

Public Document Pack

NORTH HERTFORDSHIRE DISTRICT COUNCIL

CABINET

TUESDAY, 13TH DECEMBER, 2022

SUPPLEMENTARY DOCUMENTS

Please find attached supplementary papers relating to the above meeting, as follows:

Agenda No Item

6. **ITEMS REFERRED FROM OTHER COMMITTEES (Pages 3 - 24)**

Referrals from Overview and Scrutiny Committee meeting on 6 December 2022 and Finance, Audit and Risk Committee meeting on 7 December 2022, including:

6A – Climate Change Strategy 2022-27

6B – Equality, Diversity and Inclusion Strategy 2022-27

6C – North Herts Museum Strategy 2022-2026

6D – Quarterly Update on the Council Delivery Plan

6E – Draft Budget 2023/24

6F – Second Quarter Investment Strategy (Capital and Treasury) 2022/23

6G – Half Yearly Update on Risk Management

6H – Second Quarter Revenue Budget Monitoring 2022/23

6I – Council Tax Reduction Scheme 2023-2024

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6a REFERRAL FROM OVERVIEW AND SCRUTINY COMMITTEE: 6 DECEMBER 2022 – CLIMATE CHANGE STRATEGY 2022-2027

RECOMMENDED TO CABINET:

- (1) That Cabinet adopt the following documents, taking into consideration the additional actions proposed under each priority area:
 - Appendix 1 Climate Change Strategy 2022-2027
 - Appendix A Proposed Actions
 - Appendix B Achievements
- (2) That Cabinet reflects the Climate Change Strategy for contracted services when considering the revision of the Procurement Policy.

REASON FOR RECOMMENDATIONS: In 2019, the Council passed a motion to declare a Climate Emergency. In this motion the Council pledged their commitment to do everything within their power to become carbon neutral by 2030. This iteration of the Strategy has been revised to reflect the latest legislation, research, and best practice; and includes additional proposed actions under each priority area to respond to gaps we have identified. Appendix B Achievements lays out progress against each action.

Councillor Steve Jarvis presented the report entitled 'Climate Change Strategy 2022-2027' and advised of the following:

- This was an update to the previously adopted Climate Change Strategy and was updated to reflect changes, nationally and locally, that had occurred.
- There were mitigation and adaption proposals included and some of these would be taken alongside partners, such as the Herts Climate Change and Sustainability Partnership (HCCSP).
- Objectives of the strategy, such as achieving carbon neutral Council by 2030, creating Council operations that are resilient to Climate Change, achieving a net zero district by 2040 and creating resilience across the district, remain unchanged.
- The principle areas of action, taking action on the emissions of the Council, enabling emissions savings in the community and inspiring the community to reduce emissions, also remain unchanged.
- A lot of work had been done to understand what the emissions of the Council were and what could be done to offset these. It was clear from this that it would require a combination of tree planting and renewable energy generation, but there was still work to be done to understand how the required level of offsetting could be met.
- There were proposals to move away from requiring new vehicles to be Ultra-Low Emission Vehicles, to be required to be zero emissions from 2025, where possible.
- Progress to date had been provided in the report.

The following Members asked questions:

- Councillor David Levett
- Councillor Claire Strong
- Councillor Tony Hunter
- Councillor Adam Compton

In response to questions, Cllr Jarvis advised:

