

Cabinet



Forest Heath
District Council

Title of Report:	Report from the Performance and Audit Scrutiny Committee: 30 July 2015	
Report No:	CAB/FH/15/043	
Report to and date:	Cabinet	15 September 2015
Portfolio Holder:	Stephen Edwards Portfolio Holder for Resources and Performance Tel: 01638 660518 Email: stephen.edwards@forest-heath.gov.uk	
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Lead Officer:	Christine Brain Scrutiny Officer Tel: 01638 719729 Email: Christine.brain@westsuffolk.gov.uk	
Purpose of report:	<p>On 30 July 2015, the Performance and Audit Scrutiny Committee held an informal joint meeting with members of St Edmundsbury's Performance and Audit Scrutiny Committee, and <u>considered the first four items jointly:</u></p> <ol style="list-style-type: none">(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 Monitoring Report – June 2015;(4) Work Programme Update;(5) Financial Performance Report (Revenue and Capital) – Quarter One (April to June 2015); and	

	(6) Annual Treasury Management Report 2014-2015 Separate reports are included on this Cabinet agenda for Items (2) and (6) above.
Recommendation:	The Cabinet is requested to <u>NOTE</u> the contents of Report No CAB/FH/15/043, being the report of the Performance and Audit Scrutiny Committee.
Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>
Consultation:	<ul style="list-style-type: none"> • See reports listed in Section 2 below.
Alternative option(s):	<ul style="list-style-type: none"> • See reports listed in Section 2 below
Implications:	
Are there any financial implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
Are there any staffing implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
Are there any ICT implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers
Are there any legal and/or policy implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
Are there any equality implications? <i>If yes, please give details</i>	Yes <input type="checkbox"/> No <input type="checkbox"/> Please see background papers.
Risk/opportunity assessment:	Please see background papers.
Ward(s) affected:	Please see background papers.
Background papers:	Please see background papers, which are listed at the end of the report.
Documents attached:	None

1. Key issues and reasons for recommendation

11 Balanced Scorecard and Quarter 1 Performance Report 2015-2016 (Report No: PAS/FH/15/016)

- 1.1.1 The Committee received Report No: PAS/FH/15/016, which set 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.
- 1.1.2 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.
- 1.1.3 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.
- 1.1.4 Members scrutinised the balanced scorecards in detail and asked a number of questions to which officers duly responded.
- 1.1.5 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.

1.2 West Suffolk Strategic Risk Register Quarterly Monitoring Report – June 2015 (Report No: PAS/FH/15/018)

- 1.2.1 The Committee received and noted 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 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 and actions had been updated and those which were not ongoing and had been completed by June 2015 had been removed from the Register.
- 1.2.2 There had been no new risks or amendments made to any existing risk and no new risks had been closed since the Strategic Risk Register was last report to the Committee.
- 1.2.3 Within the formal discussions, Forest Heath Members further requested as to whether it would be possible to include within future reporting of the Risk

Register, the following:

- To highlight any new risks which had been added to the Register since last reported to the Committee.
- To highlight risks which had been closed since last reported to the Committee.
- To highlight where risks had been amended since last reported to the Committee.
- To include defined start/completion dates (where able to do so).

The Head of Resources and Performance agreed to report these comments back to the Risk Management Group for their consideration, with the intention of their inclusion within the next quarter reporting.

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

1.3 **Work Programme Update (Report No: PAS/FH/15/019)**

1.3.1 The Committee received and noted its Work Programme which provided items scheduled to be presented to the Committee during 2015-2016 (with the inclusion of an additional item for the September 2015 meeting on Delivering a Sustainable Budget 2016-2017).

1.4 **Financial Performance Report (Revenue and Capital) 2015-2016 – Quarter 1 (April to June 2015) (Report No: PAS/FH/15/020)**

1.4.1 The Committee received and noted Report No: PAS/FH/15/020, which set out the financial performance for the first quarter of the 2015-2016 and forecasted outturn position for 2015-2016.

1.4.2 Attached at Appendix A and B to the report were details of the Council's revenue performance and year end forecasted outturn position. The current forecast position for the year was expected to be on budget. 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 £1,235,000. 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.

1.4.3 The Committee scrutinised the report in detail and asked a number of questions. Discussions were held around the current budget variances for Quarter 1, in particular, for the Compostable Collections (Brown Bins) (Cost Centre 3042) and Off-Street Car Parks (Cost Centre 3110). Officers agreed to provide Members with a written response to further explain the reasons for these particular variances.

1.4.4 Members also requested that where there were large variances within budget cost centres, that explanations for these variances were provided. The Head of Resources and Performance explained that it was usual practice for Officers

to include comments where the variance was over £25,000. However, she would ensure that Officers provided this additional information within future reporting. Members further requested that this reporting should not just be limited to the £25,000, but should also include percentage variances. The Officer also acknowledged this request.

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

2. Background Papers

- 2.1.1 Report PAS/FH/15/016 to the Performance and Audit Scrutiny Committee: Balanced Scorecard and Quarter 1 Performance Report 2015-2016
- 2.1.2 Report PAS/FH/15/018 to the Performance and Audit Scrutiny Committee: West Suffolk Strategic Risk Register Quarterly Monitoring Report – June 2015
- 2.1.3 Report PAS/FH/15/019 to the Performance and Audit Scrutiny Committee: Work Programme Update
- 2.1.4 Report PAS/FH/15/020 to the Performance and Audit Scrutiny Committee: Financial Performance Report (Revenue and Capital) Quarter 1 (April – June 2015)