

# Report of the Performance and Audit Scrutiny Committee: 17 November 2022

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| <b>Report number:</b>  | <b>CAB/WS/22/064</b>  |                 |
| <b>Report to and date:</b>                                   | <b>Cabinet</b>  | 6 December 2022 |
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**Decisions Plan:** **This item is not required to be included in the Decisions Plan.**

**Wards impacted:** **All Wards.**

**Recommendation:** **It is recommended that Report number: CAB/WS/22/064, being the report of the Performance and Audit Scrutiny Committee, be noted.**

## 1. Context to this report

1.1 On 17 November 2022, the Performance and Audit Scrutiny Committee considered the following items:

1. Internal Audit Mid-Year Progress Report (2022 to 2023)
2. Delivering a Sustainable Medium-Term Budget
3. Treasury Management Report (September 2022)
4. Work Programme Update
5. 2022 to 2023 Performance Report (Quarter 2)

Separate reports are included on the Cabinet agenda for Items 2 and 3 above.

## 2. Proposals within this report

2.1 **Internal Audit Mid-Year Progress Report (Report number: PAS/WS/22/020)**

2.1.1 The Committee received and **noted** report number PAS/WS/22/020, which updated members on progress made against internal audit's 2022 to 2023 work plan approved by this committee in May 2022 and provided a flavour of the work undertaken in the year to date. Attached at Appendix A to the report was the Mid-year Internal Audit progress report 2022 to 2023. Based on the work completed to date, all audit opinions issued within the period had been "good" or "reasonable" with no "limited" or "no assurance" opinions being issued. Therefore, there were no areas of concern to highlight within the report.

2.1.2 The Committee considered the report and asked questions, to which responses were provided. Discussions were held on owned residential properties; and fee earning work which was charged at a rate to ensure the cost of the audit work was at least fully covered but also took into account the internal audit partnership working arrangements with the other Anglia Revenues Partnership councils.

2.2 **Work programme update (Report number: PAS/WS/22/022)**

2.2.1 The Committee received Report number PAS/WS/22/022, which provided information on the current status of its forward work programme for 2023.

2.2.2 The Committee **noted** the update and the additional meeting which had been rescheduled from 14 December 2022 to 8 March 2023.

**2.3 2022 to 2023 Performance Report (Quarter 2) (Report number: PAS/WS/22/023)**

2.3.1 The Committee received report number PAS/WS/22/023, which set out income recovery, Quarter 2 performance and the forecast 2022 to 2023 revenue and capital positions.

2.3.2 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. 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.

2.3.3 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.

2.3.4 Attached to the Quarter 2 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

The above appendices had been completed before news of the agreed pay award was announced. On 1 November 2022, a pay rise of £1,925 per annum was agreed for all pay scales, effective from 1 April 2022. The financial impact of this on the financial year would be an additional cost of £1.3m and would be included in the figures for the Quarter 3 report.

2.3.5 The Committee was informed this was an opportunity for members to scrutinise the council's performance; shape the performance management process by suggesting changes to key performance indicators (KPIs) and highlighting areas where it would like to receive further information. The Chief Executive drew the Committee's attention to a number of KPIs as follows:

- Car parking:
- Website visitors and page views:
- Number of households prevented from becoming homeless:

- Anglia Revenues Partnership (ARP's) – Value of fraud collected:
- Routine food hygiene inspections:
- Number of contacts received face-to-face:
- Number of performances at the Apex:
- Development management:

2.3.6 The Committee considered the report in detail and asked a number of questions to which responses were provided. In particular discussions were also held on housing rental properties and the number of people on the housing waiting list; houses in multiple occupation and the possible increase in private multiple occupancies including "hot bedding"; and creating a KPI for grass cutting to show when there was a variation from the grass cutting schedule, which officers agreed to look into.

2.3.7 The Committee also suggested once a year having one meeting solely dedicated to scrutinising performance, to which the Chief Executive agreed to look at the reporting structure further.

2.3.8 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/22/020](#) and [Appendix A](#) to the Performance and Audit Scrutiny Committee: Internal Audit Mid-Year Progress Report (2022 to 2023)
- 8.2 Report number: [PAS/WS/22/022](#) and [Appendix 1](#) to the Performance and Audit Scrutiny Committee: Work Programme Update
- 8.3 Report number: [PAS/WS/22/023](#) and Appendix [A](#), [B](#), [C](#), [D](#) and [E](#) to the Performance and Audit Scrutiny Committee: 2022 to 2023 Performance Report (Quarter 2)