

Performance and Audit Scrutiny Committee

Minutes of a meeting of the **Performance and Audit Scrutiny Committee** held on **Thursday 29 September 2022** at **5.05pm** in the **Conference Chamber, West Suffolk House, Western Way, Bury St Edmunds IP33 3YU**

Present **Councillors**

Chair Ian Houlder
Vice Chair Karen Richardson

John Augustine
Nick Clarke
James Lay
Victor Lukaniuk

Andy Neal
Robert Nobbs
Cliff Waterman
Phil Wittam

In attendance

Sarah Broughton, Deputy Leader and Cabinet Member for Resources and Property
David Riglar, Partner from Ernst and Young

134. **Substitutes**

No substitutions were declared.

135. **Apologies for absence**

Apologies for absence were received from Councillor Peter Thompson.

136. **Minutes**

The minutes of the meeting held on 28 July 2022 were confirmed as a correct record and signed by the Chair.

137. **Declarations of interest**

Members' declarations of interest are recorded under the item to which the declaration relates.

138. **Public participation**

There were no members of the public in attendance on this occasion.

139. **Ernst and Young - External Audit Plan and Fees 2021-2022**

The Committees received report number PAS/WS/22/014 from Ernst and Young (EY), the Council's appointed external auditors, who were required to provide an audit plan, attached at Appendix A, which covered the work they planned to perform in order to provide the Council with:

- An opinion on whether the financial statements of the Council gave a true and fair view of the financial position as at 31 March 2022 and of the income and expenditure for the year then ended; and
- Commentary on the Council's arrangements to secure economy, efficiency and effectiveness (value for money).

David Riglar, Partner from EY, who was in attendance presented the report, which summarised EY's assessment of the key risks which drive the development of an effective audit for the Council and outlined their planned audit strategy in response to those risks. Officers would be working with EY over the coming months to ensure that these risks were managed and where possible to come to an agreement over their treatment prior to issuing the Annual Results Report, and Audit Opinion.

He drew Members' attention to the summary of audit risks set out in Appendix A, the planned work, materiality levels and value for money arrangements.

The Committee considered the report in detail and asked questions to which responses were provided. In particular members discussed the valuation of the council's solar farm asset.

There being no decision required, the Committee **noted** the report presented by Ernst and Young.

140. **Local Government and Social Care Ombudsman: Annual Report 2021-2022**

The Committee received report number PAS/WS/22/015, which set out the context and the outcome of complaints considered by the Local Government and Social Care Ombudsman (LGSCO) for the period 2021 to 2022.

The LGO issued an annual report each year on its activity, which mapped the volume and nature of complaints it had received across the country. This was available on the LGO's website. Each council was also issued with its own performance report. The report presented to the Performance and Audit Scrutiny Committee informed members on the outcome of the complaints considered by the LGSCO about West Suffolk Council for the period 2021 to 2022. Of the 16 complaints considered by the LGSCO, none progressed to further investigation.

The Committee considered the report in detail and asked questions to which responses were provided. In particular comparisons were made in relation to figures reported last year to the LGSCO and whether residents knew how they could raise a complaint with the council. In response officers explained the complaints process for step 1 and step 2, and how it was promoted by the council.

Discussions were also held on the total number of complaints reported to the council not requiring consideration by the LGSCO, which officers advised was outside of the scope of this report.

There being no decision required, the Committee **noted** the contents of the annual report from the Local Government and Social Care Ombudsman.

141. **Regulation of Investigatory Powers Act 2000 - Annual Report and Review of the RIPA Guidance**

The Committee received report number PAS/WS/22/016, which set out the Regulation of Investigatory Powers Act 2000 (RIPA) activity at West Suffolk Council and RIPA Guidance. Attached at Appendix A was the RIPA guidance document.

The Council's RIPA guidance made sure that when the council used covert techniques to help prevent or detect crime or disorder the council did so in compliance with RIPA. Authorisations were regularly reviewed by an authorising officer and a confidential register detailing all covert surveillance authorisations were held by the legal service. No RIPA authorisations had been requested in the preceding year.

