

Informal Joint Performance and Audit Scrutiny Committee



**Notes of Informal Discussions held on Thursday 27 July 2017 at
5.00pm in Conference Chamber West, West Suffolk House,
Western Way, Bury St Edmunds**

PRESENT: St Edmundsbury Borough Council (SEBC)

Councillors Sarah Broughton, Susan Glossop, Beccy Hopfensperger, Karen Richardson, David Roach, Betty McLatchy, Barry Robbins, Andrew Smith, Peter Thompson, and Patricia Warby.

Forest Heath District Council (FHDC)

Councillor Louis Busuttil
(Chairman of the informal discussions)

Councillors Michael Anderson, Chris Barker, John Bloodworth, Rona Burt, Simon Cole, and Colin Noble.

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

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

- (1) Balanced Scorecards and Quarter 1 Performance Report 2017-2018;
- (2) West Suffolk Strategic Risk Register Quarterly Monitoring Report – June 2017;
- (3) Work Programme Update.

All Members of Forest Heath District Council's Performance and Audit Scrutiny Committee had been invited to attend West Suffolk House, Bury St Edmunds to enable joint informal discussions on the above reports to take place between the two authorities.

The Chairman of St Edmundsbury's Performance and Audit Scrutiny Committee welcomed all those present to the West Suffolk House, Bury St Edmunds and advised on the format of the proceedings for the informal joint discussions and subsequent separate meetings of each authority, prior to handing over to the Chairman of Forest Heath's Performance and Audit Scrutiny Committee, who would be chairing the informal joint discussions.

Members noted that each Council permitted public participation at their Performance and Audit Scrutiny meetings. Therefore, for the purpose of facilitating these Constitutional requirements, it was proposed that public speaking should be permitted prior to the start of the informal discussions to enable any questions/statements to be considered by both Performance and Audit Scrutiny Committees on items 1 – 3 above. On this occasion however, there were no questions/statements from members of the public.

Each report was then considered in the order listed on each authorities agenda.

1. Balanced Scorecards Quarter 4 Performance Report 2016-2017

[Councillor Beccy Hopfensperger arrived at 5.04pm during the consideration of this item. Councillors Susan Glossop and Karen Richardson arrived at 5.28pm during the consideration of this item].

Prior to presenting the report, the Assistant Director (Resources and Performance) introduced Gregory Stevenson, the new Service Manager (Finance and Resources), David Collinson, Assistant Director (Planning and Regulatory Services) and Julie Baird, Assistant Director (Growth) to members.

The Assistant Director (Resources and Performance) then presented the report, which set out the current West Suffolk Balanced Scorecards, which presented the Quarter 1 performance for 2017-2018. The five balanced scorecards (attached at Appendices A to E) were linked to the Assistant Director Service areas. A Balanced Scorecard for the Growth service was currently under review and would be available for Quarter 2 reporting.

Most indicators reported performance against an agreed target using a traffic light system with additional commentary provided for performance indicators below optimum performance.

New indicators had been added for 2017-2018 due to the change in organisational structure and a review process at the end of the previous financial year.

It was reported that within the Resources and Performance Balanced Scorecard, the "*% of non-disputed invoice paid within 30 days*" corporate indicator across both councils showed we had achieved positive results in the first quarter, reporting 94.3% of invoices paid within 30 days. However, the finance and performance team would continue to work with service areas to try and improve performance against this indicator to achieve the 95% target, with monthly business intelligence reports being sent out within details of all invoices processed.

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

Members considered the report in detail and asked a number of questions on each of the Balanced Scorecards. Discussions were held on the garden waste annual subscription; annual canvass and health and safety incidents. In particular discussions were held on:

- Household numbers in bed and breakfast: Officers agreed to look into the average time taken to move families from bed and break accommodation to more suitable / permanent housing.

Councillor Colin Noble informed the Committee that Suffolk County Council was focused on the issue of homelessness and children in temporary accommodation. He also wanted the Suffolk Public Leaders Group to receive regular reports on the topic.

- Universal Credit: The full service in Bury St Edmunds and surrounding postcodes goes live on 18 October 2017 and across Forest Heath in September 2018. Officers were working with colleagues in the DWP and other partners to ensure that implementation goes as smoothly as possible.

Two member development sessions would be held on 7 September 2017 at St Edmundsbury and 18 September 2017 at Forest Heath on Universal Credit and homelessness. The sessions would be facilitated by the Department of Work and Pensions.