- There had been a lot of work to estimate the emissions of the Council and it was around the level to be expected.
- One issue with comparisons is that various authorities have approached this in different ways. Scope 1 and 2 emissions have to be included, these are the direct emissions of the Council and the indirect emissions respectively, but some, including North Herts, have included Scope 3 emissions, which regard the emissions of staff.
- There was also an appreciation that the emissions of contractors employed to run services should be included.
- There had been a number of considerations on working from home and the effect of this would depend on the nature of the job and the personal circumstances of the employee. There may be instances where emissions could be reduced by working in an office, but this would not always be the case.
- Instilling behavioural changes was the most difficult part of the Strategy, but it was also the most rewarding if done correctly. As the Council amounted for less than 1% of the district emissions, there was a need to bring the communities with it.
- Some members of the public had reported an interest in solar panels following the Council's bulk buy scheme, despite not formally signing up to the scheme at the time, which demonstrated the community leadership of the Council.
- Changing behaviour is complex and needs to be carried out in various ways. North Herts had the Cabinet Panel on Environment to involve those already engaged and was set to attend an event a year in each of the towns in the district to promote Council actions and support. Engagement with schools had not yet been possible due to issues accessing schools during the pandemic.
- One of the five themes of the HSSCP is on behavioural change and it was important that the Council worked with community groups and partners across the district on this aspect.
- The emissions of contractors providing Council services, such as John O'Connor and Urbaser, have been included in the Scope 1 and 2 emissions of the Council, due to the nature of these relationships. The Scope 3 emissions of contractors was not currently being monitored.
- The leisure centres in the district were included within the Scope 1 and 2 emissions of the Council. The figure could be reduced by 60% if the leisure centre emissions were removed from the calculations.
- There was the possibility that the review of the procurement process could take into account the policies in the Strategy.
- Some suppliers are custom built services for the Council and it was deemed appropriate to include these, others are "off the shelf" or occasional services and it was felt that there was no need to put a disproportionate response into contractors which represent a small amount of emissions.
- The emissions of big or industrial businesses in the district was better for the LEP to deal with, and the LEP represented on the HCCSP.
- There was a scheme run by West Suffolk Council in which the Council would install solar panels on the roofs of industrial buildings and then sells the energy produced back to the companies, which is being explored by the Enterprise team at North Herts.

In response to questions the Policy Officer advised that the LGA had started to look at the relationship between working from home and emissions, but at this stage it remained in the early stages and was dependents on a lot of factors. The impression at the moment was that there was a benefit with regard to emissions for those who work in the office and live within 20 minutes commute.

Councillor Phil Weeder proposed and Councillor Adam Compton seconded and, following a vote, it was:

RECOMMENDED TO CABINET:

- (1) That Cabinet adopt the following documents, taking into consideration the additional actions proposed under each priority area:
- Appendix 1 Climate Change Strategy 2022-2027
 - Appendix A Proposed Actions
 - Appendix B Achievements
- (2) That Cabinet reflects the Climate Change Strategy for contracted services when considering the revision of the Procurement Policy.

REASON FOR RECOMMENDATIONS: In 2019, the Council passed a motion to declare a Climate Emergency. In this motion the Council pledged their commitment to do everything within their power to become carbon neutral by 2030. This iteration of the Strategy has been revised to reflect the latest legislation, research, and best practice; and includes additional proposed actions under each priority area to respond to gaps we have identified. Appendix B Achievements lays out progress against each action.

The reports and papers associated with this item can be viewed here: [Agenda for Overview and Scrutiny Committee on Tuesday, 6th December, 2022, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)

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**6b REFERRAL FROM OVERVIEW AND SCRUTINY COMMITTEE: 6 DECEMBER 2022
– EQUALITY, DIVERSITY AND INCLUSION STRATEGY 2022-2027**

RECOMMEND TO CABINET: That Cabinet:

- (1) Approve the Council's Equality, Diversity and Inclusion Strategy 2022-2027 as attached at Appendix 1, subject to the amendment regarding the explanation of the term 'people of colour' and 'BME/BAME' in the Glossary and that the Glossary remains a live document which can be amended as required.
- (2) Approve the Equality objectives as set out below:
 1. Work with young people through youth engagement to make it easier for them to have their voices heard in local decision-making and democracy.
 2. Improve our engagement with marginalised, seldom heard, and new communities to make it easier for them to participate in local decision-making and democracy, and to have their views and experiences heard by the council.
 3. Improve our understanding of broader EDI issues and their impacts, such as neurodiversity and economic disadvantage; as well as the intersections between inequalities, using our Inclusion Group as a channel.
 4. Achieve consistency in measuring the likely equality impacts of our emerging policies and services.

REASON FOR RECOMMENDATIONS: The previous Corporate Equality Strategy (2017) was revised to ensure consistency with the latest public sector equality legislation and obligations. The refresh of the Strategy reflects the Council's ongoing commitment to fulfil our legal obligations as set out in the Equality Act and to set out the new equality objectives.

