handyperson service and equipment. The target is stretching, seeking improvement on previous years, and will partly depend on demand which fluctuates. We have still been able to make a significant impact for residents & tenants through our work. Of particular note is the HMO programme that is based on risk and seeks to ensure properties are safe and up to standard. Also, the programme of Impact Days we have undertaken with the Fire Service to protect tenants in flats.
H5	Housing improvement - % of resolved service requests relating to poor housing standards.	We want people to have a decent home to live in.	68.47%	80.00%	Q		We had a total of 203 'live' cases in Q1, of these 139 cases were completed. The idea of the PI is to assess how efficient we are at closing cases, and this will include timely enforcement interventions which is important to the tenant. The value is likely to improve as we will be scrutinising cases earlier and more regularly through the next quarter. It is an improvement on last year's value.

This page is intentionally left blank

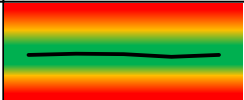
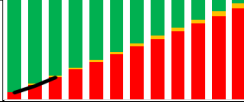
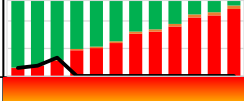





STRATEGIC PRIORITY - DAY TO DAY	
Month Ending	Jun-18

No.	Indicator	Rationale	Current Value	Target	Frequency	Trend	Commentary
D1	Total number of Complaints	Output - measure of customer satisfaction	20	No target	Q		
D2	Total number of Compliments	Output - measure of customer satisfaction	23	No target	Q		
D3	% Response rate to annual canvass of electors	Output - effectiveness of process	97.05%	95.00%	A		The Annual Canvass will start when forms are sent out on 16 July 2018 and finish when the revised register is published on 1 December 2018 when the final response rate will be known.
D4	Number & % of phone calls answered	Activity - indicator of process and demand	88.00%	90.00%	Q		Based on 43,236 calls.
D5	Number of unique users of the West Suffolk Councils website	Output - indicator of customer engagement	37,869	37,600	M		
D6	Social Media audience increase	Output - indicator of customer engagement	-	10% rise	A		Data not yet available.
D7	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	15.35%	40.00%	M		241 applications were received in June, 37 of those had a pre-app. 40% is the end of year target.
D8	Total Amount of Debt over 90 Days	Output - scale of debt issue	21.74%	10.00%	M		Remaining debt still primarily related to Woodlands house. Currently reviewing potential write-off.
D9	% Undisputed Invoices paid within 30 Days	Output - impact of AP activity.	88.89%	95.00%	M		
D10	% Collection of 2018/19 Council Tax - FHDC	Output - results of collection activity	28.7%	28.7%	M		
D11	% Collection of 2018/19 Council Tax - SEBC	Output - results of collection activity	29.4%	29.2%	M		

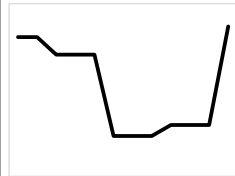


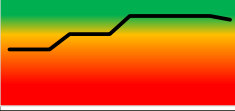

STRATEGIC PRIORITY - DAY TO DAY	
Month Ending	Jun-18

No.	Indicator	Rationale	Current Value	Target	Frequency	Trend	Commentary
D12	% Collection of 2018/19 Business Rates - FHDC	Output - results of collection activity	28.6%	26.5%	M		
D13	% Collection of 2018/19 Business Rates - SEBC	Output - results of collection activity	30.9%	30.2%	M		
D14	Council Tax Reduction Scheme claims - Days taken to process - FHDC	Output - results of collection activity	12.23	12.00	M		
D15	Council Tax Reduction Scheme claims - Days taken to process - SEBC	Output - results of collection activity	6.01	12.00	M		
D16	Housing Benefits Claims - Days taken to process - FHDC	Output - results of collection activity	8.73	12.00	M		
D17	Housing Benefits Claims - Days taken to process - SEBC	Output - results of collection activity	6.19	12.00	M		
D18	% completion of approved Audit Plan with approved revisions	Output - progress against plan	N/A	N/A	Q		Indicator values are not calculated for Q1 but calculated from Q2 onwards in recognition that a number of audits will be work in progress in Q1.
D19	Time taken to complete recruitment process - advert to offer (days)	Output - efficiency of process.	27.59	35.00	Q		The data on the balanced scorecard shows end to end recruitment which is Advert to Offer. Posts that are not recruited are not included as there is no offer. If there is a second recruitment exercise we measure again end to end (advert to offer). Over the last six months (September 2017 – March 2018), 53 posts were advertised, of which 3 posts were not filled by first time advert (one of which was advertised on 3 separate occasions). However, all 53 posts have now been filled.
D20	Average number of sick days lost per FTE per annum	Output - indicator of healthy, motivated workforce	5.32	6.50	Q		Sickness continues to reduce and is robustly and consistently managed throughout the organisation.

STRATEGIC PRIORITY - DAY TO DAY	
Month Ending	Jun-18



No.	Indicator	Rationale	Current Value	Target	Frequency	Trend	Commentary
D21	% of Voluntary turnover	Output - indicator of employee satisfaction	9.42%	7-12	A		
D22	Car park income (£)	Output - indicator of demand trend	£1,224,265	£1,326,255	M		
D23	Income from entire property portfolio (£)	Output - indicator of premises demand	£1,330,119	£1,155,804	M		
D24	Void properties (%)	Output - indicator of premises demand	6%	7%	M		
D25	MAJORS - % of planning applications determined within agreed timescales.	We want to make speedy and consistent planning decisions. We have set our targets higher than the national requirements which are: Majors – 60% Minors – 65% Others – 80%	83.33%	85%	Q		12 major planning applications were determined in Q1. 3 applications were determined within 13 weeks, 7 applications required an extension of time and 2 were determined within 13 weeks
D26	MINORS - % of planning applications determined within agreed timescales.		91.86%	90%	Q		'86 minor planning applications were determined in Q1. 42 applications were determined within 8 weeks, 37 required an extension of time and 7 applications were determined over the agreed timescale.
D27	OTHERS - % of planning applications determined within agreed timescales.		88.64%	90%	Q		590 other planning applications were determined in Q1. 412 applications were determined within 8 weeks, 111 required an extension of time and 67 cases were determined over the agreed timescale
D28	% of planning applications that had a pre-app which are valid first time.	To provide maximum effectiveness in meeting Strategic goals quickly & reliably.	59.46%	50.00%	M		Out of the 37 applications that had a pre-app, 22 of those were valid first time.

STRATEGIC PRIORITY - DAY TO DAY	
Month Ending	Jun-18

No.	Indicator	Rationale	Current Value	Target	Frequency	Trend	Commentary
D29	% 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.	97.8%	95.0%	M		97.8% is an extremely good level of compliance, with only 3 businesses in the West Suffolk area with a current FHRs rating of zero.
D30	Renewable energy production from West Suffolk's investments. MWh	Continue to investigate opportunities for renewable energy generation as part of the West Suffolk Community Energy Plan and Energy Framework.	5,550.90	4,920.00	Q		The solar farm has generated more electricity than predicted in Q1, as one of key areas of investment, these have performed strongly during Q1. May and June in particular saw performance above target due to very sunny weather.
D31	Planning enforcement cases - numbers (new and closed) and resolution.	Enforcement resource targeted effectively	268	To Reduce Trend	M		There are 268 open cases, 41 new complaints were received in June and 71 cases were closed. 11 cases were closed as retrospective consent was granted, 35 cases were closed due to not expedient/no breach, 9 cases NFA delegated authority, 1 notice was issued and complied with, 6 were referred to another service and 9 cases were remedied informally.
D32	Resolution of noise nuisance complaints.	Residents enjoy living in their environment/community. Reduction in noise-nuisance complaints by area.	60.99%	80.00%	Q		We received 149 noise nuisance complaints in quarter 1, 33 complaints were active from previous quarters, total of 182 active cases in Q1. 111 cases were completed, 29 of those were outstanding from the previous quarters.
D33	% of all planning and licensing consultations responded to within the required time period.		94.22%	95.00%	Q		We received 329 consultations in quarter 1, out of those consultations 19 were responded to after the required time period.
D34	% Rate of return on investment - FHDC	Output - key to delivery of Treasury Management Strategy	0.66%	0.75%	M		Current interest rates available for investment running below yearly forecast.

STRATEGIC PRIORITY - DAY TO DAY

Month Ending Jun-18

No.	Indicator	Rationale	Current Value	Target	Frequency	Trend	Commentary
D35	% Rate of return on investment - SEBC	Output - key to delivery of Treasury Management Strategy	0.64%	0.70%	M		Current interest rates available for investment running below yearly forecast.
D36	Cost of Current External Borrowing	Output - key to delivery of Treasury Management Strategy	4.24%	N/A	M		Forest Heath DC Long-term loan with fixed interest rate. Will be looking at a potential break clause costs vs current PLWB rates.

This page is intentionally left blank

Forest Heath District Council Financial Forecast – Revenue, Capital and Reserves

Forecast Revenue Position

The forecast revenue outturn position currently shows an **overall underspend of £53k** (0.14% of the gross budget). A summary by Assistant Director can be found in **Appendix G** with comments for variances by cost centre in **Appendix H**.

The forecast revenue underspend is comprised of a number of positive and negative variances, the most significant of which are detailed in the table below. We will continue to monitor the position closely.

Further detail on the remainder of areas is available in **Appendix H**.

Forest Heath District Council Major Forecast Variances over £25k.

<p>2018/19 Current Forecast variance: Over / (under) £000s</p>	<p>FHDC Details / proposed action</p>
	<p><u>Interest and Capital Project Financing</u></p> <p>This includes a number of different items relating to the revenue elements around Capital Financing as well as investment income.</p> <p>As business cases come forward the financing of those business cases make provision for borrowing costs (minimum revenue provision and external borrowing costs). However, actual external borrowing would only take place when the Council’s treasury management activities identify such a need. For example, this could be when the Council’s cash flow management activities anticipate that an external cash injection is required to maintain the appropriate level of cash balances for the Council to operate and fulfil its budget and service delivery requirements.</p> <p>The variance below includes assumptions around the timing of our Investing in our Growth Agenda capital fund’s overall performance, that is intended to generate a net income stream of around £200k per annum, after allowing for the cost of borrowing and the minimum revenue provision.</p> <p>As projects from this fund are confirmed the budgets will be updated accordingly, and the figures shown assume that we will utilise the</p>

2018/19 Current Forecast variance: Over / (under) £000s	FHDC Details / proposed action
<p>(202) - 193 <u>(9)</u></p>	<p>monies set aside for savings in external borrowing in order to offset the timing of this fund's performance.</p> <p><u>Interest and Capital Project Financing (continued)</u></p> <p>The variances are shown below:</p> <p>Growth Commission: Interest Payable on Borrowing Minimum Revenue Provision Income Assumptions</p> <p>Total Forecast Underspend</p>
<p>(34)</p>	<p><u>Trade Waste</u></p> <p>Income from Trade Waste is currently expected to exceed the budgeted levels by around £53k, slightly offset by additional costs of providing the service.</p>
<p>0</p>	<p><u>Employees Expenses</u></p> <p>The budgets for Employees expenses are comprised of a number of elements, including Basic Salaries, Employers National Insurance and Pensions, reserve and other funding where appropriate, Agency Staff costs, and assumptions around vacancy management.</p> <p>These are monitored on a monthly basis, with particular attention given to areas such as Agency Staff spend.</p> <p>At this point in the year, spend on employees costs is expected to be broadly in line with the overall budget.</p>

Forecast Capital Programme

The Council is currently forecasting to spend **£8.8m** of its capital budget of £44.87m for 2018/19. Around £34.9m is likely to be re-profiled into 2019/20 as a result of project timings and more accurate project spend profiling.

The following table gives a high level summary of capital expenditure against budget for 2018/19. Further detail by individual capital project can be found in **Appendix I**.

Assistant Director	2018/19 Revised Full Year Budget	2018/19 Actual Spend to Date	2018/19 Forecast Spend	2018/19 External Grant Funded	2018/19 Carried Forward	2018/19 Forecast Over / (under) Spend
	£000s	£000s	£000s	£000s	£000s	£000s
Resources & Performance	3,922	0	422	0	3,500	0
Human Resources	14	0	14	0	0	0
Families & Communities	261	0	261	0	0	0
Planning & Regulatory	2,233	339	1,251	37	0	(1,019)
Operations	16,608	81	6,085	0	10,523	0
Growth	21,828	769	769	0	20,909	(150)
Totals:	44,866	1,189	8,802	37	34,932	(1,169)

Forecast Earmarked Reserves

The council's balance on Earmarked Revenue Reserves at the end of the financial year is currently forecasted to be around **£11.5m**. Details of the individual reserve balances and movements during the year can be found in **Appendix J**.

This page is intentionally left blank

Summary by Assistant Director

2018/19 June Budget Monitoring Report

Assistant Director	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £
Resources & Performance	(3,326,172)	7,014,325	(12,729,620)	(5,715,295)	5,971,752	(24,056,906)	(18,085,154)	(12,369,859)	0.40%	(13,417)
Human Resources, Legal & Democratic	1,036,631	389,048	(115,776)	273,272	333,880	(47,610)	286,270	12,998	0.04%	(380)
Families & Communities	1,188,050	785,514	(275,737)	509,777	783,679	(292,571)	491,110	(18,667)	0.85%	(10,124)
Planning & Regulatory	(739,924)	575,591	(824,816)	(249,225)	446,838	(580,128)	(133,289)	115,936	1.72%	12,718
Operations	549,598	4,169,008	(3,860,130)	308,878	3,862,467	(4,015,189)	(152,720)	(461,598)	3.94%	(21,659)
Growth	734,219	378,388	(90,414)	287,974	354,535	(81,245)	273,290	(14,684)	1.60%	(11,718)
TOTALS:	(557,598)	13,311,874	(17,896,493)	(4,584,619)	11,753,151	(29,073,649)	(17,320,493)	(12,735,874)		(44,580)
Interest & Capital Project Financing										
Interest Receivable	(224,000)	0	(56,001)	(56,001)	0	(31,180)	(31,180)	24,821	0.00%	0
Interest Payable	784,100	196,023	0	196,023	0	0	0	(196,023)	75.83%	(594,556)
Minimum Revenue Provision	1,158,250	0	0	0	0	0	0	0	49.65%	(575,070)
Income from Growth Projects	(1,160,750)	0	(290,187)	(290,187)	0	0	0	290,187	100.00%	1,160,750
TOTALS:	0	13,507,897	(18,242,681)	(4,734,784)	11,753,151	(29,104,829)	(17,351,673)	(12,616,889)		(53,456)