- Apprentices: There were currently had 25 apprentices and the council was looking to take on another 10. The Council was currently advertising for seven new apprentices.
- Disabled Facilities Grants: The Council along with its partners had commenced performance improvement conversations in July 2017 with the current provider to address the outstanding work, with a view to implementing an improvement plan in the near future.
- Building Control: The new Assistant Director (Planning and Regulatory Services) was looking at ways of increasing income from fee generated work. He was also implementing an improvement plan and changes to ongoing working practices.
- Enforcement: Concerns were raised about the residual number of enforcement cases. Members questioned how many were residual and the need for more enforceable planning conditions. Officers advised that there were a number of persistent cases and they were looking at the root cause of the issues.
- Operations: Historical debt over 90 days: The debt was longstanding and mainly related to a relatively small number of properties. A number of organisations were on a repayment plan. Where this was not possible, the Council was pursuing debt recovery through legal action.

The Chairman on behalf of the Committee welcomed the new format with each Assistant Director presenting their own Balanced Scorecard and wished this to continue.

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

The Assistant Director (Resources and Performance) presented 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 in June 2017 the Group reviewed the target risk, the risk level where the Council aimed to be, and agreed a current risk assessment. These assessments formed the revised West Suffolk Risk Register (Appendix 1).

Some individual controls or actions had been updated and those which were not ongoing and had been completed by June 2017 had been removed from the Register. There had been no new risks or major amendments made to any existing risks or any existing risks closed since the Strategic Risk Register was last reported to the Committee.

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

Members considered the report and noted the stable picture provided.

3. **Work Programme Update**

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

Members considered its forward work programme for 2017-2018, and taking into account discussions held on the Balanced Scorecards it was requested that additional performance information on "enforcement" and the "pre-planning advice service" be included within the respective Scorecards for the second quarterly report in November 2017.

Members also requested a separate report updating it on progress being made on the improvement plan and working practices to improve overall "Building Control Performance" for its November 2017 meeting.

On the conclusion of the informal joint discussions at 6.18pm, Members of Forest Heath District Council's Performance and Audit Scrutiny Committee withdrew from Conference Chamber West to Conference Chamber East to hold their formal meeting.

The Chairman then formally opened the St Edmundsbury Borough Council Performance and Audit Scrutiny Committee in Conference Chamber West at 6.23pm.

Performance and Audit Scrutiny Committee



Minutes of a meeting of the **Performance and Audit Scrutiny Committee** held on **Thursday 27 July 2017** at **5.00 pm** at the **Conference Chamber, West Suffolk House**, Western Way, Bury St Edmunds IP33 3YU

Present: **Councillors**

Chairman Sarah Broughton
Vice Chairman Patricia Warby

Beccy Hopfensperger
Betty Mclatchy
Karen Richardson
David Roach

Barry Robbins
Andrew Smith
Peter Thompson

Substitutes attending:
Susan Glossop

By Invitation:
John Burns

153. **Substitutions**

The following substitution was declared:

Councillor Susan Glossop for Councillor Jane Midwood.

154. **Apologies for Absence**

Apologies for absence were received from Councillor Jane Midwood.

155. **Minutes**

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

156. **Public Participation**

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

157. Balanced Scorecards and Quarter 1 Performance Report 2017-2018

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/SE/17/015.

Members had scrutinised the report in detail and asked questions of the Assistant Directors, to which responses were duly provided.

There being no decision required, the Committee **noted** the Council's performance using the Balanced Scorecards for Quarter 1, 2017-2018.

158. West Suffolk Strategic Risk Register Monitoring Report - June 2017

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/SE/17/016.

Members had considered the report and there being no decision required, the Committee **noted** the contents of the Quarter 1 West Suffolk Risk Register Monitoring Report.

159. Work Programme Update

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/SE/17/017.

Members had considered the report and had requested that more detailed information be provided in the Balanced Scorecards in the second quarter reporting on Enforcement and Pre-Planning Advice. Members also requested that a separate report on the Building Control Performance be presented to its November 2017 meeting.

It was proposed by Councillor David Roach, seconded by Councillor Betty Mclatchy, and with the vote being unanimous, it was

RESOLVED:

That the following additional topic for future scrutiny on service performance, be included in its forward work programme for 2017-2018:

1. A report on the performance of the Building Control service, be presented to its meeting on 29 November 2017.

160. Annual Performance Report for The Apex 2016-2017

(Councillor Sarah Broughton and Peter Thompson both declared non-pecuniary interests as members of The Apex Scrutiny Panel).

The Committee received Report No: PAS/SE/17/018, which provided details about the performance of The Apex for 2016-2017. The report included an

overview of The Apex, which included at Annex 1 additional facts and information about those attending ticketed events; details of The Apex's performance; Sodexo catering contract; analysis of budgets and looking ahead.

