

Cabinet



Forest Heath
District Council

Title of Report:	Report of the Performance and Audit Scrutiny Committee: 27 July 2017	
Report No:	CAB/FH/17/041	
Report to and date:	Cabinet	12 September 2017
Portfolio Holder:	Councillor Stephen Edwards Portfolio Holder for Resources and Performance Tel: 01799 530325 Email: stephen.edwards@forest-heath.gov.uk	
Chairman of the Committee:	Councillor Louis Busuttil Chairman of the Performance and Audit Scrutiny Committee Tel: 01638 810517 Email: louis.busuttil@forest-heath.gov.uk	
Lead Officer:	Christine Brain Democratic Services Officer (Scrutiny) Tel: 01638 719729 Email: christine.brain@westsuffolk.gov.uk	
Purpose of report:	<p>On 27 July 2017, the Performance and Audit Scrutiny Committee held an informal joint meeting with members of St Edmundsbury's Performance and Audit Scrutiny Committee, and <u>considered the first three items jointly:</u></p> <ol style="list-style-type: none">(1) Balanced Scorecards Quarter 1 Performance Report 2017-2018;(2) West Suffolk Strategic Risk Register Quarterly Monitoring Report – June 2017;(3) Work Programme Update;(4) Internal Audit Charter;(5) Internal Audit Annual Report (2016-2017) and Outline internal Audit Plan (2017-2018)	

	<p>(6) Financial Performance Report (Revenue and Capital) 2017-2018 (Quarter 1);</p> <p>(7) Annual Treasury Management Report 2016-2017 and Investment Activity (April – June 2017).</p> <p>Separate report is included on this Cabinet agenda for Item (7) above.</p>
Recommendation:	The Cabinet is requested to <u>NOTE</u> the contents of Report No: CAB/FH/17/041, being the report of the Performance and Audit Scrutiny Committee.
<p>Key Decision:</p> <p><i>(Check the appropriate box and delete all those that do not apply.)</i></p>	<p><i>Is this a Key Decision and, if so, under which definition?</i></p> <p>Yes, it is a Key Decision - <input type="checkbox"/></p> <p>No, it is not a Key Decision - <input checked="" type="checkbox"/></p> <p>Report for information only.</p>
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:	
Are there any financial implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
Are there any staffing implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
Are there any ICT implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers
Are there any legal and/or policy implications?	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
Are there any equality implications? <i>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 recommendations

1.1 Balanced Scorecards and Quarter 1 Performance Report 2017-2018 (Report No: PAS/FH/17/017)

- 1.1.1 The Committee received and **noted** Report No PAS/FH/17/017, which set out the current West Suffolk Balanced Scorecards, which presented the Quarter 1 performance for 2017-2018. The five current balanced scorecards (attached at Appendices A to E to Report No: PAS/FH/17/015) were linked to the Assistant Directors Service areas. A Balanced Scorecard for the Growth service was currently under review and would be available for Quarter 2 reporting.
- 1.1.2 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.
- 1.1.3 Each Assistant Director presented their individual Balanced Scorecard and highlighted key areas for the Committees attention.
- 1.1.4 Members considered the report in detail and asked a number of questions on each of the Balanced Scorecards. Discussions were held on garden waste annual subscriptions; the annual canvass; health and safety incidents; household numbers in bed and breakfast; Universal Credit; apprentices; Disabled Facilities Grants; Building Control; enforcement cases and the operations service historical debt over 90 days.
- 1.1.5 The Committee welcomed the new format with each Assistant Director presenting their own Balanced Scorecard and wished this to continue.
- 1.1.6 No issues were required to be brought to the attention of Cabinet.

1.2 West Suffolk Strategic Risk Register Quarterly Report – June 2017 (Report No: PAS/FH/17/018)

- 1.2.1 The Committee received and **noted** the first quarterly risk register monitoring report for 2017-2018, 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).
- 1.2.2 Since the last assessment report presented to the Committee on 25 May 2017, there had been no new risks or amendments made to any existing risks and no existing risks had been closed. Some individual controls and actions had been updated and those which were not ongoing and had been completed by June 2017 had been removed from the Register.