This page is intentionally left blank

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - RESOURCES & PERFORMANCE

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Resources & Performance	419,467	136,058	(13,338)	122,720	131,962	(5,685)	126,277	3,557	0.58%	(2,421)	
General Fund Adjustments	(5,685,210)	2,156,199	(8,658,910)	(6,502,711)	1,782,560	(20,080,452)	(18,297,892)	(11,795,181)	0.00%	(5)	
Resources & Performance:	(5,265,743)	2,292,257	(8,672,248)	(6,379,991)	1,914,522	(20,086,137)	(18,171,615)	(11,791,624)	0.05%	(2,426)	
Internal Audit	70,740	23,264	(3,676)	19,588	23,065	0	23,065	3,477	0.13%	(91)	
Internal Audit:	70,740	23,264	(3,676)	19,588	23,065	0	23,065	3,477	0.13%	(91)	
ICT	499,355	240,634	(160,558)	80,076	199,181	(95,940)	103,241	23,165	0.85%	(4,249)	
ICT:	499,355	240,634	(160,558)	80,076	199,181	(95,940)	103,241	23,165	0.85%	(4,249)	
Anglia Revenues Partnership	854,094	326,157	(2,874)	323,283	344,758	(40,285)	304,473	(18,810)	0.00%	0	
Council Tax Administration	(188,737)	249	(91,472)	(91,223)	355	(129,044)	(128,689)	(37,466)	0.66%	(1,240)	
Business Rate Administration	(95,222)	249	(24,057)	(23,808)	355	(92,438)	(92,083)	(68,275)	1.24%	(1,180)	
Housing Benefits	(247,500)	3,674,471	(3,736,344)	(61,873)	3,210,509	(3,613,867)	(403,358)	(341,485)	2.36%	(5,829)	
Anglia Revenues Partnership:	322,635	4,001,126	(3,854,747)	146,379	3,555,977	(3,875,634)	(319,657)	(466,036)	2.56%	(8,249)	
Corporate Expenditure	1,027,376	437,579	(38,391)	399,188	259,205	805	260,010	(139,178)	0.12%	1,261	
Corporate Expenditure:	1,027,376	437,579	(38,391)	399,188	259,205	805	260,010	(139,178)	0.12%	1,261	
Emergency Planning	19,465	19,465	0	19,465	19,802	0	19,802	337	1.73%	337	
Emergency Planning:	19,465	19,465	0	19,465	19,802	0	19,802	337	1.73%	337	
TOTALS: RESOURCES & PERFORMANCE	(3,326,172)	7,014,325	(12,729,620)	(5,715,295)	5,971,752	(24,056,906)	(18,085,154)	(12,369,859)	0.40%	(13,417)	

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - HUMAN RESOURCES , LEGAL & DEMOCRATIC SERVICES

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Human Resources & Payroll	326,785	107,109	(39,723)	67,386	92,241	(39,079)	53,162	(14,224)	1.52%	(4,974)	
Human Resources:	326,785	107,109	(39,723)	67,386	92,241	(39,079)	53,162	(14,224)	1.52%	(4,974)	
Health & Safety	55,748	16,968	(1,335)	15,633	16,377	(350)	16,027	394	2.12%	1,183	
Health & Safety:	55,748	16,968	(1,335)	15,633	16,377	(350)	16,027	394	2.12%	1,183	
Central Training Services	81,070	34,626	(14,358)	20,268	11,913	(201)	11,712	(8,556)	3.63%	(2,939)	
Learning & Development:	81,070	34,626	(14,358)	20,268	11,913	(201)	11,712	(8,556)	3.63%	(2,939)	
Legal Services	124,568	86,075	(50,424)	35,651	68,918	(1,804)	67,114	31,463	0.42%	(520)	
Legal Services:	124,568	86,075	(50,424)	35,651	68,918	(1,804)	67,114	31,463	0.42%	(520)	
Democratic Services	116,085	41,453	(6,501)	34,952	39,575	(5,507)	34,069	(883)	1.56%	1,812	
Members Allowances & Expenses	219,673	54,792	0	54,792	56,765	0	56,765	1,973	0.25%	539	
Mayoralty & Civic Functions	9,839	6,717	0	6,717	6,196	(613)	5,582	(1,135)	6.18%	(608)	
Democratic Services:	345,597	102,962	(6,501)	96,461	102,536	(6,120)	96,416	(45)	0.50%	1,743	
Electoral Registration	90,604	29,049	(3,435)	25,614	28,997	(56)	28,941	3,327	5.66%	5,127	
Election Expenses	12,259	12,259	0	12,259	12,898	0	12,898	639	0.00%	0	
Elections:	102,863	41,308	(3,435)	37,873	41,895	(56)	41,839	3,966	4.98%	5,127	
TOTALS: HR, LEGAL & DEMOCRATIC	1,036,631	389,048	(115,776)	273,272	333,880	(47,610)	286,270	12,998	0.04%	(380)	

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - FAMILIES & COMMUNITIES

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Policy	124,498	47,942	(8,238)	39,704	62,131	(28,367)	33,764	(5,940)	5.49%	(6,829)	
Policy:	124,498	47,942	(8,238)	39,704	62,131	(28,367)	33,764	(5,940)	5.49%	(6,829)	
Communications	81,824	32,810	(5,520)	27,290	24,334	0	24,334	(2,956)	2.00%	1,636	
Website and Intranet	22,457	12,142	0	12,142	4,648	0	4,648	(7,494)	2.06%	463	
Communications:	104,281	44,952	(5,520)	39,432	28,982	0	28,982	(10,450)	2.01%	2,099	
Customer Services	374,526	157,790	0	157,790	150,091	0	150,091	(7,699)	1.84%	(6,887)	
Bus Stations	48,624	25,469	(2,550)	22,919	19,020	(1,933)	17,087	(5,832)	6.16%	(2,993)	
Customer Services:	423,150	183,259	(2,550)	180,709	169,111	(1,933)	167,178	(13,531)	2.33%	(9,880)	
Families & Communities	182,562	67,630	(12,045)	55,585	48,331	(3,607)	44,725	(10,860)	2.26%	4,131	
Community Chest - Families & Communities	90,250	210,916	(120,666)	90,250	204,865	(105,520)	99,345	9,095	0.00%	0	
Health, Culture & Arts	5,000	1,251	0	1,251	0	0	0	(1,251)	0.00%	0	
Community Centres	3,048	2,165	0	2,165	2,360	(450)	1,911	(254)	5.74%	(175)	
Families & Communities:	280,860	281,962	(132,711)	149,251	255,556	(109,577)	145,981	(3,270)	1.41%	3,956	
Housing Options: Choice Based Lettings	45,072	25,725	(1,734)	23,991	17,805	5,040	22,845	(1,146)	1.83%	(825)	
Housing Options: Advice & Prevention	157,546	186,947	(124,984)	61,963	227,279	(157,734)	69,545	7,582	0.43%	673	
Housing Options: Solutions	52,643	14,727	0	14,727	22,815	0	22,815	8,088	1.30%	682	
Housing Options:	255,261	227,399	(126,718)	100,681	267,899	(152,694)	115,205	14,524	0.21%	530	
TOTALS: FAMILIES & COMMUNITIES	1,188,050	785,514	(275,737)	509,777	783,679	(292,571)	491,110	(18,667)	0.85%	(10,124)	

Page 31

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - PLANNING & REGULATORY SERVICES

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Development Control	(228,479)	153,278	(190,059)	(36,781)	117,848	(141,906)	(24,057)	12,724	10.57%	24,158	Planning Fee income currently predicted to be £34k lower than budgeted, offset by some underspends in Staffing costs.
Development Control:	(228,479)	153,278	(190,059)	(36,781)	117,848	(141,906)	(24,057)	12,724	10.57%	24,158	
Land Charges	(51,483)	11,028	(21,084)	(10,056)	8,721	(24,384)	(15,663)	(5,607)	3.20%	(1,648)	
Building Control	19,522	37,903	(29,202)	8,701	35,114	(32,681)	2,433	(6,268)	28.86%	(5,634)	
Planning & Regulatory Support	188,194	57,211	0	57,211	59,643	0	59,643	2,432	3.07%	5,783	
Business (BC & Support):	156,233	106,142	(50,286)	55,856	103,478	(57,065)	46,413	(9,443)	0.96%	(1,499)	
Prevention of Pollution	25,164	7,872	(1,578)	6,294	5,491	(1,650)	3,841	(2,453)	13.83%	(3,481)	
Environmental Management	(26,385)	15,351	(14,649)	702	11,730	(2,267)	9,463	8,761	7.28%	(1,922)	
Drinking Water Quality	22,275	9,015	(1,749)	7,266	8,249	(1,699)	6,549	(717)	17.85%	(3,976)	
Climate Change	24,454	15,755	0	15,755	15,838	0	15,838	83	1.29%	316	
Solar Farm	(986,662)	119,458	(527,500)	(408,042)	51,507	(335,955)	(284,447)	123,595	1.54%	(15,180)	Predicted underspend mainly arising from Equipment Repair & Maintenance.
Home Energy Conservation	3,430	858	0	858	0	0	0	(858)	0.00%	0	
Environment:	(937,724)	168,309	(545,476)	(377,167)	92,815	(341,571)	(248,756)	128,411	2.59%	(24,243)	
Licensing	(5,438)	40,834	(20,858)	19,976	35,670	(9,723)	25,947	5,971	209.49%	11,392	Overspend mainly arising from staffing costs.
Hackney Carriage & Private Hire Licensing	(51,960)	240	(16,670)	(16,430)	439	(28,812)	(28,373)	(11,943)	5.47%	2,841	
Food Safety	69,785	30,550	(129)	30,421	23,927	(273)	23,654	(6,767)	2.87%	2,000	
Health & Safety at Work Act/Enforcement	50,180	14,244	0	14,244	15,164	0	15,164	920	8.59%	4,309	
Business Reg & Licensing:	62,567	85,868	(37,657)	48,211	75,200	(38,808)	36,392	(11,819)	32.83%	20,542	
Housing Renewals	76,694	22,188	(48)	22,140	18,460	(50)	18,410	(3,730)	1.52%	(1,168)	
Burial of the Dead	8,869	2,226	(9)	2,217	2,116	(8)	2,108	(109)	3.90%	(346)	
Other Public Health Services	121,916	37,580	(1,281)	36,299	36,921	(720)	36,201	(98)	3.88%	(4,726)	
Public Health & Housing:	207,479	61,994	(1,338)	60,656	57,497	(778)	56,719	(3,937)	3.01%	(6,240)	
TOTALS: PLANNING	(739,924)	575,591	(824,816)	(249,225)	446,838	(580,128)	(133,289)	115,936	1.72%	12,718	

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - OPERATIONS

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Pool Cars	559	0	0	0	0	0	0	0	0.00%	0	
Vehicle Workshop Trading Account - FHDC	0	0	0	0	128	0	128	128	0.00%	0	
Fleet Management:	559	0	0	0	128	0	128	128	0.00%	0	
Depots	(38,083)	40,216	(103,473)	(63,257)	(37,956)	(111,361)	(149,317)	(86,060)	13.32%	(5,073)	
Grounds Maintenance Operatives	0	77,406	(179,659)	(102,253)	86,139	(156,349)	(70,210)	32,043	0.00%	(1,709)	
Waste & Cleansing Operatives	(39,569)	644,045	(1,617,946)	(973,901)	706,392	(1,645,034)	(938,641)	35,260	15.76%	6,237	
Markets	93,460	88,786	(5,874)	82,912	92,203	(3,499)	88,704	5,792	3.13%	2,922	
Operational:	15,808	850,453	(1,906,952)	(1,056,499)	846,778	(1,916,243)	(1,069,464)	(12,965)	15.04%	2,377	
Street Cleansing	592,942	513,212	(1,710)	511,502	619,166	(96,240)	522,926	11,424	1.88%	11,120	Forecast overspend mainly from Operational Staffing costs.
Refuse Collection (Black Bin)	463,681	368,205	0	368,205	383,526	(444)	383,081	14,876	1.08%	4,989	
Recycling Collection (Blue Bin)	284,166	348,308	(24,350)	323,958	370,959	(6,373)	364,587	40,629	1.62%	4,609	
Compostable Collection (Brown Bin)	(3,965)	273,683	(398,520)	(124,837)	94,741	(417,528)	(322,786)	(197,949)	33.67%	(1,335)	
Bulky, Fridges, Metal & Scrap Collection	44,199	47,854	(5,001)	42,853	49,081	(9,473)	39,608	(3,245)	11.58%	(5,119)	
Clinical & Hazardous Waste Collection	12,713	3,348	(162)	3,186	1,103	(72)	1,031	(2,155)	3.62%	(460)	
Multi-Bank Recycling Sites	(39,043)	8,301	(9,314)	(1,013)	(5,483)	(10,566)	(16,049)	(15,036)	3.00%	(1,171)	
Trade Waste	(150,128)	163,738	(431,641)	(267,903)	128,590	(456,152)	(327,563)	(59,660)	22.45%	(33,702)	Income currently expected to be higher than budgeted.
Waste - Business & Commercial	1,204,565	1,726,649	(870,698)	855,951	1,641,683	(996,848)	644,835	(211,116)	1.75%	(21,069)	
Non-HRA Housing Properties	10,953	18,750	(4,914)	13,836	14,827	(9,125)	5,702	(8,134)	11.97%	(1,311)	
Property Services	348,707	91,242	(819)	90,423	90,483	(1,250)	89,233	(1,190)	0.23%	(800)	
Property Maintenance:	359,660	109,992	(5,733)	104,259	105,310	(10,375)	94,935	(9,324)	0.59%	(2,111)	

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - OPERATIONS (continued)

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Industrial & Business Units	(692,529)	426,782	(363,215)	63,567	280,783	(344,226)	(63,443)	(127,010)	1.67%	(11,535)	Income currently forecasted to be around £10k higher than budgeted.
Town Centres & Shops	(879,526)	49,763	(113,426)	(63,663)	29,326	(136,791)	(107,464)	(43,801)	0.21%	1,847	
Property Management:	(1,572,055)	476,545	(476,641)	(96)	310,109	(481,017)	(170,907)	(170,811)	0.62%	(9,688)	
Offices: College Heath Road	(138,559)	124,307	(326,458)	(202,151)	95,016	(310,155)	(215,139)	(12,988)	0.55%	(768)	
Offices: Brandon & Newmarket Guineas	(19,200)	25,965	(61,014)	(35,049)	27,012	(58,302)	(31,290)	3,759	7.45%	(1,430)	
Public Conveniences	54,339	27,519	(2,601)	24,918	23,884	(6,623)	17,261	(7,657)	0.76%	(413)	
CCTV	90,004	22,030	0	22,030	9,404	0	9,404	(12,626)	1.12%	1,010	
Green Travel Plan	0	0	0	0	0	(1,043)	(1,043)	(1,043)	0.00%	(668)	
District Highways Services	(8,936)	6,501	(483)	6,018	2,411	(870)	1,541	(4,477)	43.58%	(3,894)	
Land Drainage & Associated Works	79,000	39,460	0	39,460	40,864	0	40,864	1,404	1.78%	1,404	
Facilities, CCTV & Highways Services:	56,648	245,782	(390,556)	(144,774)	198,591	(376,993)	(178,402)	(33,628)	8.40%	(4,759)	
Courier & Postal Service	22,471	5,349	0	5,349	(4,128)	0	(4,128)	(9,477)	8.98%	(2,019)	
Printing & Copying Service	33,833	12,832	0	12,832	10,783	553	11,337	(1,495)	0.53%	(178)	
Central Services:	56,304	18,181	0	18,181	6,655	553	7,209	(10,972)	3.90%	(2,197)	
Off Street Car Parks	(398,209)	190,540	(170,253)	20,287	212,195	(168,893)	43,302	23,015	2.37%	9,433	Car Parking income currently on target, however Business Rates higher than budgeted by £12k, partly offset by savings in other areas.
Car Parking:	(398,209)	190,540	(170,253)	20,287	212,195	(168,893)	43,302	23,015	2.37%	9,433	
Arboriculture (Tree Maintenance Works)	93,249	41,834	0	41,834	43,711	0	43,711	1,877	0.92%	(855)	
Other Parks and Play Provision	172,817	163,786	(9,711)	154,075	161,349	(11,857)	149,492	(4,583)	0.44%	768	
Children's Play Areas	67,522	32,612	0	32,612	26,249	(4,844)	21,405	(11,207)	2.80%	(1,890)	
Brandon Country Park	22,000	22,000	0	22,000	6,625	(28,958)	(22,334)	(44,334)	0.00%	0	Brandon Country Park transferred to FHDC from April 2018. Budgets still being worked on and likely that some costs will move from other areas.
Cemeteries & Closed Churchyards	15,645	3,912	0	3,912	4,521	(13,075)	(8,554)	(12,466)	1.30%	204	
Allotments	(214)	0	0	0	0	0	0	0	0.00%	0	
Parks & Open Spaces	371,019	264,144	(9,711)	254,433	242,455	(58,734)	183,720	(70,713)	0.48%	(1,773)	

