

Cabinet



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Report of the Performance and Audit Scrutiny Committee: 27 July 2016	
Report No:	CAB/SE/16/038	
Report to and date:	Cabinet	6 September 2016
Portfolio Holder:	Ian Houlder Portfolio Holder for Resources and Performance Tel: 01284 810074 Email: ian.houlder@stedsbc.gov.uk	
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Purpose of report:	<p>On 27 July 2016, the Performance and Audit Scrutiny Committee held an informal joint meeting with Members of Forest Heath's Performance and Audit Scrutiny Committee, and <u>considered the first three items jointly:</u></p> <ol style="list-style-type: none">(1) Balanced Scorecard and Quarter 1 Performance Report 2015-2016;(2) West Suffolk Strategic Risk Register Quarterly Monitoring Report – June 2016;(3) Work Programme Update;(4) Annual Performance Report for The Apex;(5) Financial Performance Report (Revenue and Capital) Quarter 1 – 2016-17; and	

	(6) Annual Treasury Management Report 2015-2016 and Investment Activity 1 April – 30 June 2016. Separate report is included on this Cabinet agenda for Item (6) above.
Recommendation:	The Cabinet is requested to <u>NOTE</u> the contents of Report CAB/SE/16/038, being the report of the Performance and Audit Scrutiny Committee.
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"/> Report for information only.
Consultation:	<ul style="list-style-type: none"> • See reports listed in Section 2 below.
Alternative option(s):	<ul style="list-style-type: none"> • See reports listed in Section 2 below
Implications:	
<i>Are there any financial implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
<i>Are there any staffing implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
<i>Are there any ICT implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers
<i>Are there any legal and/or policy implications?</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
<i>Are there any equality implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
Risk/opportunity assessment:	Please see background papers.
Ward(s) affected:	Please see background papers.
Background papers:	Please see background papers, which are listed at the end of the report.
Documents attached:	None

1. Key issues and reasons for recommendation

1.1 Balanced Scorecard and Quarter 1 Performance Report 2016-17 (Report No: PAS/SE/16/013)

- 1.1.1 The Committee received Report No: PAS/SE/16/013, which set out the West Suffolk Balanced Scorecards being used to measure the Council's performance for 2016-2017 and an overview of performance against those indicators for the first quarter of 2016-2017. The six balanced scorecards (attached at Appendices A to F) were linked to the Head of Service areas, including the proposed performance measures, targets and quarter one data.
- 1.1.2 Most indicators reported performance against an agreed target using a traffic light system with additional commentary provided for performance indicators below optimum performance.
- 1.1.3 Across all service balanced scorecards, there were indicators measuring the performance of the transactional finance functions. These were "% of non-disputed invoices paid within 30 days" and "% debt over 90 days old". In the previous financial year, against these indicators, almost all service areas had failed to meet the targets of more than 95% of non-disputed invoices paid within 30 days and less than 10% of debt over 90 days.
- 1.1.4 The finance and performance team had been working with service areas to try and improve performance against both of these measures. As a result of this, for the first time all six service areas achieved over 90% performance on invoices paid within 30 days for the month of June, with two service areas being over 95%.
- 1.1.5 No issues were required to be brought to the attention of Cabinet.

1.2 West Suffolk Strategic Risk Register Quarterly Monitoring Report – June 2016 (Report No: PAS/SE/16/014)

- 1.2.1 The Committee received and noted the first quarterly risk register monitoring report in respect of the West Suffolk Strategic Risk Register. The Register was updated regularly by the Risk Management Group and at its recent meeting the Group reviewed the target risk, the risk level where the Council aimed to be, and agreed a current risk assessment. These assessments formed the revised West Suffolk Risk Register (Appendix 1). Some individual controls and actions had been updated and those which were not ongoing and had been completed by June 2016 had been removed from the Register.
- 1.2.2 The Group had considered new or amended risks, and felt that the Probability rating allocated to the Residual Risk of WS7, Poor Project Management, be increased from 2 to 3.
- 1.2.3 There had been no existing risk closed since the Strategic Risk Register was last report to the Committee.
- 1.2.4 Members were advised that at the time of writing the report the full impact of the decision to leave the European Union was not known, minor amendments had been made to some of the existing actions and controls to address

immediate concerns. However, the Group would continue to monitor the situation as it developed over the next quarter, amending existing and / or adding new risks where necessary.

