



Report of the Performance and Audit Scrutiny Committee: 29 July 2021

Report number:	CAB/WS/21/036	
Report to and date:	Cabinet	21 September 2021
Cabinet member:	Councillor Sarah Broughton Portfolio Holder for Resources and Property Telephone: 07929 305787 Email: sarah.broughton@westsuffolk.gov.uk	
Chair of the Performance and Audit Scrutiny Committee:	Councillor Ian Houlder Performance and Audit Scrutiny Committee Telephone: 07597 961069 Email: ian.houlder@westsuffolk.gov.uk	
Lead officer:	Christine Brain Democratic Services Officer (Scrutiny) Telephone: 01638 719729 Email: christine.brain@westsuffolk.gov.uk	

Decisions Plan: **This item is not required to be included on the Decisions Plan.**

Wards impacted: **All wards**

Recommendation: **It is recommended that Report number: CAB/WS/21/036, being the report of the Performance and Audit Scrutiny Committee, be noted.**

1. Context to this report

1.1 On 29 July 2021, the Performance and Audit Scrutiny Committee held its meeting, at which it considered the following items:

1. Formal decision making on “minded to” decisions.
2. 2021-2022 Performance Report (Quarter 1).
3. Annual Treasury Management and Financial Resilience Report 2020 to 2021
4. Financial Resilience Report (June 2021)
5. Work Programme Update

Separate reports are included on this Cabinet agenda for Items 3 and 4 above.

2. Proposals within this report

2.1 Formal decision making on “minded to” decisions

2.1.1 Taking into account the ‘minded to’ decisions made during the non-decision-making virtual meeting of the Performance and Audit Scrutiny Committee held on 27 May 2021, the Committee unanimously resolved the following matters:

1. Confirmed the minutes of the meeting held on 28 January 2021.
3. Approved the Outline Internal Audit Plan 2021-2022.
3. Approved the appointments to the Financial Resilience Sub-Committee and the Health and Safety Sub-Committee:
 - a. Financial Resilience Sub-Committee:
Councillor Ian Houlder (Conservative Group)
Councillor Elaine McManus (Conservative Group)
Councillor Victor Lukaniuk (The Independent Group)

Councillor Robert Nobbs (Conservative Group – Substitute)
 - b. Health and Safety Sub-Committee:
Councillor Nick Clarke (Conservative Group)
Councillor Ian Houlder (Conservative Group)
Councillor Elaine McManus (Conservative Group)
Councillor Robert Nobbs (Conservative Group)
Councillor Andy Neal (The Independent Group)
Councillor Cliff Waterman (Labour Group)

Councillor James Lay (Conservative Group – Substitute)
Councillor Phil Wittam (The Independent Group – Substitute)

**2.2 2020-2021 Performance Report – Quarter 4 (Report number:
PAS/WS/21/012)**

- 2.2.1 The Committee received Report number: PAS/WS/21/012, which set out the impact of Covid-19 and the Quarter 1 performance and forecast year-end financial position for 2021 to 2022.
- 2.2.2 Officers referred to page 13 of the report, which set out the key headlines for the current revenue outturn position, which showed a balanced forecast year end position. This position took into account the £2m provision for the effects of Covid-19 in the 2021 to 2022 approved budget, based on £1.1m anticipated pressures and utilisation of the £0.9m local authority Covid-19 support grant.
- 2.2.3 Whilst the overall level of the council's General Fund and reserve would be reassessed in light of the pandemic, a small amount of the General Fund (£3,000) was proposed to be utilised in order to fund the remaining forecast deficit. The council's financial position and ability to reduce the impact where possible had been helped by previous financial planning and the creation of the West Suffolk Council as well as quick and effective action to reduce costs as guidance and infection rates changed.
- 2.2.4 Officers referred to page 14 of the report, which set out a graphical representation on how Covid-19 had impacted the council over the year. The first graph showed the financial impact of Covid-19 and the second graph showed how the impact had been mitigated.
- 2.2.5 Attached to the Quarter 1 performance report were a number of appendices which set out the performance and financial position for 2021-2022, as follows:
- Appendix A: Performance Indicators – Commentary
 - Appendix B: Performance Indicators – Growth
 - Appendix C: Performance Indicators – Families and Communities
 - Appendix D: Performance Indicators – Housing
 - Appendix E: Performance Indicators – Day to Day
 - Appendix F: Income and Expenditure Report
 - Appendix G: Capital Programme
 - Appendix H: Earmarked Reserves
 - Appendix I: Strategic Risk Register
- 2.2.6 Members considered the report and asked questions to which responses were provided. In particular discussions were held on the following:
- Total amount of debt over 90 days – Officers explained that the bad debt provision for 2021-2022 had increased by £100k. Out of the £903,803 debt over 90 days, £650k related to previous years debt.

- Appendix E (Performance Indicators – day-to-day) - “Percentage of collection of business rates” and the National Health Service (NHS) trusts claim for charitable rate relief. Officers explained the NHS trusts had lodged an appeal with the High Court, which had now been withdrawn and was no longer a risk to the council;
- Appendix G (Capital Programme) - “High Street, Haverhill improvements” - Members sought assurances around what was meant by the “fund being reviewed”;
- Appendix G (Capital Programme) – Brandon Leisure Centre - Officers confirmed that the project was on track and on budget.
- Whether the Apex was now back to full capacity – Officers confirmed the council was monitoring the up-take on ticket sales; and
- How well the council was positioned financially if there was another Covid-19 lockdown.

In response to a question raised relating to historical debt, members were informed that there were a small number of properties with large debts. This includes a number of national firms who were refusing to pay nationally. Steps were being taken to address this and some progress was being made. The Government had extended the moratorium on commercial evictions to March 2022.

2.2.7 At the conclusion of the discussions, the Committee **noted** the:

- Impact of Covid-19 on the Council’s current financial year 2021 to 2022.
- Forecast for the 2021 to 2022 Revenue and Capital positions as detailed in the report and appendices.

2.3 Work programme update 2021 (Report number: PAS/WS/21/013)

2.3.1 The Committee received Report number: PAS/WS/21/013, which provided information on the current status of its forward work programme for 2021.

2.3.2 The Committee was informed that the council had issued the Draft Statement of Accounts (2020 to 2021) prior to the deadline of 31 July 2021. The Draft Statement of Accounts (2020 to 2021) were currently scheduled to be considered by the Committee at its November 2021 meeting. The Chair of the Committee would be kept up to date on the audit process of the Accounts by Ernst and Young.

2.3.3 The Committee **noted** the contents of its forward work programme for 2021.

4. Alternative options that have been considered

- 3.1 Please see background papers.

5. Consultation and engagement undertaken

- 4.1 Please see background papers.

6. Risks associated with the proposals

- 5.1 Please see background papers.

7. Implications arising from the proposals

- 6.1 Financial:

Please see background papers.

- 6.2 Equalities:

Please see background papers.

8. Appendices referenced in this report

- 7.1 Please see background papers.

9. Background documents associated with this report

- 8.1 Report number: [PAS/WS/21/012](#) and Appendices [A](#), [B](#), [C](#), [D](#), [E](#), [F](#), [G](#), [H](#) and [I](#) to the Performance and Audit Scrutiny Committee: 2020-2021 Performance Report – Quarter 1

- 8.2 Report number: [PAS/WS/21/013](#) and [Appendix 1](#) to the Performance and Audit Scrutiny Committee: Work programme update