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - OPERATIONS (continued)

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Sports & Leisure Centres	423,088	264,098	(25,212)	238,886	251,717	(2,732)	248,985	10,099	2.12%	8,952	Income from Feed-in Tariffs currently predicted to be lower than budgeted.
Leisure & Sports	22,000	5,499	0	5,499	7,150	0	7,150	1,651	0.00%	0	
Sports & Leisure Development	445,088	269,597	(25,212)	244,385	258,867	(2,732)	256,135	11,750	2.01%	8,952	
Arts, Heritage & Cultural Services	9,664	5,059	(249)	4,810	4,848	(45)	4,803	(7)	0.25%	(24)	
Heritage	9,664	5,059	(249)	4,810	4,848	(45)	4,803	(7)	0.25%	(24)	
Shopmobility	8,340	5,834	0	5,834	5,000	0	5,000	(834)	0.00%	0	
The Pavilion - Lady Wolverton Playingfield	(7,793)	6,232	(4,125)	2,107	5,769	(3,862)	1,907	(200)	10.27%	(800)	
Palace House and Stables	0	0	0	0	24,079	0	24,079	24,079	0.00%	0	
Halls & Events	547	12,066	(4,125)	7,941	34,848	(3,862)	30,986	23,045		(800)	
TOTALS: OPERATIONS	549,598	4,169,008	(3,860,130)	308,878	3,862,467	(4,015,189)	(152,720)	(461,598)	3.94%	(21,659)	

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - GROWTH

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Housing Development & Strategy	76,375	35,925	(15,132)	20,793	41,051	(5,702)	35,349	14,556	4.99%	3,811	
Gypsies & Travellers	14,369	3,600	(9)	3,591	2,116	(8)	2,108	(1,483)	2.41%	(346)	
Housing Development & Strategy:	90,744	39,525	(15,141)	24,384	43,167	(5,710)	37,457	13,073	3.82%	3,465	
Strategic Property	48,365	18,339	(6,249)	12,090	12,806	0	12,806	716	0.11%	(54)	
Strategic Property	48,365	18,339	(6,249)	12,090	12,806	0	12,806	716	0.11%	(54)	
Planning Policy	385,847	202,966	(18,078)	184,888	174,662	(5,249)	169,413	(15,475)	2.15%	(8,278)	Staffing costs currently forecast to be lower than budgeted.
Local Plan	5,000	26,250	(24,999)	1,251	64,215	(64,215)	0	(1,251)	10.00%	(500)	
Place Shaping:	390,847	229,216	(43,077)	186,139	238,877	(69,464)	169,413	(16,726)	2.25%	(8,778)	
Economic Development & Growth	159,245	80,052	(25,947)	54,105	54,327	(6,071)	48,256	(5,849)	4.20%	(6,691)	Staffing costs currently forecast to be £7k lower than budgeted.
Strategic Tourism & Markets	30,339	7,587	0	7,587	3,678	0	3,678	(3,909)	0.31%	(93)	
Vibrant Town Centres	14,680	3,669	0	3,669	1,680	0	1,680	(1,989)	2.94%	432	
Economic Development & Growth:	204,264	91,308	(25,947)	65,361	59,685	(6,071)	53,614	(11,747)	3.11%	(6,352)	
TOTALS: GROWTH:	734,219	378,388	(90,414)	287,974	354,535	(81,245)	273,290	(14,684)	1.60%	(11,718)	

Page 36 of 36

2018/19 June Capital Budget Monitoring Report

Project Description	Revised Budget for Year £	Actual Spend Year to date £	2018-19 Forecast Actual Spend £	2018/19 Funded from External Grants £	2018-19 Carry Forward Requested £	Over/ (Under) Spend for Year £	Notes	Total Project Budget 2017-2022 £
Resources & Performance								
Invest to Save Projects	172,000	0	172,000	0	0	0	Budget to be allocated to appropriate projects as they arise.	282,000
Leisure Capital Investment Fund	3,500,000	0	0	0	3,500,000	0	Plans for the Leisure Projects are currently being drawn up, and it is likely that the majority of these will commence in 2019/20.	3,500,000
FHDC - Single Council	250,000	0	250,000	0	0	0	This project supports the implementation of the Single Council Business Case, and is funded from the Flexible Use of Capital Receipts. Full spend expected in 2018/19.	375,000
Human Resources, Legal & Democratic								
Health & Safety Management Software	14,000	0	14,000	0	0	0	Project expected to be completed in 2018/19.	14,000
Families & Communities								
Customer Access Project	36,450	0	36,450	0	0	0	Project expected to be completed in 2018/19.	
Housing Solutions	225,000	0	225,000	0	0	0	This project is made up of £355k carried forward from 2018/19, of which £130k has been allocated to the Palace Cottage conversion as shown below in the Operations Service.	405,000
Planning & Regulatory								
Private Sector Disabled Facilities Grants	461,734	131,831	461,734	0	0	(0)	External grant funded. Currently expecting to spend in full for 2018/19.	875,000
Private Sector Renewal Grants	388,953	160,464	305,000	0	0	(83,953)	The service is currently reviewing the likely demand for these grants.	1,100,000
Historic Buildings Grant	29,653	0	29,653	0	0	(0)	Expected to be fully utilised in 2018/19.	30,000

2018/19 June Capital Budget Monitoring Report

Project Description	Revised Budget for Year £	Actual Spend Year to date £	2018-19 Forecast Actual Spend £	2018/19 Funded from External Grants £	2018-19 Carry Forward Requested £	Over/ (Under) Spend for Year £	Notes	Total Project Budget 2017-2022 £
Community Energy Plan	1,352,740	10,178	418,016	0	0	(934,724)	Spend on this project primarily relates to the "Rent a Roof" scheme. The service is currently formulating a development plan for this project which will inform the likely spend going forward, and any associated revenue implications.	1,482,821
Parish Council S106 Grants	0	36,686	36,686	36,686	0	0	These projects are funded from S106 contributions and are allocated as and when they are received.	190,824
Operations								
Asset Management Plan	504,271	0	504,271	0	0	0	To be allocated to appropriate Property Services Asset Management Plan projects as they arise.	606,271
Vehicle & Plant Purchases	141,152	36,700	141,152	0	0	0	Based on the Vehicle Replacement Programme, and expected to be fully utilised in 2018/19.	1,842,000
Mildenhall Hub	10,034,484	44,004	2,500,000	0	7,534,484	0	Works have commenced on this project, and an updated profiled spend will be available for Quarter 2.	19,810,000
Mildenhall Hub - Investing In Renewable Energy	2,000,000	0	0	0	2,000,000	0	Linked to the Mildenhall Hub Project as shown above. An updated profile on the anticipated project spend will be available for Quarter 2.	2,000,000
Swimming Pool Mildenhall	250,000	0	0	0	250,000	0	Linked to the Mildenhall Hub Project above.	250,000
Flowerpot Brandon	50,000	0	50,000	0	0	0	Project currently under review.	28,730
Waste & Street Scene Back Office System	48,485	0	48,485	0	0	0	Project carried forward from 2018/19. Relates to the implementation of the BARTEC system.	54,128
West Suffolk Operational Hub	3,309,810	0	2,571,000	0	738,810	(0)	Project underway, current expected spend as advised by the Project Architects.	4,042,000
James Carter Road Resurfacing	30,000	0	30,000	0	0	0	Funded from the Property Asset Management Plan.	30,000

2018/19 June Capital Budget Monitoring Report

Project Description	Revised Budget for Year £	Actual Spend Year to date £	2018-19 Forecast Actual Spend £	2018/19 Funded from External Grants £	2018-19 Carry Forward Requested £	Over/ (Under) Spend for Year £	Notes	Total Project Budget 2017-2022 £
Palace Cottage, Newmarket Conversion	130,000	0	130,000	0	0	0	Project budget allocated from the Housing Solutions project included in Families & Communities above. Expected to complete in 2018/19.	130,000
Palace Coach House, Newmarket Refit	110,000	0	110,000	0	0	0	Project expected to be completed in 2018/19.	110,000
Growth								
Wellington Street Newmarket - Wider Pedestrianisation Scheme	150,000	0	0	0	0	(150,000)	Project under review at present.	150,000
Barley Homes	1,678,250	27,500	27,500	0	1,650,750	0	The Barley Homes revised business plan is currently under development, with a view to presenting a revised profile of the agreed loan facility	2,975,000
Investing in our Growth Agenda	19,258,718	0	0	0	19,258,718	0	To be allocated to appropriate Growth project as they arise	19,258,718
113 High Street/3 The Avenue, Newmarket	741,283	741,283	741,283	0	0	0	Purchase completed. Forms part of the £20m "Investing in our Growth Agenda" Project.	741,283
TOTALS;	44,866,982	1,188,646	8,802,230	36,686	34,932,762	(1,168,677)		60,282,775

This page is intentionally left blank

MTFS Earmarked Reserves Projections

2018/19 June Budget Monitoring Report

Account	Reserve Description	2018/19 Opening Balance £	2018/19 Net Budgeted Movement to / (from) Reserve £	2018/19 Budgeted Closing Balance £	2018/19 Current Balance £	2018/19 Forecast Closing Balance £	2018/19 Forecast Variance Over / (Under) Utilised £	Variance Notes (variances in brackets denote less reserve used than budgeted)
BZ896	Investing in our Growth Agenda Reserve	940,845	(262,484)	678,361	935,845	716,641	(38,280)	This reserve has been set up to support the delivery of the council's growth agenda. Reports CAB/FH/17/018 and COU/FH/17/004 refer. Utilisation in 2018/19 relates to Capacity Resourcing Funding, whilst the forecast underutilisation is mainly down to recruitment timings.
BZ897	Capital Project Financing Reserve	251,518	0	251,518	251,518	251,518	0	This Reserve was 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.
BZ803	Strategic Priorities & MTFS Reserve	8,321,861	(7,630,286)	691,575	8,360,974	4,856,302	(4,164,727)	Budgeted Reserve movement includes £7.9m Capital Programme Funding for 2018/19. The under-utilisation mainly relates to £3.5m Capital Project timing differences in the Leisure Capital Investment Project, plus £935k projected underspend on the Community Energy Plan Project.
BZ804	Invest to Save Reserve	381,532	(54,792)	326,740	381,532	340,770	(14,030)	Budgeted utilisation during 2018/19 includes funding for the Waste & Street Scene Back Office System Capital Project. The under-utilisation relates to Staffing Resources currently being funded in the overall budget position.
BZ808	Risk/Recession Reserve	169,994	(80,708)	89,286	169,994	89,286	0	Monies set aside to provide against possible future financial risks arising, for example shortfalls in income levels and interest rates, reductions in Government grant funding and the like. Currently expected to be in line with Budget.
BZ809	BRR Equalisation Reserve	1,046,938	364,268	1,411,206	868,651	1,411,206	0	This reserve is intended to neutralise the impact of any fluctuations in growth or reductions in Business Rates Income under the Business Rates Retention Scheme. Currently expected to be in line with Budget.
BZ810	Self Insured Fund	136,069	0	136,069	186,069	136,069	0	Monies set aside to provide funds in order to finance any high insurance excesses that may arise. Currently expected to be in line with the Budget.
BZ811	Computer & Telephone Equipment Reserve	177,251	0	177,251	229,751	177,251	0	Utilised towards ICT hardware refreshes. Currently expected to be in line with Budget.

MTFS Earmarked Reserves Projections

2018/19 June Budget Monitoring Report

Account	Reserve Description	2018/19 Opening Balance £	2018/19 Net Budgeted Movement to / (from) Reserve £	2018/19 Budgeted Closing Balance £	2018/19 Current Balance £	2018/19 Forecast Closing Balance £	2018/19 Forecast Variance Over / (Under) Utilised £	Variance Notes (variances in brackets denote less reserve used than budgeted)
BZ814	HB Equalisation Reserve	129,847	44,053	173,900	129,846	166,558	7,342	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	114,560	25,880	140,440	149,560	146,560	(6,120)	Utilised to funding approved projects.
BZ820	ARP Reserve	343,329	(11,500)	331,829	343,329	333,745	(1,916)	This reserve is used to hold any grants or new burdens funding received from the government, which will then be utilised when the monies are spent.
BZ830	Vehicle & Plant Renewal Fund	281,753	223,948	505,701	646,852	505,701	0	In line with expected spend on Vehicles, Plant & Equipment in the year, as further detailed in the Capital Programme appendix.
BZ831	Waste Management Reserve	99,003	0	99,003	99,003	99,003	0	No movement expected during 2018/19.
BZ832	BR-Building Repairs Reserve - Leisure	27,932	0	27,932	27,932	27,932	0	No movement expected during 2018/19.
BZ833	BR-Building Repairs Reserve - Other	129,726	80,000	209,726	495,839	198,323	11,403	Forecasted Spend on Building Repairs & Maintenance currently expected to slightly exceed budget for 2018/19.
BZ834	Industrial Units - Service Charges	761	0	761	969	1,011	(250)	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	507,545	(10,810)	496,735	507,544	496,735	0	Monies set aside from developers' contributions in order to fund maintenance of play areas and open space. Expected to be on budget for 2018/19.
BZ856	Newmarket Stallion Statue Reserve	20,809	0	20,809	20,809	20,809	0	No movement expected during 2018/19.
BZ862	Communities against Drugs Reserve	30,000	0	30,000	30,000	30,000	0	No movement currently expected during 2018/19.
BZ870	Planning Reserve	131,528	10,000	141,528	177,312	60,667	80,861	2018/19 utilisation resulting from timings of Local Plan spend.
BZ872	Planning Delivery Grant	72,297	(39,153)	33,144	69,922	33,144	0	Includes Capital Programme funding for Historic Building Grants as further detailed in the Capital Appendix.
BZ876	S106 Monitoring Officer Reserve	22,663	(4,748)	17,915	24,413	20,665	(2,750)	Monies set aside in order to fund the S106 Monitoring Officer.

MTFS Earmarked Reserves Projections

2018/19 June Budget Monitoring Report

Account	Reserve Description	2018/19 Opening Balance £	2018/19 Net Budgeted Movement to / (from) Reserve £	2018/19 Budgeted Closing Balance £	2018/19 Current Balance £	2018/19 Forecast Closing Balance £	2018/19 Forecast Variance Over / (Under) Utilised £	Variance Notes (variances in brackets denote less reserve used than budgeted)
BZ885	Homelessness Legislation Reserve	183,380	40,448	223,828	319,424	204,999	18,829	Budget includes contributions in respect of the DCLG Flexible Homelessness Support Grant which is being utilised to support the Housing Options Team.
BZ886	S106 Revenue Reserve	152,221	0	152,221	152,221	152,221	0	No movement expected during 2018/19.
BZ890	Election Reserve	53,091	(2,207)	50,884	63,091	52,918	(2,034)	Anticipated usage during 2018/19 in order to fund Capacity Resourcing requirements as budgeted.
	Forest Heath Totals	13,726,454	(6,356,091)	7,370,363	14,642,402	11,482,035	(4,111,672)	

This page is intentionally left blank

St Edmundsbury Borough Council Financial Forecast – Revenue, Capital and Reserves

Forecast Revenue Position

The forecast revenue outturn position currently shows an **overall overspend of £156k** (0.21% of the gross budget). A summary by Assistant Director can be found in **Appendix L** with comments for variances by cost centre in **Appendix M**.

