

Report of the Performance and Audit Scrutiny Committee: 22 June 2023

Report number:	CAB/WS/23/029	
Report to and date:	Cabinet	18 July 2023
Cabinet member:	Councillor Diane Hind Portfolio Holder for Resources Telephone: 01284 706542 Email: diane.hind@westsuffolk.gov.uk	
Chair of the Performance and Audit Scrutiny Committee	Councillor Peter Armitage Performance and Audit Scrutiny Committee Email: peter.armitage@westsuffolk.gov.uk	
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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/23/029, being the report of the Performance and Audit Scrutiny Committee, be noted.

1. Context to this report

- 1.1 On 22 June 2023, the Performance and Audit Scrutiny Committee considered the following items:
1. 2022 to 2023 performance report (Quarter 4)
 2. Internal audit annual report (2022 to 2023) including results of external assessment of internal audit.
 3. Outline internal audit plan (2023 to 2024)
 4. Annual report from the Health and Safety Sub-Committee
 5. Annual appointments to the Financial Resilience Sub-Committee and the Health and Safety Sub-Committee (2023 to 2024)
 6. Work programme update 2023 to 2024

2. Proposals within this report

2.1 **2022 to 2023 performance report (Quarter 4)** **(Report number: PAS/WS/23/007)**

2.1.1 The Cabinet Member for Resources presented report number PAS/WS/23/007, which included the full year end financial position and the performance dashboard for the period January to March 2023.

2.1.2 The Committee's attention was drawn to the financial outturn summary which showed a deficit of £0.6 million. The underlying cause for this was the slow recovery in relation to income streams.

2.1.3 The Cabinet Member highlighted a number of Key Performance Indicators (KPIs), which members might wish to be aware of as they prepared to scrutinise the dashboards over the coming months, being:

- As the dashboards related to Quarter 4, a full year's data was available on:
 - Council Tax and business rates.
 - Housing delivery.
- A new indicator had been included since the Quarter 3 report around damp and mould, given the current national focus on the issue.
- The covering report included additional data in relation to the cost of living, which would in future be embedded in the main dashboards.

2.1.4 Attached to the Quarter 4 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

2.1.5 The Committee considered the KPI's and did not raise any issues.

The Service Manager (Finance and Procurement), presented the financial element of the report and drew the Committee's attention to a number of headlines, being:

- Pages 25 to 26: Deficit of £0.6 million
- Page 26: The graph showing the £1.5 million reduced income, £1.2 million of that related to a reduction in car park income.
- High inflation during the year had impacted on fuel and utilities, and this was set out across individual areas in Appendix B.

2.1.6 The Committee considered the report and asked questions on the financial aspect of the report, to which responses were provided. In particular discussions were held on the impact of the high inflation rate on the council's budget; interest rates received on council investments; future external borrowing; car parking income and investment income; and the counter parties set out in the council's Financial Resilience Strategy Statement 2023 to 2024.

2.1.7 At the conclusion of the discussions, the Committee **noted** the year end 2022 to 2023 revenue and capital positions as detailed in the report and attached appendices.

2.2 **Internal audit annual report (2022 to 2023) including results of external assessment of internal audit (Report number: PAS/WS/23/008)**

2.2.1 The Committee received and **noted** report number PAS/WS/23/008 which provided members with an overview of the work carried out by Internal Audit for the year ending 31 March 2023.

2.2.2 The annual audit opinion, attached at Appendix A to the report was split into the four constituent elements of governance; risk; internal control and financial control with a specific conclusion drawn on each, as well as the direction of travel.

2.2.3 The Council recognised that fraud, theft and corruption were an ever-present threat to the resources available in the public sector. Appendix B attached to the report demonstrated West Suffolk's progress in developing and maintaining an anti-fraud and anti-corruption culture and publicised the action taken where fraud or misconduct had been identified.

2.2.4 The Committee considered the report and did not raise any issues.

2.3 **Outline Internal Audit Plan (2023 to 2024) (Report number: PAS/WS/23/009)**

2.3.1 This report provided details on the proposed 2023-2024 Audit Plan. The proposed Audit Plan, attached at Appendix B to the report was a risk-based plan of work for the internal audit team, which took into account the need to produce an annual internal audit opinion for the council which concludes on the overall adequacy and effectiveness of the Council's framework of governance, risk management and internal control.

