

Informal Joint Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Notes of Informal Discussions held on Thursday 30 July 2015 at 5.00pm in the Council Chamber, at Forest Heath District Council, College Heath Road, Mildenhall

PRESENT: St Edmundsbury Borough Council (SEBC)

Councillors Sarah Broughton
(Chairman of the informal discussions)

Carol Bull, Betty McLatchy, David Roach, Paula Wade and Patricia Warby.

Also in attendance: Councillors Susan Glossop and Ivor McLatchy.

Forest Heath District Council (FHDC)

Councillors Andrew Appleby, David Bimson, Ruth Bowman, Louis Busuttil, Brian Harvey, Louise Marston, Christine Mason, Colin Noble, Peter Ridgwell and Lance Stanbury.

IN ATTENDANCE: SEBC – Councillor Ian Houlder, Portfolio Holder for Resources and Performance
FHDC – Councillor Stephen Edwards, Portfolio Holder for Resources and Performance

Prior to the formal meeting, at 5.00pm informal discussions took place on the following four items:

- (1) Balanced Scorecard and Quarter 1 Performance Report 2015-2016;
- (2) West Suffolk Risk Management Approach and Principles;
- (3) West Suffolk Strategic Risk Register Quarterly Report – June 2015;
- (4) Work Programme Update

All Members of St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee had been invited to attend the District Offices, Mildenhall to enable joint informal discussions on the above reports to take place between the two authorities.

The Vice-Chairman of Forest Heath's Performance and Audit Scrutiny Committee welcomed all those present to the District Offices, Mildenhall and advised on the format of the proceedings for the informal joint discussions and subsequent separate meetings of each authority, prior to handing over to the Chairman of St

Edmundsbury's Performance and Audit Scrutiny Committee, who would be chairing the informal joint discussions.

Members noted that each Council permitted public participation at their Performance and Audit Scrutiny meetings. Therefore, for the purpose of facilitating these Constitutional requirements, it was proposed that public speaking should be permitted prior to the start of the informal discussions to enable any questions/statements to be considered by both Performance and Audit Scrutiny Committees on items 1 – 4 above. On this occasion however, there were no questions/statements from members of the public.

Each report was then considered in the order listed on each authorities agenda.

1. **Balanced Scorecard and Quarter 1 Performance Report 2015-2016**

The Business Partner (Resources and Performance) presented the report, which sets out the West Suffolk Balanced Scorecards being used to measure the Council's performance for 2015-2016 and an overview of performance against those indicators for the first quarter of 2015-2016. The six balanced scorecards (attached at Appendices A to F) were linked to the Head of Service areas, including the proposed performance measures, targets and quarter one data.

It was envisaged the Balanced Scorecard report would replace a number of existing reports that currently went to the Committee, such as the quarterly Key Performance Indicator (KPI) report, quarterly Strategic Risk Register report and the Bi-annual Corporate Complaints and Compliments report. It was also envisaged that the Balanced Scorecard approach would remove the need to report the current quarterly KPI (Appendix G) and the bi-annual corporate Complaints and Compliments report after quarter 1. From quarter 2, it was envisaged that the quarterly Strategic Risk Register report would no longer be required as this would be covered within the Balanced Scorecard from quarter 2.

Unless otherwise stated, all performance figures reported in the scorecards were from a West Suffolk perspective. Where the performance for either individual Council was significantly different from the West Suffolk figure details would be provided in the comments box.

Members scrutinised the balanced scorecards and asked questions to which officers duly responded. In particular discussions were held on the percentage of non-disputed invoices paid within 30 days, and the number of enforcement cases opened.

(Councillor David Roach arrived at 5.10pm, during the consideration of this item)

2. **West Suffolk Risk Management Approach and Principles**

The Head of Resources and Performance presented the report, which asked Members to consider a new, positive approach to risk based on context, proportionality, judgement and evidence-based decision making that was considered on a case by case basis. The new approach to risk was based on seven core principles as detailed in Appendix 1 to Report No: PAS/SE/15/018.