The forecast revenue underspend is comprised of a number of positive and negative variances, the most significant of which are detailed in the table below. We will continue to monitor the position closely.

Further detail on the remainder of areas is available in **Appendix M**.

St Edmundsbury Borough Council Major Forecast Variances over £25k.

2018/19 Current Forecast variance: Over / (under) £000s	SEBC Details / proposed action
	<p><u>Interest and Capital Project Financing</u></p> <p>This includes a number of different items relating to the revenue elements around Capital Financing as well as investment income.</p> <p>As business cases come forward the financing of those business cases make provision for borrowing costs (minimum revenue provision and external borrowing costs). However, actual external borrowing would only take place when the Council's treasury management activities identify such a need. For example, this could be when the Council's cash flow management activities anticipate that an external cash injection is required to maintain the appropriate level of cash balances for the Council to operate and fulfil its budget and service delivery requirements.</p> <p>The variance below includes assumptions around the timing of our Investing in our Growth Agenda capital fund's overall performance, that is intended to generate a net income stream of around £200k per annum, after allowing for the cost of borrowing and the minimum revenue provision.</p> <p>As projects from this fund are confirmed the budgets will be updated accordingly, and the figures shown assume that we will utilise the</p>

2018/19 Current Forecast variance: Over / (under) £000s	SEBC Details / proposed action
<p>(183) - 198 <u>15</u></p>	<p>monies set aside for savings in external borrowing in order to offset the timing of this fund's performance.</p> <p><u>Interest and Capital Project Financing (continued)</u></p> <p>The variances are shown below:</p> <p>Growth Commission: Interest Payable on Borrowing Minimum Revenue Provision Income Assumptions</p> <p>Total Forecast overspend</p>
<p>153</p>	<p><u>Off Street Car Parks</u></p> <p>Income from Car Parking is currently forecasted to be around £175k lower than the budgeted amount of £4,635k, which is in line with the income levels achieved in 2017/18. This equates to around 3.8% of the budgeted income.</p> <p>Car parking income has been on a downward path since December although transactions have recovered over the past month. This is supported by recent footfall data particularly in Bury St Edmunds town centre which has seen some recovery.</p> <p>Recent car parking occupancy analysis has shown that peak time car parking transactions remain strong and seen growth in comparison to the 2015 car parking review. However mid-week occupancy has declined and is the cause of the lower than estimated income receipts. Nationally, town centres are facing a challenging and unpredictable time, and therefore it is difficult to predict with any certainty on-going trends.</p> <p>We are slightly down on income against actual receipts from 2017 at the moment but this may change as we move through the financial year.</p>
<p>0</p>	<p><u>Employees Expenses</u></p> <p>The budgets for Employees expenses are comprised of a number of elements, including Basic Salaries, Employers National Insurance and Pensions, reserve and other funding where appropriate, Agency Staff costs, and assumptions around vacancy management.</p>

2018/19 Current Forecast variance: Over / (under) £000s	SEBC Details / proposed action
	<p>These are monitored on a monthly basis, with particular attention given to areas such as Agency Staff spend.</p> <p><u>Employees Expenses (continued)</u></p> <p>At this point in the year, spend on employees costs is expected to be broadly in line with the overall budget.</p>

Forecast Capital Programme

The Council is currently forecasting to spend **£17.9m** of its capital budget of £48.3m for 2018/19. Around £25.8m is likely to be re-profiled into 2019/20 as a result of project timings and more accurate project spend profiling.

The following table gives a high level summary of capital expenditure against budget for 2018/19. Further detail by individual capital project can be found in **Appendix N**.

Assistant Director:	2018/19 Revised Full Year Budget	2018/19 Actual Spend to Date	2018/19 Forecast Spend	2018/19 External Grant Funded	2018/19 Carried Forward	2018/19 Forecast Over / (under) Spend
	£000s	£000s	£000s	£000s	£000s	£000s
Resources & Performance	1,894	77	1,894	0	0	0
Human Resources	26	0	26	0	0	0
Families & Communities	96	7	96	0	0	0
Planning & Regulatory	2,103	96	1,432	0	25	(646)
Operations	13,323	396	10,915	96	2,492	(12)
Growth	30,829	1,984	3,546	0	23,283	(4,000)
Totals:	48,271	2,560	17,909	96	25,800	(4,658)

Forecast Earmarked Reserves

The council's balance on Earmarked Revenue Reserves at the end of the financial year is currently forecasted to be around **£19.8m**. Details of the individual reserve balances and movements during the year can be found in **Appendix O**.

This page is intentionally left blank

Summary by Assistant Director

2018/19 June Budget Monitoring Report

Assistant Director	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £
Resources & Performance	(6,810,549)	10,468,865	(23,534,876)	(13,066,011)	10,030,530	(45,211,341)	(35,180,811)	(22,114,800)	0.08%	(5,782)
Human Resources, Legal & Democratic	1,972,237	708,693	(182,464)	526,229	646,999	(120,589)	526,411	182	0.77%	(15,182)
Families & Communities	2,010,379	1,210,130	(416,306)	793,824	1,257,336	(496,383)	760,952	(32,872)	0.43%	(8,726)
Planning & Regulatory	812,947	783,749	(475,221)	308,528	726,700	(418,702)	308,000	(528)	2.28%	18,546
Operations	709,498	15,123,826	(13,720,111)	1,403,716	14,254,867	(13,900,224)	354,645	(1,049,071)	25.37%	179,998
Growth	1,335,369	586,467	(134,515)	451,952	517,600	(122,335)	395,266	(56,686)	2.11%	(28,203)
TOTALS:	29,881	28,881,730	(38,463,493)	(9,581,762)	27,434,032	(60,269,574)	(32,835,537)	(23,253,775)		140,651
Interest & Capital Project Financing										
Interest Receivable	(318,500)	0	(79,626)	(79,626)	0	(80,012)	(80,012)	(386)	0.00%	0
Interest Payable	540,750	135,189	0	135,189	0	0	0	(135,189)	100.00%	(540,750)
Minimum Revenue Provision	797,750	0	0	0	0	0	0	0	69.03%	(550,700)
Income from Growth Projects	(1,106,850)	0	(276,726)	(276,726)	0	0	0	276,726	100.00%	1,106,850
Contributions to/(from) Reserves	56,964	14,244	0	14,244	6,216	0	6,216	(8,028)	0.00%	0
TOTALS:	0	29,031,163	(38,819,845)	(9,788,681)	27,440,248	(60,349,586)	(32,909,333)	(23,120,652)		156,051

This page is intentionally left blank

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - RESOURCES & PERFORMANCE

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Resources & Performance	728,716	217,619	(24,913)	192,706	219,273	(9,919)	209,354	16,648	0.69%	(5,064)	
General Fund Adjustments	(10,483,671)	3,232,823	(17,287,463)	(14,054,640)	2,537,853	(38,196,848)	(35,658,995)	(21,604,355)	0.00%	3	
Resources & Performance:	(9,754,955)	3,450,442	(17,312,376)	(13,861,934)	2,757,126	(38,206,767)	(35,449,641)	(21,587,707)	0.05%	(5,061)	
Internal Audit	128,618	37,653	(6,924)	30,729	36,331	(2,000)	34,331	3,602	0.23%	(295)	
Internal Audit:	128,618	37,653	(6,924)	30,729	36,331	(2,000)	34,331	3,602	0.23%	(295)	
ICT	898,510	452,031	(298,172)	153,859	391,963	(226,473)	165,490	11,631	0.03%	(275)	
ICT:	898,510	452,031	(298,172)	153,859	391,963	(226,473)	165,490	11,631	0.03%	(275)	
Anglia Revenues Partnership	1,355,029	342,933	(3,387)	339,546	622,171	(118,253)	503,918	164,372	0.00%	0	
Council Tax Administration	(238,815)	0	(59,703)	(59,703)	338	(152,102)	(151,764)	(92,061)	0.02%	51	
Business Rate Administration	(167,045)	0	(41,760)	(41,760)	3,997	(159,356)	(155,359)	(113,599)	0.66%	(1,105)	
Housing Benefits	(296,601)	5,698,739	(5,768,889)	(70,150)	5,681,258	(6,278,736)	(597,478)	(527,328)	0.07%	(193)	
Anglia Revenues Partnership:	652,568	6,041,672	(5,873,739)	167,933	6,307,764	(6,708,447)	(400,683)	(568,616)	0.19%	(1,247)	
Corporate Expenditure	1,054,411	374,477	(41,655)	332,822	456,064	(67,637)	388,427	55,605	0.02%	(200)	
Non-Distributed Costs	136,959	35,250	(1,011)	34,239	3,379	(17)	3,362	(30,877)	0.54%	733	
Non-Distributed Costs - Cost of Unused Assets	43,070	47,070	(999)	46,071	47,070	0	47,070	999	0.00%	0	
Corporate Expenditure:	1,234,440	456,797	(43,665)	413,132	506,513	(67,654)	438,859	25,727	0.04%	533	
Emergency Planning	30,270	30,270	0	30,270	30,833	0	30,833	563	1.86%	563	
Emergency Planning:	30,270	30,270	0	30,270	30,833	0	30,833	563	1.86%	563	
TOTALS: RESOURCES & PERFORMANCE	(6,810,549)	10,468,865	(23,534,876)	(13,066,011)	10,030,530	(45,211,341)	(35,180,811)	(22,114,800)	0.08%	(5,782)	

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - HUMAN RESOURCES , LEGAL & DEMOCRATIC SERVICES

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Human Resources & Payroll	586,164	190,875	(75,284)	115,591	183,741	(97,645)	86,097	(29,494)	0.03%	(151)	
Human Resources:	586,164	190,875	(75,284)	115,591	183,741	(97,645)	86,097	(29,494)	0.03%	(151)	
Health & Safety	105,481	34,336	(3,057)	31,279	34,867	(1,368)	33,499	2,220	0.46%	489	
Health & Safety:	105,481	34,336	(3,057)	31,279	34,867	(1,368)	33,499	2,220	0.46%	489	
Central Training Services	170,521	56,796	(14,157)	42,639	21,808	(4,909)	16,899	(25,740)	0.12%	201	
Learning & Development:	170,521	56,796	(14,157)	42,639	21,808	(4,909)	16,899	(25,740)	0.12%	201	
Legal Services	251,448	148,264	(76,502)	71,762	134,644	(8,107)	126,537	54,775	6.12%	(15,385)	Underspend on Staffing Costs, mainly arising from vacant posts.
Legal Services:	251,448	148,264	(76,502)	71,762	134,644	(8,107)	126,537	54,775	6.12%	(15,385)	
Democratic Services	205,682	62,756	(6,501)	56,255	60,804	(5,507)	55,297	(958)	0.06%	131	
Members Allowances & Expenses	363,280	100,240	0	100,240	101,960	0	101,960	1,720	0.02%	(80)	
Mayoralty & Civic Functions	88,549	30,185	(1,296)	28,889	32,105	(3,053)	29,052	163	0.38%	338	
Democratic Services:	657,511	193,181	(7,797)	185,384	194,869	(8,560)	186,309	925	0.06%	389	
Electoral Registration	168,979	53,108	(5,667)	47,441	44,810	0	44,810	(2,631)	0.43%	(725)	
Election Expenses	32,133	32,133	0	32,133	32,260	0	32,260	127	0.00%	0	
Elections:	201,112	85,241	(5,667)	79,574	77,070	0	77,070	(2,504)	0.36%	(725)	
TOTALS: HR & DEMOCRATIC SERVICES	1,972,237	708,693	(182,464)	526,229	646,999	(120,589)	526,411	182	0.77%	(15,182)	

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - FAMILIES & COMMUNITIES

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Policy	217,783	80,175	(15,300)	64,875	91,516	(30,330)	61,186	(3,689)	6.49%	(14,137)	Underspend on staffing costs, mainly arising from reduced working hours.
Policy:	217,783	80,175	(15,300)	64,875	91,516	(30,330)	61,186	(3,689)	6.49%	(14,137)	
Communications	135,342	45,106	(5,520)	39,586	37,570	0	37,570	(2,016)	2.45%	3,311	
Website and Intranet	38,584	19,034	0	19,034	7,608	0	7,608	(11,426)	0.86%	332	
Communications:	173,926	64,140	(5,520)	58,620	45,178	0	45,178	(13,442)	2.09%	3,643	
Customer Services	578,679	183,808	0	183,808	178,759	0	178,759	(5,049)	1.01%	(5,816)	
Customer Services:	578,679	183,808	0	183,808	178,759	0	178,759	(5,049)	1.01%	(5,816)	
Families & Communities	321,144	89,111	(2,502)	86,609	92,864	(1,456)	91,408	4,799	1.66%	5,334	
Community Chest - Families & Communities	216,483	336,865	(120,382)	216,483	294,115	(73,100)	221,014	4,531	0.00%	0	
LifeLink Project	0	22,887	(22,887)	0	15,406	(10,451)	4,955	4,955	0.00%	0	
Community Centres	23,372	16,036	(1,872)	14,164	14,128	(512)	13,616	(548)	21.45%	(5,013)	
Families & Communities:	560,999	464,899	(147,643)	317,256	416,513	(85,519)	330,993	13,737	0.06%	321	
Housing Options: Choice Based Lettings	49,267	42,887	(10,060)	32,827	38,461	(6,754)	31,707	(1,120)	6.73%	3,314	
Housing Options: Advice & Prevention	313,465	276,325	(182,229)	94,096	385,831	(317,114)	68,717	(25,379)	0.84%	2,631	
Housing Options: Solutions	56,260	82,896	(55,554)	27,342	101,078	(56,666)	44,412	17,070	2.34%	1,318	
Housing Options: Severe Weather Emergency Provision (SWEPE)	60,000	15,000	0	15,000	0	0	0	(15,000)	0.00%	0	
Housing Options:	478,992	417,108	(247,843)	169,265	525,370	(380,534)	144,836	(24,429)	1.52%	7,263	
TOTALS: FAMILIES & COMMUNITIES	2,010,379	1,210,130	(416,306)	793,824	1,257,336	(496,383)	760,952	(32,872)	0.43%	(8,726)	

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - PLANNING & REGULATORY SERVICES

