

# Report of the Performance and Audit Scrutiny Committee: 28 July 2022

<b>Report number:</b>	<b>CAB/WS/22/049</b>	
<b>Report to and date:</b>	<b>Cabinet</b>	18 October 2022
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**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/22/049, being the report of the Performance and Audit Scrutiny Committee, be noted.

## 1. Context to this report

1.1 On 28 July 2022, the Performance and Audit Scrutiny Committee considered the following items:

1. Annual Financial Resilience Management Report 2021 to 2022
2. Treasury Management Report (June 2022)
3. Work Programme Update 2022 to 2023
4. 2022 to 2023 Performance Report (Quarter 1)

Separate reports are included on the Cabinet agenda for Items 1 and 2 above.

## 2. Proposals within this report

2.1 **Work programme update 2022 to 2023 (Report number: PAS/WS/22/012)**

2.1.1 The Committee received Report number: PAS/WS/22/012, which provided information on the current status of its forward work programme for 2022 to 2023.

2.1.2 The Committee was informed that the Council's Treasury Advisors, Arlingclose would be provided training to members of the Performance and Audit Scrutiny Committee on treasury management and would take place at 4pm on 29 September 2022.

2.1.3 The Committee **noted** the contents of its forward work programme and the training to be provided by Arlingclose at 4pm on 29 September 2022 immediately prior to the Committee's meeting at 5pm.

2.2 **2022 to 2023 Performance Report – Quarter 1 (Report number: PAS/WS/22/013)**

2.2.1 The Committee received Report number: PAS/WS/22/013, which set out the impact of COVID-19, the Quarter 1 performance and the 2022 to 2023 revenue and capital positions.

2.2.2 The COVID-19 outbreak had had a significant impact on the Council's financial position. Whilst the Council was now in the process of recovering from the pandemic, the effects were likely to be felt for years to come. In addition, the cost-of-living crisis, which the Ukraine War had exacerbated, was not only impacting on communities and businesses, but also adversely putting pressure on the Council's budgets.

2.2.3 All of these elements, as well as national public behavioural changes in travel, shopping and working created by these issues, had had an adverse

impact on businesses, retail and public services nationally. Income generation for public services across the UK had been severely impacted by a combination of all these challenges as well as recent issues, such as national and local lockdowns. West Suffolk Council was not alone in continuing to face these issues although there were good signs of recovery by services and areas – some stronger than others. This included income from leisure and cultural events; trade waste and the garden waste service. In addition, other services were recovering, such as car parks and markets. However, the challenges outlined affected services and localities in different ways.

- 2.2.4 For 2022 to 2023 the central government funding which had helped to partly mitigate the effects of the pandemic, such as the Sales, Fees and Charges Compensation and the COVID-19 Support Grant were no longer available, meaning the Council had to make provision to fully cover any reduced income and increased costs from within its own budgets. As part of the 2022 to 2023 budget setting process the Council had made provision for the sum of around £0.5 million in its budgets for the ongoing impacts of COVID-19. This provision was to be funded by a contribution from the Council's general fund (a reserve fund that the Council traditionally kept at around £5 million to meet emergency issues such as this) and had been factored into the year-end forecasts in the report.
- 2.2.5 Attached to the Quarter 1 performance and year-end-financial outturn position for 2022 to 2023 were a number of appendices as follows:
- Appendix A: Key Performance Indicator Dashboards
  - Appendix B: Income and expenditure report
  - Appendix C: Capital programme
  - Appendix D: Earmarked reserves
  - Appendix E: Strategic risk register
  - Exempt Appendix F: Aged debt over 90 days
- 2.2.6 The Service Manager (Policy, Projects and Performance) explained that a lot of the changes behind the key performance indicators were behavioural, and it was difficult to obtain the evidence as to why people were changing their behaviour. Therefore, officers would analyse the evidence available more closely to try and ascertain the changes in performance. She then drew the Committee's attention to a number of key performance indicators.
- 2.2.7 The Committee considered the report in detail and asked a number of questions to which responses were provided. In particular, discussions were held on investments in Barley Homes; the Council's general fund; managing the Council deficit, the current volatile market, the cost-of-living crisis and the trend increase in the use of e-forms.

- 2.2.8 At the conclusion of the discussions, the Committee **noted** the forecast 2022 to 2023 revenue and capital positions as detailed in Report number: PAS/WS/22/013 and attached appendices.

### **3. Alternative options that have been considered**

- 3.1 Please see background papers.

### **4. Consultation and engagement undertaken**

- 4.1 Please see background papers.

### **5. Risks associated with the proposals**

- 5.1 Please see background papers.

### **6. Implications arising from the proposals**

- 6.1 Financial:

Please see background papers.

- 6.2 Equalities:

Please see background papers.

### **7. Appendices referenced in this report**

- 7.1 Please see background papers.

### **8. Background documents associated with this report**

- 8.1 Report number: [PAS/WS/22/012](#) and [Appendix 1](#) to the Performance and Audit Scrutiny Committee: Work Programme Update 2022 to 2023

- 8.2 Report number: [PAS/WS/22/013](#) and [Appendix A](#), [Appendix B](#), [Appendix Bi](#), [Appendix Bii](#), [Appendix C](#), [Appendix D](#), [Appendix E](#) and **Exempt Appendix F** to the Performance and Audit Scrutiny Committee: 2022 to 2023 Performance Report (Quarter 1)