The RIPA guidance was currently fit for purpose, and only one minor revision had been made to the guidance, in remove an authorising officer who was no longer employed by the council.

The Committee considered the report and asked questions to which responses were provided. In particular discussions were held on whether covert surveillance was used for fly-tipping issues and possible benefit fraud, to which comprehensive responses were provided.

There being no decision required, the Committee **noted** the Annual Report and Review of the Regulation of Investigatory Powers Guidance.

142. **Delivering a Sustainable Medium-Term Budget**

The Committee received report number PAS/WS/22/017, which informed Members on the approach and timescales for the 2023 to 2024 budget setting process and medium-term plans to 2026. The report set out the context to the 2023 to 2024 budget process; the approach for delivering a sustainable budget for 2023 to 2024 and beyond, the principles and challenges faced and timescales.

There were several national, as well as global pressures which were challenging the council's budget, or the process of pulling one together, which included:

- The financial impact of the current economic situation, including high inflationary pressures.
- Increasing demand on council services and the role it wanted to continue to play in supporting communities linked to the current cost of living crisis.
- The council's ability to recover income streams in both the current and post Covid-19 context.
- Pressures to grow some of the council's core services in response to a growth in housing and demand.

The 2023 to 2024 budget and medium-term plans were also being prepared in the context of continued significant uncertainties around Government policy for the sector, in relation to:

- Comprehensive Spending Review.
- Local Government Finance Settlement.
- Fairer Funding Review, Business Rates Retention Scheme Review.
- Commercial Investment Policy.
- Potential major reforms with the Resources and Waste Strategy, Health and Social Care reforms and the Planning Reform White Paper.

In the February 2022 Council meeting, the Budget and Council Tax Setting 2022 to 2023 and Medium-Term Financial Strategy 2022 to 2026 report set out the financial plan to 2026. The plan included the following indicative medium term budget gaps, which would be reviewed as part of the 2023 to 2024 budget process:

	2023 to 2024	2024 to 2025	2025 to 2026
Indicative Budget Gap as at February 2022	£1.2m	£1.7m	£3.0m

The Committee considered the report in detail, the approach and timescales for the 2023 to 2024 budget setting process and the medium-term plans. Members asked questions to which comprehensive responses were provided.

In particular, discussions were held on the held on the medium-term budget gaps; the levelling up of street lighting across West Suffolk; ground maintenance; the current employee pay award offer; and the government settlement.

There being no decision required at this stage of the budget process, the Committee **noted** the contents of the report.

143. **Appointment to Sub-Committee Vacancies**

The Committee received Report No: PAS/WS/22/018, which explained that following the resignation of Councillor Elaine McManus, vacancies had arisen on the Financial Resilience Sub-Committee and the Health and Safety Sub-Committee. The Committee was therefore asked to appoint from its membership to the sub-committee vacancies.

Attached at Appendix 1 and Appendix 2 to the report were the terms of reference for the Financial Resilience Sub-Committee and the Health and Safety Sub-Committee.

The Committee considered the report and with Councillor Ian Houlder moving the recommendation, which was duly seconded by Councillor Phil Wittam, it was:

RESOLVED: That

- 1) Councillor Robert Nobbs (Conservative Group) be appointed to serve as full member on the Financial Resilience Sub-Committee.
- 2) Councillor Nick Clarke (Conservative Group) be appointed to serve as the substitute member on the Financial Resilience Sub-Committee.
- 3) Councillor James Lay (Conservative Group) be appointed to serve as the full member on the Health and Safety Sub-Committee.
- 4) Councillor Karen Richardson (Conservative Group) be appointed to serve as the substitute member on the Health and Safety Sub-Committee.

144. **Work programme update**

The Committee received report number: PAS/WS/22/019, which updated members on the current status of its rolling work programme of items for scrutiny during 2022-2023 (Appendix 1).

The Committee considered the report, and there being no decision required, the Committee **noted** the update.

The meeting concluded at 6.35 pm

Signed by:

Chair