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Development Control	(31,683)	256,497	(247,275)	9,222	214,042	(225,458)	(11,415)	(20,637)	13.40%	(4,246)	
Development Control:	(31,683)	256,497	(247,275)	9,222	214,042	(225,458)	(11,415)	(20,637)	13.40%	(4,246)	
Land Charges	(101,152)	19,146	(52,411)	(33,265)	13,100	(45,649)	(32,549)	716	3.91%	(3,951)	
Building Control	39,727	70,861	(53,625)	17,236	72,391	(56,522)	15,869	(1,367)	9.22%	(3,662)	
Planning & Regulatory Support	338,186	94,076	0	94,076	98,259	0	98,259	4,183	1.37%	4,639	
Business (BC & Support):	276,761	184,083	(106,036)	78,047	183,750	(102,171)	81,579	3,532	1.07%	(2,974)	
Prevention of Pollution	48,871	23,647	(3,834)	19,813	23,352	0	23,352	3,539	17.08%	8,347	
Environmental Management	(50,956)	18,501	(29,751)	(11,250)	15,861	(1,505)	14,357	25,607	13.40%	6,830	
Drinking Water Quality	34,709	11,145	(2,472)	8,673	11,493	(4,058)	7,435	(1,238)	21.72%	(7,540)	
Climate Change	36,558	20,083	0	20,083	20,685	0	20,685	602	1.52%	557	
Home Energy Conservation	3,000	750	0	750	(1,396)	0	(1,396)	(2,146)	0.00%	0	
Environment:	72,182	74,126	(36,057)	38,069	69,995	(5,563)	64,433	26,364	11.35%	8,194	
Licensing	12,511	72,411	(54,373)	18,038	63,219	(24,315)	38,904	20,866	57.93%	7,248	
Hackney Carriage & Private Hire Licensing	(70,122)	25,661	(24,982)	679	24,500	(55,642)	(31,142)	(31,821)	4.71%	(3,306)	
Food Safety	96,614	39,560	(5,100)	34,460	46,232	(4,329)	41,903	7,443	7.57%	7,317	
Health & Safety at Work Act/Enforcement	94,352	27,596	0	27,596	29,338	0	29,338	1,742	5.51%	5,203	
Business Reg & Licensing:	133,355	165,228	(84,455)	80,773	163,289	(84,286)	79,003	(1,770)	12.34%	16,462	
Housing Renewals	131,941	37,286	(159)	37,127	32,200	(90)	32,110	(5,017)	1.19%	(1,572)	
Burial of the Dead	16,455	4,175	(24)	4,151	3,922	(15)	3,907	(244)	0.77%	127	
Other Public Health Services	213,936	62,354	(1,215)	61,139	59,502	(1,119)	58,383	(2,756)	1.19%	2,555	
Public Health & Housing:	362,332	103,815	(1,398)	102,417	95,624	(1,224)	94,400	(8,017)	0.31%	1,110	
TOTALS: PLANNING & GROWTH	812,947	783,749	(475,221)	308,528	726,700	(418,702)	308,000	(528)	2.28%	18,546	

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - OPERATIONS

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Vehicle Workshop	(64,730)	247,443	(619,572)	(372,129)	245,791	(614,149)	(368,358)	3,771	13.48%	(8,723)	
Pool Cars	5,106	6,634	(18,921)	(12,287)	4,539	(18,921)	(14,382)	(2,095)	0.00%	0	
Vehicle Workshop Trading Account - FHDC	0	183,736	(101,961)	81,775	195,886	(193,422)	2,463	(79,312)	0.00%	0	
Fleet Management:	(59,624)	437,813	(740,454)	(302,641)	446,216	(826,492)	(380,277)	(77,636)	14.63%	(8,723)	
Depots	(159,670)	233,992	(549,268)	(315,276)	216,269	(459,542)	(243,273)	72,003	7.37%	11,761	Overspend mainly arising from Staff Costs.
Grounds Maintenance Operatives	(162,612)	497,749	(1,386,080)	(888,331)	520,620	(1,387,493)	(866,873)	21,458	0.00%	0	
Tree Maintenance Operatives	(1,120)	53,784	(148,445)	(94,661)	46,248	(132,274)	(86,026)	8,635	0.00%	0	
Waste & Cleansing Operatives	(427,050)	1,896,589	(4,966,943)	(3,070,354)	1,959,592	(5,038,087)	(3,078,496)	(8,142)	0.00%	0	
Markets	(89,130)	251,292	(98,874)	152,418	196,988	(82,513)	114,475	(37,943)	4.67%	4,158	
Operational:	(839,582)	2,933,406	(7,149,610)	(4,216,204)	2,939,717	(7,099,909)	(4,160,193)	56,011	1.90%	15,919	
Street Cleansing	1,492,343	1,471,733	(9,375)	1,462,358	1,499,866	(17,103)	1,482,763	20,405	0.87%	13,005	Overspend mainly arising from Staff Costs.
House Collection (Black Bin)	1,142,839	1,144,468	(16,726)	1,127,742	1,173,985	(7,665)	1,166,321	38,579	0.74%	8,444	
Recycling Collection (Blue Bin)	675,317	999,436	(63,720)	935,716	1,031,264	(22,530)	1,008,733	73,017	2.73%	18,451	Recycling credits currently expected to fall short of budget by around £20k. To be monitored closely in the coming months.
Compostable Collection (Brown Bin)	33,675	763,919	(810,834)	(46,915)	361,794	(848,506)	(486,712)	(439,797)	0.39%	(131)	
Bulky, Fridges, Metal & Scrap Collection	119,866	149,509	(10,251)	139,258	151,413	(10,162)	141,251	1,993	0.00%	(3)	
Clinical & Hazardous Waste Collection	13,790	16,805	(4,925)	11,880	12,188	(4,175)	8,014	(3,866)	2.66%	(367)	
Multi-Bank Recycling Sites	(23,831)	15,967	(30,805)	(14,838)	13,000	(12,046)	954	15,792	3.44%	(820)	
Trade Waste	(389,998)	636,097	(1,120,989)	(484,892)	657,092	(1,436,660)	(779,568)	(294,676)	4.24%	(16,537)	Income currently expected to be higher than budgeted.
Waste - Business & Commercial	3,064,001	5,197,934	(2,067,625)	3,130,309	4,900,602	(2,358,847)	2,541,756	(588,553)	0.72%	22,042	
Non-HRA Housing Properties	1,091	0	0	0	983	(983)	0	0	0.00%	0	
Property Services	562,858	183,323	(2,340)	180,983	162,996	(1,433)	161,563	(19,420)	2.99%	16,824	Overspend mainly arising from Staff Costs.
Property Maintenance:	563,949	183,323	(2,340)	180,983	163,979	(2,416)	161,563	(19,420)	2.98%	16,824	

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - OPERATIONS (CONTINUED)

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Industrial & Business Units	(2,021,420)	197,085	(581,361)	(384,276)	111,269	(683,731)	(572,462)	(188,186)	0.48%	(9,610)	
Town Centres & Shops	(934,063)	113,732	(289,355)	(175,623)	69,946	(343,147)	(273,201)	(97,578)	2.05%	(19,190)	Income from Shop Rents currently expected to exceed budget.
Property Management:	(2,955,483)	310,817	(870,716)	(559,899)	181,215	(1,026,878)	(845,663)	(285,764)	0.97%	(28,800)	
Offices: West Suffolk House	(148,077)	537,786	(431,295)	106,491	474,966	(438,184)	36,783	(69,708)	3.58%	(5,307)	
Offices: Haverhill House	(46,950)	137,469	(91,084)	46,385	56,526	(60,203)	(3,676)	(50,061)	16.64%	7,813	
Public Conveniences	143,044	54,646	(7,998)	46,648	27,662	(1,211)	26,451	(20,197)	2.27%	(3,254)	
CCTV	166,951	118,244	(33,756)	84,488	113,412	35,765	149,177	64,689	2.30%	3,836	
Green Travel Plan	(2,170)	46,744	(6,648)	40,096	27,636	(2,513)	25,123	(14,973)	21.94%	476	
Street Banners & Displays	(37)	5,358	(1,764)	3,594	5,350	(1,702)	3,648	54	118.92%	44	
District Highways Services	420,015	424,094	(1,992)	422,102	420,828	(2,250)	418,578	(3,524)	0.76%	(3,201)	
Street Furniture	51,451	17,891	(39)	17,852	14,286	(38)	14,248	(3,604)	1.39%	(714)	
Land Drainage & Associated Works	7,459	4,751	(261)	4,490	3,500	0	3,500	(990)	8.85%	(660)	
Bury Bus Station	80,289	81,348	(14,250)	67,098	70,461	(1,903)	68,559	1,461	0.63%	508	
Facilities, CCTV & Highways Services:	671,975	1,428,331	(589,087)	839,244	1,214,627	(472,239)	742,391	(96,853)	0.07%	(459)	
Courier & Postal Service	116,870	79,127	(4,750)	74,377	43,780	4,800	48,580	(25,797)	4.09%	4,779	
Printing & Copying Service	46,071	23,391	(5,625)	17,766	16,983	(695)	16,287	(1,479)	0.23%	(106)	
Central Services:	162,941	102,518	(10,375)	92,143	60,763	4,105	64,867	(27,276)	2.87%	4,673	
Off Street Car Parks	(3,157,508)	1,105,144	(1,212,045)	(106,901)	1,061,301	(1,085,911)	(24,610)	82,291	4.85%	153,289	Car park income currently expected to fall short of budgeted levels by around £175k.
On Street Car Parking	(130,320)	188,107	(220,899)	(32,792)	194,020	(236,728)	(42,708)	(9,916)	0.00%	0	
Car Parking:	(3,287,828)	1,293,251	(1,432,944)	(139,693)	1,255,321	(1,322,639)	(67,318)	72,375	4.66%	153,289	

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - OPERATIONS (CONTINUED)

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Arboriculture (Tree Maintenance Works)	190,680	155,719	0	155,719	149,297	0	149,297	(6,422)	1.09%	(2,079)	
Other Parks and Play Provision	525,130	617,236	(44,691)	572,545	631,406	(72,391)	559,015	(13,530)	0.08%	431	
Abbey Gardens	278,125	93,519	(28,950)	64,569	77,545	(22,955)	54,589	(9,980)	0.87%	(2,426)	
Nowton Park	81,973	79,735	(30,498)	49,237	73,870	(33,922)	39,948	(9,289)	0.59%	(480)	
East Town Park	97,641	41,499	(4,848)	36,651	39,102	(7,699)	31,403	(5,248)	0.56%	(548)	
Clare Country Park	579	19,709	0	19,709	19,708	0	19,708	(1)	10.19%	59	
Children's Play Areas	103,599	46,284	0	46,284	42,987	0	42,987	(3,297)	0.23%	239	
Cemeteries & Closed Churchyards	254,358	292,893	(32,442)	260,451	283,854	(31,625)	252,229	(8,222)	0.58%	(1,483)	
Allotments	(476)	700	(730)	(30)	700	(656)	44	74	15.55%	74	
Parks & Open Spaces:	1,531,609	1,347,294	(142,159)	1,205,135	1,318,469	(169,248)	1,149,220	(55,915)	0.41%	(6,213)	
Sports & Leisure Centres	420,371	376,581	(25,527)	351,054	356,312	(7,204)	349,108	(1,946)	0.11%	(454)	
Leisure & Sports	39,070	40,984	(31,216)	9,768	15,148	(2,980)	12,168	2,400	0.00%	0	
Sports & Leisure Development	459,441	417,565	(56,743)	360,822	371,460	(10,184)	361,276	454	0.10%	(454)	
Arts, Heritage & Cultural Services	87,939	79,150	0	79,150	80,585	(1,698)	78,887	(263)	0.64%	561	
Moyses's Hall Museum	256,185	122,209	(19,809)	102,400	119,925	(18,372)	101,553	(847)	0.19%	498	
West Stow Country Park	133,927	142,179	(98,300)	43,879	144,649	(103,021)	41,628	(2,251)	1.14%	(1,523)	
West Stow ASVT Operating Account	0	0	(258)	(258)	0	(507)	(507)	(249)	0.00%	0	
Heritage Sites & Monuments	5,558	8,749	(3,249)	5,500	5,675	(175)	5,500	0	0.00%	0	
West Front Houses	50,367	61,250	(12,330)	48,920	53,000	(4,118)	48,882	(38)	0.09%	47	
Heritage	533,976	413,537	(133,946)	279,591	403,834	(127,891)	275,943	(3,648)	0.08%	(417)	
Leisure Promotion	152,282	38,076	0	38,076	51,442	0	51,442	13,366	0.08%	115	
The Apex	452,510	685,497	(377,256)	308,241	655,257	(379,073)	276,184	(32,057)	0.10%	(430)	
The Athenaeum	45,419	90,789	(23,240)	67,550	78,909	(7,016)	71,893	4,343	11.84%	5,378	
The Guildhall, Bury St Edmunds	49,082	45,021	(1,251)	43,770	43,979	(419)	43,561	(209)	0.67%	(329)	
Tourist Information Centres	76,620	26,934	(3,030)	23,904	24,294	(4,132)	20,162	(3,742)	0.79%	608	
Shopmobility	33,986	19,266	(2,049)	17,217	14,641	(526)	14,116	(3,101)	1.74%	(593)	
Bury Festival	54,224	152,454	(117,286)	35,168	130,142	(96,420)	33,722	(1,446)	13.96%	7,568	
Halls & Events	864,123	1,058,037	(524,112)	533,926	998,664	(487,586)	511,080	(22,846)	1.43%	12,317	
TOTALS: OPERATIONS	709,498	15,123,826	(13,720,111)	1,403,716	14,254,867	(13,900,224)	354,645	(1,049,071)	25.37%	179,998	

Detail by Assistant Director

2018/19 June Budget Monitoring Report

ASSISTANT DIRECTOR - GROWTH

Cost Centre Description	Full Year Budget £	Expenditure Budget to Date £	(Income) Budget to Date £	Net Budget to Date £	Expenditure Actual to Date £	(Income) Actual to Date £	Net Actual to Date £	Over/(Under) Spend to Date £	Year End Forecast Over/(Under) Spend %	Year End Forecast Over/(Under) Spend £	Forecast Variance Notes (numbers in brackets are underspends or increased income)
Housing Development & Strategy	163,066	66,206	(17,127)	49,079	71,155	(12,506)	58,649	9,570	0.13%	(215)	
Gypsies & Travellers	25,108	8,702	(24)	8,678	7,075	(15)	7,061	(1,617)	0.40%	100	
Housing Development & Strategy:	188,174	74,908	(17,151)	57,757	78,230	(12,521)	65,710	7,953	0.06%	(115)	
Strategic Property	75,459	30,205	(11,356)	18,849	32,667	0	32,667	13,818	2.55%	(1,926)	
Strategic Property	75,459	30,205	(11,356)	18,849	32,667	0	32,667	13,818	2.55%	(1,926)	
Housing Business & Partnerships	0	0	0	0	(1,296)	(2,248)	(3,544)	(3,544)	0.00%	0	
Housing Business & Partnerships:	0	0	0	0	(1,296)	(2,248)	(3,544)	(3,544)	0.00%	0	
Planning Policy	652,311	279,450	(19,566)	259,884	242,865	(13,977)	228,888	(30,996)	2.55%	(16,614)	Staffing costs currently forecast to be lower than budgeted.
Local Plan	4,500	8,625	(7,500)	1,125	0	0	0	(1,125)	0.00%	0	
Place Shaping:	656,811	288,075	(27,066)	261,009	242,865	(13,977)	228,888	(32,121)	2.53%	(16,614)	
Economic Development & Growth	387,777	131,555	(26,955)	104,600	141,228	(61,612)	79,616	(24,984)	2.90%	(11,262)	Staffing costs currently forecast to be lower than budgeted.
Strategic Tourism & Markets	38,742	11,797	(2,034)	9,763	17,199	(1,347)	15,851	6,088	2.24%	867	
Bury Christmas Fayre	(11,594)	49,927	(49,953)	(26)	6,707	(30,630)	(23,922)	(23,896)	7.31%	847	Predicted overspend, mainly arising from additional security measures. Forecast assumes full utilisation of remaining £14k Christmas Fayre Reserve.
Economic Development & Growth:	414,925	193,279	(78,942)	114,337	165,134	(93,589)	71,545	(42,792)	2.30%	(9,548)	
TOTALS: GROWTH:	1,335,369	586,467	(134,515)	451,952	517,600	(122,335)	395,266	(56,686)	0	(28,203)	