The report covered the financial year from 1 April 2016 to 31 March 2017. The Apex budget for 2016-2017 was set at £652,337. The Apex continued to develop as an important local and regional venue and was attracting greater audiences and establishing a loyal customer base. Increased revenue had contributed to a positive variance of £39,817 against budget at the financial year end and the outturn figure of £612,520 showed a continued reduction in expenditure.

The Apex continued to be a valuable community asset and more and more non-performance events were taking place. For example, greater use of the studio space was now being made with over 170 classes including yoga; tai chi and baby ballet.

The Council entered into a contract with Sodexo in 2012, and the budgetary return from that contact (catering and bar concessions at The Apex) had increased year on year.

The Apex Management Team had been successful in reducing the budget over the last financial year, as a result of increasing revenues from ticket sales and increasing concessionary income from its catering concession. The Management Team remained optimistic about the future and had a target of £1.9m ticket sales for 2017-2018. A new website for The Apex was currently being developed, which would launch towards the end of 2017 summer period. The new website would be fully mobile compatible, which would improve the ability to view the website and purchase tickets via mobile phones.

The Committee scrutinised the annual performance report in detail and asked a number of questions to which officers duly responded. These questions and responses covered topics including the subsidy for 2017-2018; where the "free essential guide to what's on West Suffolk" would be distributed 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.

Officers agreed to provide members with a written response to the following question raised in relation to paragraph 4.1 (budget table) , "over a three year period costs appear to have risen by £450k, whilst income had risen by £435k, therefore there was a net loss".

The Committee acknowledged that the report on The Apex was positive and huge improvements made, including the year on year reduction of the subsidy.

There being no decision required, the Committee **noted** the 2016-2017 Annual Performance Report for The Apex.

161. Financial Performance Report (Revenue and Capital) - Quarter 1 (April to June 2017)

The Committee received Report No: PAS/SE/17/019, which set out the financial performance for the first quarter of 2017-2018 and forecasted outturn position for 2017-2018.

Attached at Appendix A and B to the report was details of the Council's revenue performance and year end forecasted outturn position. Explanations of the main year end forecast (under) / over 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 2017-2018. Finally, a summary of the earmarked reserves was attached at Appendix D along with the forecast year end position for 2017-2018.

Budget holders would continue to work with their Resources and Business Partners and Business Support Advisors, and an updated outturn position would be provided to the Committee in the Quarter 2 Report in November 2017.

The Committee scrutinised the report in detail and asked a number of questions to which responses were duly provided. In particular discussions were held on the variance in relation to the underspend on the off-street car parks.

In response to a particular question raised on the overspend on the waste and cleansing operatives, members were informed that the Council applied a 2.5% vacancy factor into its budgets, to account for staff turnover during the year. Within the waste and cleansing team, these vacancies did not exist as any absence was covered via overtime or agency resources which was the reason for the overspend. In the past this overspend had been hidden due to the Council budgeting for everyone to be in the pension scheme, whereas this was not the case. In 2017-2018 only those in the pension scheme had been budgeted for, meaning there was no underspend on the pension costs to offset the vacancy factor.

There being no decision required, the Committee **noted** the Quarter 1 performance and the 2017-2018 year end forecast financial position.

162. Annual Treasury Management Report 2016-2017 and Investment Activity (April to June 2017)

The Committee received Report No: TMS/SE/17/003, which had been considered by the Treasury Management Sub-Committee on 17 July 2017. The Finance Business Partner (Projects) provided a verbal update on the Sub-Committee's consideration of the report, which:

- (a) Summarised the Council's Annual Treasury Management Investment Activities for the year 2016-2017; and

- (b) Provided a summary of the investment activity for the first three months of the 2017-2018 financial year.

The Sub-Committee had scrutinised the Annual Treasury Management Report 2016-2017 and the Investment Activity for 1 April 2017 to 30 June 2017, and asked a number of questions to which officers duly responded. In particular discussions were held on the low borrowing rates which were currently available; and the Council's budgetary surplus/overachievement of income, which was acknowledged was due to the capital programme where large balances were held for large complex projects and the timing of payments linked to those projects.

The Performance and Audit Scrutiny Committee considered the report and asked questions to which officers duly responded.

The Committee noted the investment activity for April to June 2017.

It was proposed by Councillor Patricia Warby, seconded by Councillor David Roach, and with the vote being unanimous, it was

RECOMMENDED:

That subject to the approval of Council, the Annual Treasury Management Report for 2016-2017, attached as Appendix 1 to Report No: TMS/SE/17/003 be approved.

The Meeting concluded at 6.18 pm

Signed by:

Chairman