The Policy Officer presented the report entitled 'Equality, Diversity and Inclusion Strategy 2022-2027' and advised of the following:

- This was to replace the previous strategy adopted in 2017, which focussed on Equality, but not Diversity or Inclusion.
- The document sets out the legal duties on the Council, as well as the Equality, Diversity and Inclusion policies outside of the legal requirements.
- There were four objectives to approve; two relating to residents and communities, one relating to the Council as an employer and one regarding the consistency of measuring impacts.

The following Members asked questions:

- Councillor Claire Strong
- Councillor Adam Compton
- Councillor Raj Bhakar

The Chair noted that the term 'unconscious bias' was not included within the Glossary, despite being a frequently used term.

In response to questions the Policy Officer advised:

- The term 'people of colour' used in the Glossary under the BME/BAME glossary item should have been in quotation marks. It currently reads as though this is a term being used, but rather this should be a term whose usage is being referred to. It should be included within quotation marks to identify this as such. An explanation could be extended to highlight negative connotations with the term and that it is not universally accepted.
- The Glossary could be added to or changed if new terms become appropriate.
- There should be a definition of the term 'people of colour' included and this should detail that some people, as with the term 'BME or BAME', find the use of this term objectionable or offensive.

Councillor Alistair Willoughby proposed and Councillor Claire Strong seconded and, following a vote, it was:

RECOMMEND TO CABINET: That Cabinet:

(1) Approve the Council's Equality, Diversity and Inclusion Strategy 2022-2027 as attached at Appendix 1, subject to the amendment regarding the explanation of the term 'people of colour' and 'BME/BAME' in the Glossary and that the Glossary remains a live document which can be amended as required.

(2) Approve the Equality objectives as set out below:

1. Work with young people through youth engagement to make it easier for them to have their voices heard in local decision-making and democracy.
2. Improve our engagement with marginalised, seldom heard, and new communities to make it easier for them to participate in local decision-making and democracy, and to have their views and experiences heard by the council.
3. Improve our understanding of broader EDI issues and their impacts, such as neurodiversity and economic disadvantage; as well as the intersections between inequalities, using our Inclusion Group as a channel.
4. Achieve consistency in measuring the likely equality impacts of our emerging policies and services.

REASON FOR RECOMMENDATIONS: The previous Corporate Equality Strategy (2017) was revised to ensure consistency with the latest public sector equality legislation and obligations. The refresh of the Strategy reflects the Council's ongoing commitment to fulfil our legal obligations as set out in the Equality Act and to set out the new equality objectives.

The reports and papers associated with this item can be viewed here: [Agenda for Overview and Scrutiny Committee on Tuesday, 6th December, 2022, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)

**6c REFERRAL FROM OVERVIEW AND SCRUTINY COMMITTEE: 6 DECEMBER 2022
– NORTH HERTS MUSEUM STRATEGY 2022-2026**

RECOMMENDED TO CABINET:

- (1) That the current draft of the Museum Strategy 2022 – 2026 be approved.
- (2) That Cabinet adopt the strategy for the years 2022 – 2026.

REASON FOR RECOMMENDATION: The previous Arts, Museums and Heritage Strategy expired some years ago and a new strategy will guide the ambitions of the museum service in the years ahead.

Councillor Keith Hoskins presented the report entitled 'North Herts Museum Strategy 2022-2026' and advised that this was an update to the previous adopted strategy and that the detailed expectations were included in a succinct way within the report.

The Chair noted that there was a good response to the consultation questionnaires which supported the production of this report.

Councillor David Levett, as Chair, proposed and Councillor Claire Strong seconded and, following a vote, it was:

RECOMMENDED TO CABINET:

- (1) That the current draft of the Museum Strategy 2022 – 2026 be approved.
- (2) That Cabinet adopt the strategy for the years 2022 – 2026.

REASON FOR RECOMMENDATION: The previous Arts, Museums and Heritage Strategy expired some years ago and a new strategy will guide the ambitions of the museum service in the years ahead.