- A positive approach;

- Contextual decision making;
- Informed risk-taking;
- Proportionate;
- Decision risks vs delivery risks;
- A documented approach; and
- Continuous improvement.

Attached at Appendix 2, to the report was a flowchart which provided a summary of the various tools and documents that supported this evidence-based approach. It was these documents and tools that would enable the Council to achieve a learning culture which supported staff and members, enabling managed risk-taking through positive relationships.

Once the new approach had been scrutinised and agreed, it was intended that it underpinned all thinking about risk by Members and staff. A communication plan would be developed to ensure that all Members and staff were aware of the principles and the available tools. The new approach would be reviewed periodically to ensure it continued to be fit-for-purpose, and relevant to the new types of decisions that both councils were making.

Members scrutinised the report and asked questions to which officers duly responded.

3. **West Suffolk Strategic Risk Register Quarterly Report – June 2015**

The Head of Resources and Performance presented the first quarterly risk register monitoring report 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 2015 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).

Some individual controls or actions had been updated and those which were not ongoing and had been completed by June 2015 had been removed from the Register. There had been no new risks or amendments made to any existing risks or any existing risk closed since the Strategic Risk Register was last reported to the Committee.

Members considered the report and did not raise any issues.

(Councillor Colin Noble arrived at 5.21pm, during the consideration of this item)

4. **Work Programme Update**

The Head of Resources and Performance presented the report, which provided information on the current status of each Committee's Work Programme for 2015. It was reported that an additional item would be included for the September 2015 meetings on Delivering a Sustainable Budget (2016-2017).

(Councillor Paula Wade arrived at 5.25pm, during the consideration of this item)

On the conclusion of the informal joint discussions at 5.27pm, Members of St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee withdrew from the Council Chamber to the Training Room to hold their formal meeting.

The Chairman then formally opened the St Edmundsbury Borough Council's Performance and Audit Scrutiny Committee in the Training Room at 5.33pm.

Performance and Audit Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Minutes of a meeting of the **Performance and Audit Scrutiny Committee** held on **Thursday 30 July 2015** at **5.33pm** in the **Training Room, District Offices**, College Heath Road, Mildenhall, IP28 7EY

Present: **Councillors**

Chairman Sarah Broughton
Vice Chairman Patricia Warby

Carol Bull
Betty McLatchy

Paula Wade
Barry Robbins

Substitutes attending:
David Roach

By Invitation:
Susan Glossop
Ian Houlder, Portfolio Holder for Resources and Performance
Ivor McLatchy
Joanna Rayner, Portfolio Holder for Leisure, Culture and Heritage

41. **Apologies for Absence**

Apologies for absence were received from Councillors David Nettleton and Karen Richardson.

Councillors Beccy Hopfensperger and Peter Thompson were also unable to attend.

42. **Substitutions**

The following substitution was declared:

Councillor David Roach for Councillor Karen Richardson.

43. **Public Participation**

Public participation had been included within the previous informal discussions and there had been no questions/statements from members of the public.

44. **Minutes**

The minutes of the meeting held on 4 June 2015, were accepted by the Committee as an accurate record and signed by the Chairman.

45. **Balanced Scorecard and Quarter One Performance Report 2015-16**

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/SE/15/017.

Members had scrutinised the report in detail and had asked a number of questions to which responses were duly provided.

There being no decision required, the Committee **noted** the performance indicators and targets being used to measure the Council's performance for 2015-2016; and reviewed the Balanced Scorecards for Quarter 1, 2015-2016.

46. **West Suffolk Risk Management Approach and Principles**

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/SE/15/018.

Members had scrutinised the report in detail and had asked a number of questions to which responses were duly provided.

With the vote being unanimous, it was

RECOMMENDED

That the West Suffolk Risk Management Approach and Principles attached at Appendix 1 and the Supporting Flowchart attached at Appendix 2 to Report No: PAS/SE/15/018, be adopted.

47. **West Suffolk Strategic Risk Register - June 2015**

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/SE/15/019.