1.2.5 Members considered the report and did not raise any issues.

1.3 **Work Programme Update (Report No: PAS/SE/16/015)**

1.3.1 The Committee received and noted its Work Programme which provided items scheduled to be presented to the Committee during 2016-2017.

1.4 **Annual Performance Report for The Apex (Report No: PAS/SE/16/016)**

1.4.1 The Committee received and Report No: PAS/SE/16/016, which set out The Apex's financial position for the year ending 2015-2016. The report included an executive summary, then details on The Apex's performance, Sodexo catering contract, analysis of budgets and conclusion.

1.4.2 The Apex budget for 2015-2016 was set at £639,431. Increased revenue had contributed to a positive variance of £47,000 against budget at the financial year-end and the outturn figure was £592,000, showing a reduction in expenditure.

1.4.3 The Apex continued to be a valuable community asset and more and more non-performance events were taking place which were open to the public.

1.4.4 The Committee scrutinised the annual performance report in detail and asked a number of questions to which the Portfolio Holder and officers duly responded. These questions and responses covered topics including the possibility of increasing the cost of tickets by 10%; and the lack of public transport after 5pm or on a Sunday in Haverhill and the surrounding area meaning residents could not get to The Apex.

1.4.5 There being no decision required, the Committee noted the Annual Performance Report for The Apex.

1.5 **Financial Performance Report (Revenue and Capital) Quarter 1 – 2016-17 (Report No: PAS/SE/16/017)**

1.5.1 The Committee received Report No: PAS/SE/16/017, which set out the financial performance for the first quarter of the 2016-2017 and forecasted outturn position for 2016-2017.

1.5.2 Attached at Appendices A and B to the report were details of the Council's revenue performance and year end forecasted outturn position. Explanations of the main year end forecast over/(under) spends was set out within paragraph 1.2.3. Appendix C to the report set out the Council's capital financial position for the first three months of 2016-2017, which showed expenditure of £597,000. Finally, a summary of the earmarked reserves was attached at Appendix D, along with the forecast year end position for 2016-2017.

- 1.5.3 The Resources and Performance Team would continue to work with Budget Holders to monitor capital spend and project progress closely for the remainder of the financial year and an updated position would be presented to the Committee on a quarterly basis.
- 1.5.4 The Committee scrutinised the report and asked questions to which officers duly responded. In particular, discussions were held on the year end forecast variances over £25,000 in relation to the off street car parking and the increased costs for advertising in Development Control, to which officers duly responded.
- 1.5.5 There being no decision required, the Committee noted the Quarter 1 performance and the 2016-2017 year end forecast financial position.

2. Background Papers

- 2.1.1 [Report No: PAS/SE/16/013](#) to the Performance and Audit Scrutiny Committee: Balanced Scorecard and Quarter 1 Performance Report 2016-17
- 2.1.2 [Report No: PAS/SE/16/014](#) to the Performance and Audit Scrutiny Committee: West Suffolk Strategic Risk Register Quarterly Monitoring Report – June 2016
- 2.1.3 [Report No: PAS/SE/16/015](#) to the Performance and Audit Scrutiny Committee: Work Programme Update
- 2.1.4 [Report No: PAS/SE/16/016](#) to the Performance and Audit Scrutiny Committee: Annual Performance Report for The Apex
- 2.1.5 [Report No: PAS/SE/16/017](#) to the Performance and Audit Scrutiny Committee: Financial Performance Report (Revenue and Capital) Quarter 1 – 2016-2017