2.3.2 The Committee considered the report and **approved** the Internal Audit Plan for 2022 to 2023.

2.4 **Annual Report from the Health and Safety Sub-Committee (Report number: PAS/WS/23/010)**

2.4.1 The Committee received and **noted** the above report which summarised the work carried out by the Health and Safety Sub-Committee during 2022-2023.

2.4.2 The Health and Safety summary report attached at Appendix A was produced to identify and document West Suffolk Council's health and safety performance and work carried out during the year to ensure legal compliance.

2.4.3 The Committee considered the report and asked questions. In particular discussions were held on incidents and near misses and what steps were being introduced to decrease numbers; how many staff were on long-term sick through council incidents and Martyn's Law draft legislation to ensure stronger protections against terrorism in public places, to which responses were provided.

2.5 **Annual Appointments to the Financial Resilience Sub-Committee and the Health and Safety Sub-Committee (2023 to 2024) (Report number: PAS/WS/23/011)**

2.5.1 The Committee received the above report, which sought appointments to the Financial Resilience Sub-Committee and the Health and Safety Sub-Committee. The Committee was asked to:

1. Appoint three members and one substitute member from the members of the Performance and Audit Scrutiny Committee to sit on the Financial Resilience Sub-Committee for 2023 to 2024.

The Committee was advised that the substitute place on the Sub-Committee had not been allocated to a group. The Committee may appoint a member to the group. If it was deemed not practical to do so then in the event that a member of the Sub-Committee could not attend a temporary substitute may be nominated by the group leader to the Monitoring officer; and

2. Appoint six members and two substitute members from the members of the Performance and Audit Scrutiny Committee to sit on the Health and Safety Sub-Committee for 2023 to 2024.

- 2.5.2 The Committee considered the appointments and felt that due to the number of apologies received for this meeting, that the appointments to the Health and Safety Sub-Committee should be deferred to the next meeting of the Committee, being 27 July 2023.

In relation to the appointment of a substitute to the Financial Resilience Sub-Committee, the Committee felt that due to the number of apologies received for this meeting, that the appointment should be deferred to the next meeting of the Committee.

- 2.5.3 At the conclusion of the discussions the following nominations were put forward and **resolved** as follows:

That:

1. Councillors Ian Houlder (Conservative Group), Frank Stennett (Independents) and Sue Perry (Progressive Alliance Grouping), be appointed as full members to the Financial Resilience Sub-Committee for 2023 to 2024.
2. The appointment of a substitute to the Financial Resilience Sub-Committee be deferred for consideration by the Committee at its next meeting on 27 July 2023.
3. The appointments to the Health and Safety Sub-Committee be deferred for consideration by the Committee at its next meeting on 27 July 2023.

2.6 **Work programme update 2023 to 2024 (Report number: PAS/WS/23/012)**

- 2.6.1 The Committee received Report number PAS/WS/23/012, which provided information on the current status of its forward work programme for 2023 to 2024.

- 2.6.2 The Committee **noted** the update and the deferred report on the Annual Appointments to the Health and Safety Sub-Committee, which would be rescheduled for its next meeting on 27 July 2023.

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/23/007](#) and Appendices [A](#), [B](#), [C](#), [D](#) and [E](#) to the Performance and Audit Scrutiny Committee: 2022 to 2023 Performance Report – Quarter 4

8.2 Report number: [PAS/WS/23/008](#), [Appendix A](#), [Appendix B](#) and [Appendix C](#) to the Performance and Audit Scrutiny Committee: Internal Audit Annual Report (2022 to 2023) including results of external assessment of internal audit

8.3 Report number: [PAS/WS/23/009](#), [Appendix A](#) and [Appendix B](#) to the Performance and Audit Scrutiny Committee: Outline Internal Audit Plan (2023 to 2024)

8.4 Report number: [PAS/WS/23/010](#) and [Appendix A](#) to the Performance and Audit Scrutiny Committee: Annual Report from the Health and Safety Sub-Committee

8.5 Report number: [PAS/WS/23/011](#) and [Appendix 1](#) and [Appendix 2](#) to the Performance and Audit Scrutiny Committee: Annual Appointments to the

Financial Resilience Sub-Committee and the Health and Safety Sub-Committee

- 8.6 Report number: [PAS/WS/23/012](#) and [Appendix 1](#) to the Performance and Audit Scrutiny Committee: Work Programme Update