1.3 Work Programme Update (Report No: PAS/FH/17/019)

- 1.3.1 The Committee received its Work Programme which provided items scheduled to be presented to the Committee during 2017-2018.

- 1.3.2 Member considered its forward work programme for 2017-2018, and taking into account discussions held on the Balanced Scorecards, the Committee requested that additional information on "enforcement" and the "pre-planning advice service" be included within the respective Scorecards for the second quarterly report in November 2017.
- 1.3.3 The Committee also **resolved** that a report on the Building Control Performance be included on its forward work programme for its November 2017 meeting.
- 1.4 **Internal Audit Charter (Report No: PAS/FH/17/020)**
- 1.4.1 The Committee received Report No: PAS/FH/17/020, which asked Members to scrutinise and approve an updated version of the Internal Audit Charter, attached at Appendix A to the report.
- 1.4.2 The Charter had been revised to take into account recent revisions to the Public Sector Internal Audit Standards, and now included a "Mission" for the Internal Audit Section and "Core Principles" for the professional practice of internal auditing.
- 1.4.3 The Committee scrutinised the report and asked questions to which Officers duly responded.
- 1.4.4 The Committee **resolved** that the Internal Audit Charter, attached as Appendix A to Report No: PAS/FH/17/020, be approved.
- 1.5 **Internal Audit Annual Report (2016-2017) and Outline Internal Audit Plan (2017-2018) (Report No: PAS/FH/17/021)**
- 1.5.1 This report summarised the work undertaken by Internal Audit during the year and provided details of the Outline Internal Audit Plan for 2017-2018. It also showed progress made during the year in developing and maintaining an anti-fraud and anti-corruption culture and actions taken where fraud or misconduct had been identified. Finally, the report showed the work undertaken to fulfil the requirement for an annual review of the effectiveness of internal audit.
- 1.5.2 The Committee scrutinised the report and asked questions to which Officers duly responded.
- 1.5.3 The Committee **resolved** that the Internal Audit Plan for 2017-2018, attached as Appendix C to Report No: PAS/FH/17/021, be approved. The Committee also endorsed the conclusion drawn in respect of the annual review of the effectiveness of Internal Audit.
- 1.6 **Financial Performance Report (Revenue and Capital) 2017-2018 (Quarter 1) (Report No: PAS/FH/17/022)**
- 1.6.1 The Committee received the financial performance report, which set out the financial position for the first quarter of 2017-2018 and forecasted outturn position for 2017-2018.

- 1.6.2 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.
- 1.6.3 The Committee scrutinised the report in detail and asked a number of questions to which Officers duly responded.
- 1.6.4 There being no decision required, the Committee **noted** the Quarter 1 performance and the 2017-2018 year end forecast financial position.

2. Background Papers

- 2.1.1 Report No: [PAS/FH/17/017](#) to the Performance and Audit Scrutiny Committee: Balanced Scorecards Quarter 1 Performance Report 2017-2018
- 2.1.2 Report No: [PAS/FH/17/018](#) and [Appendix 1](#) to the Performance and Audit Scrutiny Committee: West Suffolk Strategic Risk Register Quarterly 1 Monitoring Report – June 2017
- 2.1.3 Report No: [PAS/FH/17/019](#) to the Performance and Audit Scrutiny Committee: Work Programme Update
- 2.1.4 Report No: [PAS/FH/17/020](#) and [Appendix A](#) to the Performance and Audit Scrutiny Committee: Internal Audit Charter
- 2.1.5 Report No: [PAS/FH/17/021](#) to the Performance and Audit Scrutiny Committee: Internal Audit Annual Report (2016-2017) and Outline Internal Audit Plan (2017-2018)
- 2.1.6 Report No: [PAS/FH/17/022](#) to the Performance and Audit Scrutiny Committee: Financial Performance Report (Revenue and Capital) 2017-2018 (Quarter 1)