2018/19 June Capital Budget Monitoring Report

Project Description	Revised Budget for Year £	Actual Spend Year to Date £	2018-19 Forecast Actual Spend £	2018-19 Funded from External Grants £	2018-19 Carry Forward Requested £	Over/ (Under) Spend for Year £	Notes	Total Project Budget 2017-2022 £
<u>Resource & Performance</u>								
Invest to Save Projects	118,328	0	118,328	0	0	0	Budget to be allocated to appropriate projects as they arise.	118,328
Leisure Capital Investment Fund	1,525,984	77,297	1,525,984	0	0	0	Project relates to Haverhill Leisure Centre, expecting full spend in 2018/19.	1,525,984
SEBC - Single Council	250,000	0	250,000	0	0	0	This project supports the implementation of the Single Council Business Case, and is funded from the Flexible Use of Capital Receipts. Full spend expected in 2018/19.	250,000
<u>Human Resources, Legal & Democratic</u>								
Health & Safety Management System	26,000	0	26,000	0	0	0	Project expected to be completed in 2018/19.	26,000
<u>Families & Communities</u>								
Customer Access Project	64,558	0	64,558	0	0	0	Project expected to be completed in 2018/19.	64,558
Rural Initiatives Grant Scheme (RIGS)	31,490	7,194	31,490	0	0	0	Grant scheme expected to be fully utilised in 2018/19.	67,500
<u>Planning & Regulatory</u>								
Private Sector Disabled Facilities Grants	589,819	31,650	564,461	0	25,358	0	External grant funded. Currently expecting an underspend in 2018/19. Request to carry the balance forward into 2019/20.	1,875,000
Private Sector Renewal Grants	312,787	21,449	255,000	0	0	(57,787)	The service is currently reviewing the likely demand for these grants.	1,277,966
Empty Homes Grants to Private Owners	71,000	0	71,000	0	0	0	Currently expecting to spend in full for 2018/19.	71,000
West Stow biomass boiler	120,000	0	120,000	0	0	0	Project linked to the Community Energy Plan as detailed below. Expected to commence in 2018/19.	120,000

2018/19 June Capital Budget Monitoring Report

Project Description	Revised Budget for Year £	Actual Spend Year to Date £	2018-19 Forecast Actual Spend £	2018-19 Funded from External Grants £	2018-19 Carry Forward Requested £	Over/ (Under) Spend for Year £	Notes	Total Project Budget 2017-2022 £
Community Energy Plan	1,009,442	43,035	421,275	0	0	(588,167)	Spend on this project primarily relates to the "Rent a Roof" scheme. The service is currently formulating a development plan for this project which will inform the likely spend going forward, and any associated revenue implications.	1,118,851
Operations								
Leisure Asset Management Scheme	17,006	0	23,208	0	0	6,202	To be allocated to Leisure projects as they arise.	1,416,077
Community Sports Facility - Moreton Hall	1,552,500	0	1,552,500	0	0	0	The project partners are currently finalising the legal details with a view to transferring the sum in 2018/19.	1,552,500
Vehicle & Plant Purchases	1,091,324	168,711	1,091,324	0	0	0	Based on the Vehicle Replacement Programme, and expected to be fully utilised in 2018/19.	4,779,945
Lark Valley Path	27,000	0	27,000	0	0	0	Project expected to be completed in quarter 3 of 2018/19.	27,000
Bury Leisure Centre - All Weather Pitch	150,000	0	0	0	150,000	0	Spend on this project is now expected to be in 2019/20.	150,000
Waste & Street Scene Back Office System	64,540	1,153	64,540	0	0	0	Project carried forward from 2017/18. Relates to the implementation of the BARTEC system.	75,020
Bury St Edmunds, Parkway Multi-Storey Car Park structural works	190,900	0	0	0	190,900	0	Project not likely to commence in 2018/19, carry forward requested.	190,900
Street Lighting Renewals	453,891	0	453,891	0	0	0	Project carried forward from 2017/18. Currently awaiting the final project sum and invoicing.	677,709
Bury Sports Club Project	100,000	0	0	0	100,000	0	No anticipated spend in 2018/19. Currently under review as part of the 2019/20 Budget Setting process.	150,000
Parish Council S106 Grants	0	45,801	45,801	45,801	0	0	These projects are funded from S106 contributions and are allocated as and when they are received.	78,386
West Suffolk Operational Hub	9,194,482	0	7,142,900	0	2,051,582	0	Project underway, current expected spend as advised by the Project Architects.	13,758,000
Leisure: Severn Road Play Park	21,219	11,219	11,219	0	0	(10,000)	Project carried forward from 2018/19. Works completed.	60,000
Leisure: Oakes Road Play Park	20,103	10,103	10,103	0	0	(10,000)	Project carried forward from 2018/19. Works completed.	60,000

2018/19 June Capital Budget Monitoring Report

Project Description	Revised Budget for Year £	Actual Spend Year to Date £	2018-19 Forecast Actual Spend £	2018-19 Funded from External Grants £	2018-19 Carry Forward Requested £	Over/ (Under) Spend for Year £	Notes	Total Project Budget 2017-2022 £
Leisure: Bedell Close Play Area	4,087	6,099	6,099	0	0	2,012	Project carried forward from 2018/19. Works completed. Small overspend to be funded from the Leisure Building Maintenance Reserve in line with the original project.	30,000
Leisure: Abbey Gardens Replacement Retail Facility	70,000	0	70,000	0	0	0	Project plans are currently being drawn up, and the spend on this project is expected to be in quarter 3.	70,000
Leisure: Nowton Park Electronic Automated Gate	6,202	6,202	6,202	0	0	0	Spend in 2018/19 represents the balance of this project, funded from the Leisure Asset Management Scheme.	0
Leisure: Fenway Play Area, Bury St Edmunds	55,000	50,846	55,000	0	0	0	The works on this project have commenced and it is expected to be completed in 2018/19.	55,000
Leisure: Strasbourg Square Play Area, Haverhill	55,000	48,000	55,000	0	0	0	The works on this project have commenced and it is expected to be completed in 2018/19.	55,000
Leisure: York Road, Haverhill	50,000	47,502	50,000	0	0	0	The works on this project have commenced and it is expected to be completed in 2018/19.	50,000
Abbey Gardens Extension: Eastgate Nursery	200,000	0	250,000	50,000	0	0	The programme of works is currently being drawn up. The funding for this project is a mixture of the Leisure Asset Management Scheme (£200k) and S106 funding (£50k).	250,000
Growth								
High Street Haverhill Improvements	693,000	0	693,000	0	0	0	No confirmed spend on this project at present. Under review as part of the 2019/20 Budget Setting Process.	693,000
Gypsy and traveller site	572,657	0	572,657	0	0	0	This project relates to Kelly's Meadow, full spend expected in 2018/19.	587,000
Barley Homes	1,678,250	27,500	27,500	0	1,650,750	0	The Barley Homes revised business plan is currently under development, with a view to presenting a revised profile of the agreed loan facility	2,975,000
Loan Facility: Suffolk Business Park	4,000,000	0	0	0	0	(4,000,000)	Not likely to be required in 2018/19. Requirement under review as part of the 2019/20 Budget Setting process.	0
Investing in our Growth Agenda	15,212,080	0	0	0	15,212,080	0	To be allocated to appropriate Growth project as they arise	20,000,000

2018/19 June Capital Budget Monitoring Report

Project Description	Revised Budget for Year £	Actual Spend Year to Date £	2018-19 Forecast Actual Spend £	2018-19 Funded from External Grants £	2018-19 Carry Forward Requested £	Over/ (Under) Spend for Year £	Notes	Total Project Budget 2017-2022 £
Renovation of 17/18 Cornhill, Bury St Edmunds	6,720,000	3,498	300,000	0	6,420,000	0	The majority of the works are expected to commence in 2019/20. £2.835m of this project is funded from the "Investing in our Growth Agenda" project, the remainder being from Capital Receipts and other related Sales.	6,720,000
Purchase of 20 High Street, Haverhill	1,952,920	1,952,920	1,952,920	0	0	0	Purchase completed. Forms part of the £20m "Investing in our Growth Agenda" Project.	1,952,920
					0			
TOTALS:	48,271,569	2,560,178	17,908,960	95,801	25,800,670	(4,657,740)		67,278,644

MTFS Earmarked Reserves Projections

2018/19 June Budget Monitoring Report

Account	Reserve Description	2018/19	2018/19	2018/19	2018/19	2018/19	Forecast Variance Over / (Under) Utilised £	Variance Notes (variances in brackets denote less reserve used than budgeted)
		Opening Balance £	Net Budgeted Movement to / (from) Reserve £	Budgeted Closing Balance £	Current Balance £	Forecast Closing Balance £		
BZ896	Investing in our Growth Agenda Reserve	970,000	(262,484)	707,516	970,000	793,649	(86,133)	This reserve has been set up to support the delivery of the council's growth agenda. Reports CAB/FH/17/018 and COU/FH/17/004 refer. Utilisation in 2018/19 relates to Capacity Resourcing Funding, whilst the forecast underutilisation is mainly down to recruitment timings.
BZ897	Capital Project Financing Reserve	117,458	0	117,458	117,458	117,458	0	This Reserve was 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.
BZ803	Strategic Priorities & MTFS Reserve	4,531,995	(2,331,818)	2,200,177	4,685,870	2,704,083	(503,906)	Budgeted Reserve movement includes £2.8m Capital Programme Funding for 2018/19. The under-utilisation mainly relates to a projected underspend on the Community Energy Plan Project, as further detailed in the Capital Programme Appendix.
BZ804	Invest to Save Reserve	2,698,227	(148,885)	2,549,342	2,698,227	2,571,262	(21,920)	Budgeted utilisation during 2018/19 includes funding for the Waste & Street Scene Back Office System Capital Project.
BZ808	Risk/Recession Reserve	467,786	0	467,786	467,786	467,786	0	Monies set aside to provide against possible future financial risks arising, for example shortfalls in income levels and interest rates, reductions in Government grant funding and the like. Currently expected to be in line with Budget.
BZ809	BRR Equalisation Reserve	2,138,718	506,714	2,645,432	1,570,546	2,645,432	0	Utilisation expected to be as budgeted for 2018/19.
BZ810	Self Insured Fund	231,739	0	231,739	281,739	231,739	0	Monies set aside to provide funds in order to finance any high insurance excesses that may arise. Currently expected to be in line with the Budget.
BZ811	Computer & Telephone Equipment Reserve	253,756	8,000	261,756	346,915	221,756	40,000	Utilised towards ICT hardware refreshes.
BZ812	Office Equipment Reserve	422,953	34,150	457,103	457,103	457,103	0	No utilisation expected during 2018/19.
BZ813	Section 106 - Public Service Village	78,477	14,348	92,825	78,477	92,825	0	Monies received as part of the Green Travel Plan.
BZ814	HB Equalisation Reserve	615,594	125,013	740,607	615,594	740,607	0	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.

MTFS Earmarked Reserves Projections

2018/19 June Budget Monitoring Report

Account	Reserve Description	2018/19	2018/19	2018/19	2018/19	2018/19	Forecast Variance Over / (Under) Utilised £	Variance Notes (variances in brackets denote less reserve used than budgeted)
		Opening Balance £	Net Budgeted Movement to / (from) Reserve £	Budgeted Closing Balance £	Current Balance £	Forecast Closing Balance £		
BZ816	Interest Equalisation Reserve	359,630	0	359,630	359,630	359,630	0	No movement expected during 2018/19.
BZ818	Professional Fees Reserve	216,522	48,070	264,592	281,522	272,522	(7,930)	Funding approved projects
BZ820	ARP Reserve	491,538	(11,500)	480,038	491,538	481,954	(1,916)	This reserve is used to hold any grants or new burdens funding received from the government, which will then be utilised when the monies are spent.
BZ830	Vehicle & Plant Renewal Fund	1,607,925	(541,324)	1,066,601	2,157,925	1,066,601	0	In line with expected spend on Vehicles, Plant & Equipment in the year, as further detailed in the Capital Programme appendix.
BZ831	Waste Management Reserve	400,716	(13,100)	387,616	481,066	387,616	0	Budgeted usage in order to fund Wheeled Bin Purchases.
BZ832	BR-Building Repairs Reserve - Leisure	474,058	(339,617)	134,441	783,058	302,429	(167,988)	Budgeted Reserve movement includes £480k Capital Programme Funding for 2018/19. The under-utilisation of £168k mainly relates to Capital Project underspend requested to be carried forward into 2018/19, of which £150k relates to the Bury St Edmunds Leisure Centre All-weather pitch which is now likely to complete in 2019/20.
BZ833	BR-Building Repairs Reserve - Other	2,053,064	(305,201)	1,747,863	2,795,817	1,860,442	(112,579)	The under-utilisation on this reserve has arisen as a result of the overall underspend on Building Repairs and Maintenance during 2018/19.
BZ834	Industrial Units - Service Charges	55,765	0	55,765	55,765	55,765	0	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	33,957	0	No movement expected during 2018/19.
BZ839	Industrial Rent Reserve	755,000	(110,000)	645,000	645,000	645,000	0	Expected to be on budget for 2018/19.
BZ850	Commuted Maintenance Reserve	439,950	(92,700)	347,250	439,950	347,250	0	Monies set aside from developers' contributions in order to fund maintenance of play areas and open space. Expected to be on budget for 2018/19.
BZ851	M-Gershom Parkington Bequest	559,719	3,500	563,219	561,135	563,219	0	Monies received as part of the Gershom Parkington bequest in order to maintain and develop the Horological Collection. Expected to be on budget for 2018/19.
BZ853	The Apex Reserve	0	6,000	6,000	20,000	6,000	0	Monies set aside in order to fund future years equipment renewals and the like.
BZ854	Abbey Gardens Donation	38,766	0	38,766	38,766	38,766	0	No movement expected during 2018/19.

MTFS Earmarked Reserves Projections

2018/19 June Budget Monitoring Report

Account	Reserve Description	2018/19	2018/19	2018/19	2018/19	2018/19	Forecast Variance Over / (Under) Utilised £	Variance Notes (variances in brackets denote less reserve used than budgeted)
		Opening Balance £	Net Budgeted Movement to / (from) Reserve £	Budgeted Closing Balance £	Current Balance £	Forecast Closing Balance £		
BZ870	Planning Reserve	187,781	60,000	247,781	277,781	247,781	0	2018/19 utilisation of Local Plan spend.
BZ876	S106 Monitoring Officer Reserve	47,177	0	47,177	39,429	44,927	2,250	Monies set aside in order to fund the S106 Monitoring Officer.
BZ880	Economic Development Reserve (LABGI)	18,187	(5,000)	13,187	18,187	0	13,187	Currently expecting to fully utilise the remaining balance on this reserve during 2018/19 to fund Economic Development initiatives.
BZ885	Homelessness Legislation Reserve	179,981	(8,594)	171,387	500,160	144,061	27,326	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.
BZ886	S106 Revenue Reserve	33,621	0	33,621	33,621	33,621	0	No movement expected during 2018/19.
BZ890	Election Reserve	114,675	7,330	122,005	144,675	125,783	(3,778)	Anticipated usage during 2018/19 in order to fund Capacity Resourcing requirements as budgeted.
St Edmundsbury Totals		20,594,735	(1,652,098)	18,942,637	22,448,697	19,766,024	(823,387)	

This page is intentionally left blank

Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	West Suffolk Strategic Risk Register Quarterly Monitoring Report – June 2018	
Report No:	PAS/SE/18/022	
Report to and date:	Performance and Audit Scrutiny Committee	25 July 2018
Portfolio holder:	Councillor Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: ian.holder@stedsbc.gov.uk	
Lead officers:	Rachael Mann / Gregory Stevenson Assistant Director / Service Manager - Finance and Performance Tel: 01638 719747 / 01284 757264 Email: rachael.mann@westsuffolk.gov.uk gregory.stevenson@westsuffolk.gov.uk	
Purpose of report:	To review the West Suffolk Strategic Risk Register Quarterly Monitoring Report.	
Recommendation:	Performance and Audit Scrutiny Committee: It is <u>RECOMMENDED</u> that Members scrutinise the updated West Suffolk Strategic Risk Register at Appendix 1 and refer any major issues requiring attention to Cabinet.	