Members had scrutinised the report in detail and had asked a number of questions to which responses were duly provided.

There being no decision required, the Committee **noted** the contents of the report.

48. **Work Programme Update**

Further to the joint informal discussions held prior to the meeting with Forest Heath District Council's Performance and Audit Scrutiny Committee, the Committee formally considered Report No: PAS/SE/15/020.

There being no decisions required, the Committee **noted** the contents of the work programme for 2015-2016.

49. **Annual Performance Report for The Apex**

The Commercial Manager presented Report No: PAS/SE/15/021, which set out The Apex's financial position for the year ending 2014-2015. The report included an executive summary, then details on The Apex's performance, Sodexo catering contract, analysis of budgets and conclusion.

The Apex budget for 2014-2015 had reduced from £742,250 to £671,840. Increased revenue had contributed to a positive variance of £74,732 against budget at the financial year-end and the outturn figure was £597,108, showing a reduction of £145,142 compared to the 2013-2014 budget.

The Apex continued to be a valuable community asset and more and more non-performance events were taking place which were open to the public. The Apex management team had been successful in reducing the subsidy over the last financial year, mainly due to increasing revenues from ticket sales.

The Cabinet Member for Leisure, Culture and Heritage commented on the progress made by The Apex over the last year and the work of the team in making The Apex a wonderful venue for Bury St Edmunds.

The Committee scrutinised the annual performance report in detail and asked a number of questions to which the Cabinet Member and officers duly responded. These questions and responses covered topics including the venues capacity; increasing the usage of the venue during the day and the progress made in reducing the Council's subsidy.

There being no decision required, the Committee **noted**, the Annual Performance Report for The Apex.

(Councillor Barry Robbins arrived at 5.45pm, during the consideration of this item)

50. **Financial Performance Report (Revenue and Capital) (April to June 2015)**

The Committee received Report No: PAS/SE/15/022, which set out the financial performance for the first quarter of 2015-2016 and forecasted outturn position for 2015-2016.

Attached at Appendix A and B to the report was the current forecast position for the year end, which currently showed an underspend of £51,500. Appendix C to the report set out the Council's capital financial position for the first three months of 2015-2016, which showed expenditure of £360,000. The Resources and Performance Team would continue to work with Budget Holders to monitor capital spend and project progress closely for the remainder of the financial year and an updated position would be presented to the Committee on a quarterly basis. Finally, a summary of the earmarked reserves was attached at Appendix D, along with the forecast year end position for 2015-2016.

The Committee scrutinised the report in detail and asked a number of questions. In particular discussions were held on the year end variances over £25k in relation to Section 106 costs and building control income / planning income underachievements to which officers duly responded.

There being no decision required, the Committee **noted** the 2015-2016 year end forecast financial position.

51. **Annual Treasury Management Report 2014-2015 and Investment Activity (1 April - 30 June 2015)**

The Committee received Report No: TMS/SE/15/004, which had been considered by the Treasury Management Sub-Committee on 20 July 2015. The Business Partner (Resources and Performance) provided a verbal update on the Sub-Committee's consideration of the report, which

- (a) Summarised the Council's Annual Treasury Management investment activities for the year 2014-2015; and
- (b) Provided a summary of the investment activity for the first three months of the 2015-2016 financial year.

The Sub-Committee had scrutinised the Annual Treasury Management Report 2014-2015 and the Investment Activity for 1 April 2015 to 30 June 2015, and asked a number of questions to which the Head of Resources and Performance had duly responded. In particular the Sub-Committee suggested that a short paragraph on Sector's views/opinions on the financial market should be included in future quarterly Treasury Management Reports.

The Performance and Audit Scrutiny Committee considered the report and with the vote being unanimous, it was

RECOMMENDED

That subject to the approval of full Council, the Annual Treasury Management Report for 2014-2015, attached as Appendix 1 to Report No: TMS/SE/15/004 be approved.

The Meeting concluded at 6.02pm

Signed by:

Chairman