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

1. Key issues and reasons for recommendation(s)

1.1 Key Issues and Summary

- 1.1.1 The West Suffolk Strategic Risk Register is updated regularly by the Risk Management Group. The Group is comprised of service representatives, including Health and Safety, supported by a Director and the Portfolio Holder for Resources and Performance. Assistant Directors 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 June 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 June 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

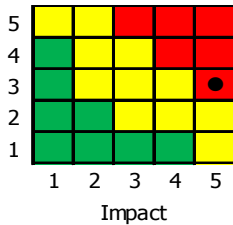
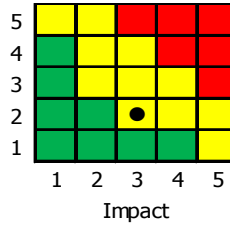
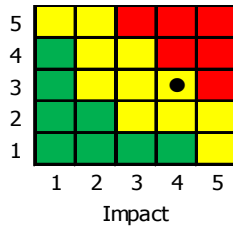
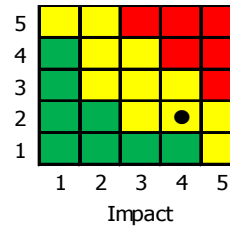
- 1.4.1 The group will continue to monitor the situation as it develops, amending existing and / or adding new risks where necessary. These changes will be reported at each meeting in the normal manner.

1.5 Reasons for Recommendations

- 1.5.1 The Council's Strategic Plan 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.

This page is intentionally left blank

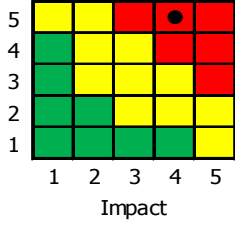
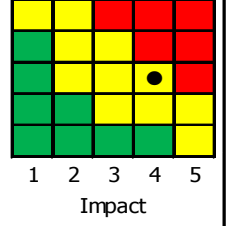
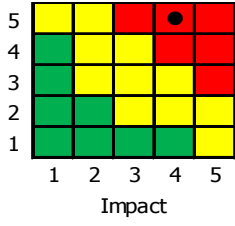
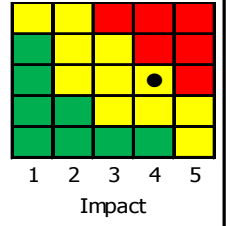
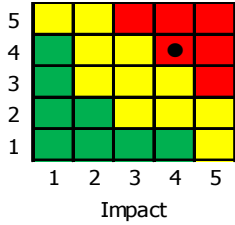
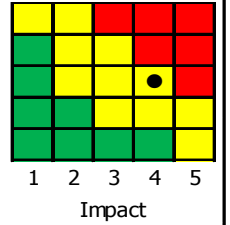


Type: A = Action, C = Control

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
WS1 A	10-Jul-14	Financial	Assistant Director & Portfolio Holders- Resources and Performance	Poor financial management	Failure in specific areas to achieve projected income, or expenditure exceeds the approved budgets (revenue or capital).		C	1) Monthly monitoring reports (revenue and capital) to budget holders and Leadership Team. Quarterly revenue and capital monitoring reports to PASC.	Assistant Director - Resources & Performance	N/A	N/A	
							C	2) Business rate retention income and localising of Council tax being monitored monthly by Finance and ARP	Assistant Director - Resources & Performance	N/A	N/A	
							C	3) Regular meetings between budget holders and Resources and Performance business advisors/partners	Service Managers / Business Partners / Advisers	N/A	N/A	
							C	4) Scrutiny of financial reports by LT and Members through Performance and Audit Scrutiny Committee	LT	N/A	N/A	
							A	5) Financial system upgrade/development in order to take advantage of latest budget planning / monitoring functionality. 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	Complete	
							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	Oct-18	
WS1 B	10-Jul-14	Financial	Assistant Director & Portfolio Holders- Resources and Performance	Poor financial planning	<p>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.</p> <p>Over reliance on any one particular MTFS theme such as behaving more commercially or being an investing authority</p>		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	

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
							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	

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
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	

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
			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	

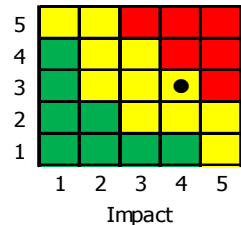
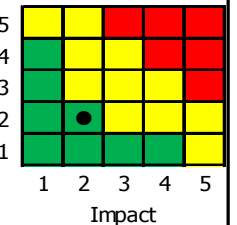
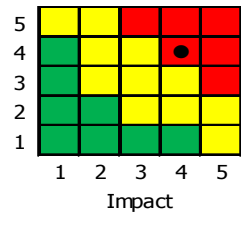
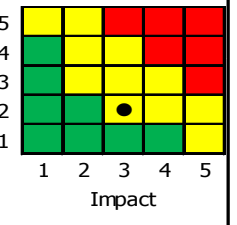
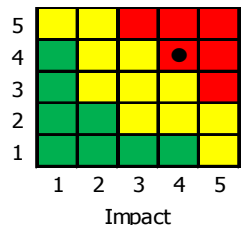
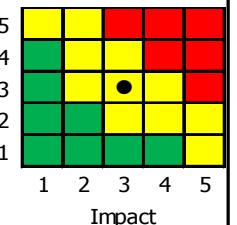
Type: A = Action, C = Control

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
	(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>	C	1) West Suffolk Housing strategy adopted, implementation of agreed Action Plan, with annual monitoring .Review of Housing Strategy to be undertaken in 2017	Assistant Directors for Growth, Families and Communities and Planning	N/A	N/A	<p>Impact</p>
							C	2) Cambridge Sub-regional Strategic Housing Market Assessment completed 2008 to identify levels of need, with annual updates and reviews.	Assistant Director - Growth	N/A	N/A	
							C	3) Local Investment Plan 2014-18 approved by HCA, now working with RP partners to deliver. Quarterly monitoring of plan and annual review.	Assistant Director - Growth	N/A	N/A	
							C	4) West Suffolk Choice Based Lettings Scheme regularly reviewed to reflect changes in legislation. Scheme re-tendered June 2015, with new system fully operational by June 2016, operation of scheme monitored through CBL Management Board.	Service Manager (Housing Options)	N/A	N/A	
							A	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.	Service Manager (Housing Options)	Aug-17	Jul-18	
							A	6) Disabled Facilities Grants process and Home Improvement Agency contract reviewed with partners in order to introduce a more co-ordinated and integrated service across agencies. A formal review of the contract was completed in January 2017.	Service Manager (Housing Standards)	Apr-14	First year review completed. Ongoing performance management tracked monthly through balanced scorecard.	
							A	7) Establishment of commercial Housing Development Company in partnership with Suffolk County Council to build open market, private rented and affordable housing, Company incorporated March 2016. Initial Business Plan approved in Dec 2016. Review of Business Plan for Barley Homes completed as part of the 2018-2022 MTFS in Dec-17.	Service Manager (Strategic Housing)	Apr-15	See action 7 text for details of dates.	
							A	8) Monitor implications and proposals contained in new Government publications (including Housing & Planning Bill published Feb 2017) - countywide and West Suffolk response submitted to consultation document. Details of when proposals will be introduced still to be published by the Government.	Service Manager (Strategic Housing)	Apr-16	See action 8 text for details of dates.	

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
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	

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
						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	Complete	
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	Complete	
							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				

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

This page is intentionally left blank

Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Work Programme Update	
Report No:	PAS/SE/18/023	
Report to and date:	Performance and Audit Scrutiny Committee	25 July 2018
Chairman of the Committee:	Councillor Sarah Broughton Chairman of the Performance and Audit Scrutiny Committee Tel: 01284 787327 Email: sarah.broughton@stedsbc.gov.uk	
Lead officer:	Christine Brain Democratic Services Officer (Scrutiny) Tel: 01638 719729 Email: Christine.brain@westsuffolk.gov.uk	
Purpose of report:	To update members on the current status of its Work Programme, attached at Appendix 1.	
Recommendation:	Performance and Audit Scrutiny Committee: It is <u>RECOMMENDED</u> that: 1) Members review the current status of its Work Programme for 2018-2019. 2) Members are asked to identify potential topics for future scrutiny on service performance.	

Performance and Audit Scrutiny Committee Work Programme

(St Edmundsbury Borough Council)

Description	Lead Officer
27 September 2018 (Time: 5.00pm)	
Informal Joint Meeting	
(Hosted by St Edmundsbury Borough Council)	
Delivering a Sustainable Medium Term Financial Strategy 2019-2022	Assistant Director (Resources and Performance)
Annual Corporate Environmental Statement 2017-2018	Service Manager (Environmental Health)
Work Programme Update	Democratic Services Officer
28 November 2018 (Time: 5.00pm)	
Informal Joint Meeting	
(Hosted by Forest Heath District Council)	
Mid-Year Internal Audit Progress Report 2018-2019	Service Manager (Internal Audit)
2018-2019 Performance Report - Quarter 2	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)
Delivering a Sustainable Medium Term Financial Strategy 2019-2022	Assistant Director (Resources and Performance)
Ernst and Young – Annual Audit Letter 2017-2018	Assistant Director (Resources and Performance)
Work Programme Update	Democratic Services Officer
St Edmundsbury Specific Reports	
Mid-Year Treasury Management Report and Investment Activity (April – September 2018)	Service Manager (Finance and Performance)

31 January 2019 (Time: 5.00pm)
Informal Joint Meeting

(Hosted by St Edmundsbury Borough Council)

2018-2019 Performance Report – Quarter 3	Senior Business Partner (Resources and Performance)
West Suffolk Strategic Risk Register Monitoring Report – December 2018	Senior Business Partner (Resources and Performance)
Delivering a Sustainable Medium Term Financial Strategy 2019-2022 – Update	Assistant Director (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)
Work Programme Update	Democratic Services Officer (Scrutiny)
St Edmundsbury Specific Reports	
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)

This page is intentionally left blank

Informal Joint Performance and Audit Scrutiny Committee



Title of Report:	Approach to Delivering a Sustainable West Suffolk Budget 2019-2020 and Medium Term Plan	
Report No:	PAS/SE/18/024	
Report to and date:	Performance and Audit Scrutiny Committee	25 July 2018
Portfolio holder:	Councillor Ian Houlder Portfolio Holder for Resources and Performance Tel: 01359 250912 Email: ian.houlder@stedsbc.gov.uk	
Lead officer:	Rachael Mann Assistant Director (Resources and Performance) Tel: 01638 719245 Email: rachael.mann@westsuffolk.gov.uk	
Purpose of report:	This paper set out the proposed approach and timescales around the 2019/2020 budget setting process against the agreed principles, as we head in to the new West Suffolk Council.	
Recommendation:	Performance and Audit Scrutiny Committee: It is <u>RECOMMENDED</u> that members consider and agree (<u>note</u>) the approach and timescales for the 2019/2020 budget setting process and medium term plans as we head in to the new West Suffolk Council.	

Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>		<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
Consultation:		<ul style="list-style-type: none"> Engagement with Leadership team (LT), Portfolio Holders and staff will take place during this budget process 	
Alternative option(s):		<ul style="list-style-type: none"> Other approaches could be proposed and considered by members. 	
Implications:			
<i>Are there any financial implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> As detailed in the body of this report	
<i>Are there any staffing implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<i>Are there any ICT implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<i>Are there any legal and/or policy implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Whilst it should be stated that this is an unlikely event there is a requirement under The Local Government Finance Act 1988 (S114) - for the Chief Finance Officer to report to councillors if there is or is likely to be an unbalanced budget.	
<i>Are there any equality implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> No significant implications anticipated, however further consideration will be given as part of the implementation of any service changes.	
Risk/opportunity assessment:		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
	Low/Medium/ High*		Low/Medium/ High*
Lack of approach results in an unsustainable 2019-20 budget for West Suffolk	Medium	Approval of the proposed approach set out in this paper	Low
Savings/income projections are not achieved resulting in budget deficit.	Medium	Budgetary control, including reporting of variances to members. Use of general fund reserves to cover budget deficits.	Low
The business rate retention scheme underachieving the yield assumed in the MTFS which impacts on the budget gap requirement.	High	Work with the Anglia Revenues Partnership team to monitor the position and deliver a realistic forecast.	Medium
Adverse changes in the assumptions, for example changes to the provisional formula grant settlement, used in the MTFS resulting in a larger budget gap.	Medium	The assumptions are regularly monitored and updated. Use of general fund reserves to cover budget deficits.	Low

100% Business rates Retention implementation prior to 2019/20 and rules therein.	Low	Constant monitoring of guidance issued and reflection in assumption	Low
Ward(s) affected:		All Wards	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		Shadow Executive Agenda 17 July 2018 – Item 5 West Suffolk Council – Setting the Strategic Context for the Development of the 2019/2020 Budget and Medium Term Financial Plans	
Documents attached:		None	

1. Key issues and reasons for recommendation(s)

- 1.1 At its meeting of 17 July 2018, Shadow Council considered the recommendations from the Shadow Executive- Cabinet (Report no. EXC/SA/18/002) regarding the adoption of the new West Suffolk Council's Strategic Framework and Medium Term Financial Strategy (supported by the Capital Strategy). As this report was published prior to that date, the report is written on the basis that those recommendations were supported by the Shadow Council.
- 1.2 The interaction between the agreed West Suffolk Strategic Framework and West Suffolk Medium Term Financial Strategy (MTFS) continues to be increasingly important in the setting of budgets, as the council's priorities will need to be used to inform real choices about the allocation of limited resources.
- 1.3 Shadow Council was also asked to support the key principles set out in report EXC/SA/18/002 for the development of the 2019-20 budget and medium term financial plans for the new West Suffolk Council, set out below at 1.4 for ease of reference. Recognising the important role Performance and Audit Scrutiny Committees plays in the development of the budget, it was also agreed that a report be brought to this committee meeting, setting out the proposed approach to achieve these principles.
- 1.4 The approach to setting the 2019/20 budget along with the medium term financial strategy is to follow the below principles;
- The 2019-20 budget and medium term plans will continue to follow the West Suffolk Councils Strategic Framework (three priorities) and Medium Term Financial Strategy (six themes).
 - The process will take into account the agreed Single Council Business Case in respect of saving proposals and Council Tax harmonisation.
 - A simple approach will be followed where, unless there is good reason to do so differently (see next section on proposed approach/review areas), a 1+1=2 approach will be taken (i.e., the two current budgets are added together to form the West Suffolk Council budget).
 - The approach will seek to achieve a minimum 2 year balanced budget for 2019-2021 and will provide confidence in achieving a balanced longer term position.
 - The approach will take the opportunity to consider overall Single Council Financial Resilience in our approach (which may include some external support, i.e. Chartered Institute of Public Finance and Accounting - CIPFA).
 - The process will continue to communicate the overall West Suffolk financial challenges and opportunities through the medium term financial strategy to Leadership Team, staff, cabinet and all councillors.

2. Proposed Approach

- 2.1 The following approach is therefore proposed in order to work to the above principles;
- a) A review of Councils key budget assumptions (taking into account the recent year end performance and forthcoming Q1 data), potential impact of pay line review, service demands, planned housing growth, sensitivities and risks.
 - b) Review of the current annual provisions that are planned for by each Council, for example, the annual contribution to the vehicle replacement reserve, building reserve for repairs and maintenance, ICT renewals, insurance claims, bad debt provisions etc.
 - c) Significant review of the Councils Capital Programmes and investment plans, including funding, to create a new West Suffolk Capital Programme spanning a 10 year period.
 - d) Significant review of the Councils reserves balances including potential amalgamations, redistribution and reduction in the overall reserve categories under a new West Suffolk Council.
 - e) Review of the Councils medium to longer term treasury management challenges and opportunities including borrowing requirements, revenue provisions for serving borrowing requirements, overall risk and budget exposure.
 - f) Review of the savings proposals embedded into the base budget in respect of single council, key projects and review their robustness and timing.
 - g) Review and capture of the medium to longer term saving/income generating initiatives (i.e. Growth agenda, Enterprise Zones, Asset Management Strategy) to provide narrative for future budgetary challenges and opportunities.
 - h) Review of medium to longer term direct and indirect reliance on government grant income streams i.e. Business rates retention, New Homes Bonus, Disabled Facilities Grant (through better care fund).
 - i) Trend analysis and financial risk profiling, historical and across the MTFS including income sources and key expenditure areas.
 - j) Continual engagement with MHCLG regarding government grant income, whether current working assumption is that both Councils will continue to receive their allocations based on a 1+1=2 assumption with 2020 being the opportunity for a re-baseline of that funding in line with the introduction of 75% Business Rate Retention and the ending of the Revenue Support Grant.
 - k) Review of the emerging 'financial resilience' commentary from CIPFA and provide some indication of key performance indicators in this area.

3. Timescales and next Steps

- 3.1 The following high level timetable was supported by the Shadow Executive and considered by Shadow Council recently.

Action	Timescales
PASC report – setting out a proposed approach to the 2019-20 Budget and medium term plans	25 July 2018
Budget preparations following agreed approach	July – January 2019
PASC report(s) – delivering a sustainable budget update report	27 September 2018
PASC report(s) – delivering a sustainable budget update report	28 November 2018
PASC report(s) – delivering a sustainable budget update report	31 January 2018
Member Development Session(s) and briefing(s) – MTFS	January- February 2019
Shadow Executive – 2019-20 Budget and Council Tax setting report	5 February 2019
Shadow Council - 2019-20 Budget and Council Tax setting report	19 February 2019
West Suffolk budget – implementation/go live date	1 April 2019

Informal Joint Performance and Audit Scrutiny Committee



Title of Report:	Arrangements for appointment of External Auditors for the West Suffolk Council	
Report No:	PAS/SE/18/025	
Report to and dates:	Performance and Audit Scrutiny Committee	25 July 2018
	Shadow Executive (Cabinet)	18 September 2018
	Shadow Council	25 September 2018
Portfolio holders:	<p>CLlr Stephen Edwards Portfolio Holder for Resources and Performance Tel: 07904 389982 Email: stephen.edwards@forest-heath.gov.uk</p>	<p>CLlr Ian Houlder Portfolio Holder for Resources and Performance Tel: 07970 729435 Email: ian.houlder@stedsbc.gov.uk</p>
Lead officer:	<p>Rachael Mann Assistant Director (Resources and Performance) Tel: 01638 719245 Email: rachael.mann@westsuffolk.gov.uk</p>	
Purpose of report:	To consider the options available for appointing External Auditors for the new West Suffolk Council.	

Recommendation:		Performance and Audit Scrutiny Committee	
		<p>It is <u>RECOMMENDED</u> that :</p> <p>(1) Arrangements for appointing External Auditors for the new West Suffolk Council and Shadow West Suffolk Council is <u>noted</u>; and</p> <p>(2) Option 3, to 'opt-in' to the sector led body (Public Sector Audit Appointments Ltd (PSAA)) for the independent appointment of the Council's External Auditor, beginning with responsibilities for the financial year 2019/20, is recommended to the Shadow Executive (Cabinet) and West Suffolk Shadow Council for <u>approval</u>.</p>	
Key Decision:		<i>Is this a Key Decision and, if so, under which definition?</i>	
<i>(Check the appropriate box and delete all those that do not apply.)</i>		Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
Consultation:		<ul style="list-style-type: none"> • Consultation has taken place with Ministry for Housing, Communities and Local Government (MHCLG) regarding options for appointment of auditors. 	
Alternative option(s):		<ul style="list-style-type: none"> • Auditors must be appointed using one of the options detailed in the report. 	
Implications:			
<i>Are there any financial implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> • As set out in the body of this report. 	
<i>Are there any staffing implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> • 	
<i>Are there any ICT implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> • 	
<i>Are there any legal and/or policy implications? If yes, please give details</i>		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> • As set out in the body of this report. 	
<i>Are there any equality implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> • 	
Risk/opportunity assessment:		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
	Low/Medium/ High*		Low/Medium/ High*

Successful transition not achieved for the new West Suffolk Council	Low	Early consideration of the 'opt in' process. Early discussions with the PSAA to confirm 'opt in' process	Low
Option 3 is not available	Medium	Shared approach across Suffolk gives reassurance of market need	Low
West Suffolk Council does not experience the reduction in Audit fees that the business case anticipates.	Medium	PSAA is a collaborative procurement that should be offering the opportunity to keep the audit fees down. Negotiation to take place with PSAA to understand proposed audit fee a.s.a.p.	Low
Ward(s) affected:	All Wards		
Background papers: <i>(all background papers are to be published on the website and a link included)</i>	http://www.psa.co.uk/supporting-the-transition/procurement-and-appointment-of-auditors/ FHDC 2016 Report PAS.FH.16 SEBC 2016 Report PAS.SE.16		
Documents attached:	None		

1. Key issues and reasons for recommendations

- 1.1 All Councils have a statutory requirement to make arrangements to appoint an External Auditor. Either Councils can make arrangements to appoint their own auditor, or they can opt into national schemes.
- 1.2 In September 2016, both Performance and Audit Scrutiny Committee's recommended for Forest Heath and St Edmundsbury Councils to 'opt in' to the PSAA audit arrangements for the statement of accounts work for 2018/19. As a result of the transition to a new West Suffolk Council both Forest Heath and St Edmundsbury will cease to exist and officers will notify PSAA they will longer be part of this arrangement. However, the new West Suffolk Council will need to confirm its audit arrangements to appoint a local audit to audit its accounts for 2019/2020.

1.2 West Suffolk Council - Options

- 1.2.1 West Suffolk Council, for 2019/20 onwards can choose one of the following options:
- a) Establish a stand-alone Auditor Panel to make the appointment on behalf of the Council;
 - b) Commence work on exploring the establishment of local joint procurement arrangements with neighbouring authorities.

1.3 Background

- 1.3.1 The Local Audit and Accountability Act 2014 brought to a close the Audit Commission and established transitional arrangements for the appointment of external auditors and the setting of audit fees for all local government and NHS bodies in England. On 5 October 2015, the Secretary of State Communities and Local Government (CLG) determined that the transitional arrangements for local government bodies would be extended by one year to also include the audit of the accounts for 2017/18.
- 1.3.2 For the 2018/19 accounts local authorities were required to set out their position in advance of that financial year end with regards to their audit appointment. As set out in paragraph 1.1 above, both Councils' chose at that stage to be part of the PSAA arrangements through opting into that process. The Councils current auditors are Ernst and Young LP, through that new contract which was negotiated nationally.
- 1.3.3 Advice from the PSAA has confirmed that West Suffolk Council will need to formally opt in the PSAA arrangements. Those arrangements cannot transition across. Therefore Members are being asked to reaffirm their commitment to option 3 below, which is to 'opt in' to the PSAA arrangements. For completeness this report provides all 3 of the options again for Members consideration. It should be noted that this report is only coming to Members due to the arrangements to move to a new Council, not through any dissatisfaction with the PSAA process or appointment of auditors to date.

West Suffolk Shadow Council

1.3.4 Officers have been in dialogue with the Ministry of Housing Local Government (MHCLG) with regards to audit arrangements (if relevant) for the Shadow Authority. The Order to create the new Council required the Shadow Council to be subject to the Local Audit and Accountability Act 2014, which would require an external auditor to be appointed to the Shadow Council as well. At the point of writing this report those discussions had not concluded, albeit a range of options were being explored to minimise the cost and impact of an audit assessment given the low levels of expenditure that will be incurred by the Shadow Council. Officers will provide Members with an update of those discussions at the meeting.

1.4 Overall considerations

1.5 Legal implications

1.5.1 Section 7 of the Local Audit and Accountability Act 2014 (the Act) requires a relevant authority to appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding year. Section 8 governs the procedure for appointment including that the Authority must consult and take account of the advice of its auditor panel on the selection and appointment of a local auditor. Section 8 provides that where a relevant authority is a local authority operating executive arrangements, the function of appointing a local auditor to audit its accounts is not the responsibility of an executive of the authority under those arrangements;

- a) Section 12 makes provision for the failure to appoint a local auditor: the authority must immediately inform the Secretary of State, who may direct the authority to appoint the auditor named in the direction or appoint a local auditor on behalf of the authority.
- b) Section 17 gives the Secretary of State the power to make regulations in relation to an 'appointing person' specified by the Secretary of State. This power has been exercised in the Local Audit (Appointing Person) Regulations 2015 (SI 192) and this gives the Secretary of State the ability to enable a Sector Led Body to become the appointing person.

1.6 Financial Implications

1.6.1 Both Councils' experienced audit fee reductions in the first year of the PSAA arrangements. Under a single West Suffolk Council it is likely there may be some transitional fees in respect of the audit of establishment of a new local authority. However, in the long term it is anticipated that the audit fee will reduce under a new single local authority and the business case for single council makes some assumptions around potential levels of savings. However, these cannot be confirmed until a process has been adopted and negotiations can take place with the PSAA.

1.6.2 The cost of establishing a local or joint Auditor Panel outlined in options 1 and 2 below would need to be estimated and included in the Council's budget moving forward if either of those options are progressed. This

would include the cost of recruiting independent appointees (members), servicing the Panel, running a bidding and tender evaluation process, letting a contract and paying members fees and allowances.

- 1.6.3 Opting-in to a national Sector Led Body provides maximum opportunity to limit the extent of any increases by entering in to a large scale collective procurement arrangement and would remove the costs of establishing an auditor panel.

1.7 Options for local appointment of External Auditors

- 1.7.1 There are three broad options open to the Council under the Local Audit and Accountability Act 2014 (the Act):

1.7.2 Option 1: To make a stand-alone appointment

- 1.7.2.1 In order to make a stand-alone appointment the Council will need to set up an Auditor Panel. The members of the panel must be wholly (or a majority) independent members as defined by the Act. Independent members for this purpose are independent appointees; this excludes current and former elected members (or officers) and their close families and friends. This means that elected members will not have a majority input to assessing bids and choosing which firm of accountants to award a contract for the Council's external audit. A new independent auditor panel established by the Council will be responsible for selecting the auditor.

1.7.2.2 Advantages/benefit

Setting up an auditor panel allows the Council to take maximum advantage of the new local appointment regime and have local input to the decision.

1.7.2.3 Disadvantages/risks

Recruitment and servicing of the Auditor Panel, running the bidding exercise and negotiating the contract is estimated by the LGA to cost in the order of £15,000 plus on going expenses and allowances

- 1.7.2.4 The Council will not be able to take advantage of reduced fees that may be available through joint or national procurement contracts.

- 1.7.2.5 The assessment of bids and decision on awarding contracts will be taken by independent appointees and not solely by elected members.

- 1.7.2.6 The Council is required to have appointed its auditor by 31 December. The process of appointing a panel, and then recruiting an auditor using a procurement process, is unlikely to be complete in sufficient time.

1.7.3 Option 2: Set up a Joint Auditor Panel/local joint procurement arrangements

1.7.3.1 The Act enables the Council to join with other authorities to establish a joint auditor panel. Again this will need to be constituted of wholly (or a majority) of independent appointees (members). Further legal advice will be required on the exact constitution of such a panel having regard to the obligations of each Council under the Act and the Council will need to liaise with other local authorities to assess the appetite for such an arrangement. As the vast majority of Councils are now opted into the PSAA, the opportunity to do this may be limited.

1.7.3.2 **Advantages/benefits**

The costs of setting up the panel, running the bidding exercise and negotiating the contract will be shared across a number of authorities.

1.7.3.3 There is greater opportunity for negotiating some economies of scale by being able to offer a larger combined contract value to the firms.

1.7.3.4 **Disadvantages/risks**

The decision making body will be further removed from local input, with potentially no input from elected members where a wholly independent auditor panel is used, or possibly only one elected member representing each Council, depending on the constitution agreed with the other bodies involved.

1.7.3.5 The choice of auditor could be complicated where individual Councils have independence issues. An independence issue occurs where the auditor has recently or is currently carrying out work such as consultancy or advisory work for the Council. Where this occurs, some auditors may be prevented from being appointed by the terms of their professional standards. There is a risk that if the joint auditor panel selects a firm that is conflicted for this Council, then the Council may still need to make a separate appointment with all the attendant costs and loss of economies possible through joint procurement.

1.7.4 **Option 3: Opt-in to a sector led body**

1.7.4.1 In response to the consultation on the new appointment arrangement, the LGA successfully lobbied for Councils to be able to 'opt-in' to a Sector Led Body (SLB) appointed by the Secretary of State under the Act. An SLB would have the ability to negotiate contracts with the firms nationally, maximising the opportunities for the most economic and efficient approach to procurement of external audit on behalf of the whole sector.

1.7.4.2 **Advantages/benefits**

1.7.4.3 The costs of setting up the appointment arrangements and negotiating fees would be shared across all opt-in authorities

1.7.4.4 By offering large contract values, the firms would be able to offer better rates and lower fees than are likely to result from local negotiation

- 1.7.4.5 Any conflicts at individual authorities would be managed by the SLB who would have a number of contracted firms to call upon.
- 1.7.4.6 The appointment process would not be ceded to locally appointed independent members. Instead a separate body is set up to act in the collective interests of the 'opt-in' authorities.
- 1.7.4.7 The Councils' experience of the 'opt in' process and first year of delivery has been successful with no significant issues raised. Therefore officers feel this is an appropriate option to continue into the new West Suffolk Councils.
- 1.7.4.8 All of the other Suffolk Authorities are opted into the PSAA arrangements and have Ernst and Young as their appointed auditors.
- 1.7.4.9 **Disadvantages/risks**
- Individual elected members will have less opportunity for direct involvement in the appointment process other than through the LGA and/or stakeholder representative groups.
- 1.7.4.10 In order for the SLB to be viable and to be placed in the strongest possible negotiating position the SLB will need Councils to indicate their intention to opt-in before final contract prices are known.

1.8 The way forward

- 1.8.1 The Council has until December 2018 to make an appointment. In practical terms this means one of the options outlined in this report will need to be in place as soon as possible.
- 1.8.2 All of the other Suffolk Authorities are opted into the PSAA arrangements and have Ernst and Young as their appointed auditors. East Suffolk Council will be undertaking similar considerations.

1.9 Conclusion

- 1.9.1 The Council must, by the 31 December 2018, take action to implement new arrangements for the appointment of external auditors from April 2019 under a new West Suffolk Council. In order that more detailed proposals can be developed, the Council is asked to give early consideration to the preferred approach.