The reports and papers associated with this item can be viewed here: [Agenda for Overview and Scrutiny Committee on Tuesday, 6th December, 2022, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)

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**6a REFERRAL FROM OVERVIEW AND SCRUTINY COMMITTEE: 6 DECEMBER 2022
– QUARTERLY UPDATE ON THE COUNCIL DELIVERY PLAN**

RESOLVED:

- (1) That Overview and Scrutiny Committee commented on the Council Delivery Plan Quarter 2 monitoring report.
- (2) That Overview and Scrutiny Committee determined any project that they want to receive more detail on as part of the next monitoring report.

RECOMMENDED TO CABINET:

- (1) That Cabinet notes the progress against Council projects as set out in the Council Delivery Plan (Appendix A) including changes to milestone dates and risks.
- (2) That Cabinet notes the completion of the Local Plan milestones for this year.

REASONS FOR DECISIONS AND REFERRALS: The Council Delivery Plan (CDP) monitoring reports provide Cabinet with an opportunity to monitor progress against the key Council projects, and understand any new issues, risks or opportunities.

The Controls, Risk and Performance Manager presented the report entitled 'Quarterly Update on the Council Delivery Plan' and advised of the following:

- This remained a live document with different projects included throughout the year and risks would change as projects progressed. It was to a high-level overview of projects, but further details could be provided on any particular project, if requested by Members.
- There were 30 projects included on Appendix A, with three as a red indicator and one amber, and also some proposed changes to milestone dates on projects.
- The Museum Hitchin Town Hall Recovery project was currently red, but it was expected that visitor numbers over the Christmas period would bring this back on track.
- The Cycling Network project currently had some missed milestones on this project, but this is reliant on Herts County Council (HCC) timelines and it was proposed to change the milestones in line with HCC.
- The EV Charging for Council Vehicles project had been delivered, but the PI was currently red as the target was based on a full year usage and the charging stations were only installed in August 2022. It was also noted that the full range of vehicles had not yet been upgraded to EV.
- The project to help residents make payments at convenient locations was mostly delivered, with some ongoing communications to residents, but the PI was red due mainly to late payment of one particular customer. This debt has now been cleared. It was expected to take a while for the effect of the project to filter through to the PI for electronic payments.
- The Local Plan had been adopted and the milestones for 2022/23 had been completed, with further milestones to be included for 2023/24. The risk level remains high on this as it is still within the 6-week period for judicial review, following this period the risk level will be reviewed and dropped.
- The project on the Shared Waste Contract was on track, but there was an amber indicator for recycling rates, this was due to the impact on the amount of garden waste collected during the dry period over summer.

- All details are available for Members to access on Pentana, with details on how to access the available on the Intranet.

The following Members asked questions:

- Councillor David Levett
- Councillor Claire Strong

In response to questions, the Controls, Risk and Performance Manager noted:

- Once the 6-week judicial review period for the Local Plan was completed the Service Area would review the item and remove risks which were no longer valid. Different risks would evolve as implementation of the plan progresses and will be presented in the report.
- They were unaware of where the Shared Prosperity Fund submission was located but could provide this for Members following the meeting.

Councillor Levett noted that the report was now achieving the aims set out by the Overview and Scrutiny Committee.

Councillor Alistair Willoughby proposed and Councillor Nigel Mason seconded and, following a vote, it was:

RESOLVED:

- (1) That Overview and Scrutiny Committee commented on the Council Delivery Plan Quarter 2 monitoring report.
- (2) That Overview and Scrutiny Committee determined any project that they want to receive more detail on as part of the next monitoring report.

RECOMMENDED TO CABINET:

- (1) That Cabinet notes the progress against Council projects as set out in the Council Delivery Plan (Appendix A) including changes to milestone dates and risks.
- (2) That Cabinet notes the completion of the Local Plan milestones for this year.

REASONS FOR DECISIONS AND REFERRALS: The Council Delivery Plan (CDP) monitoring reports provide Cabinet with an opportunity to monitor progress against the key Council projects, and understand any new issues, risks or opportunities.

The reports and papers associated with this item can be viewed here: [Agenda for Overview and Scrutiny Committee on Tuesday, 6th December, 2022, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)

**6e REFERRAL FROM FINANCE, AUDIT AND RISK COMMITTEE: 07 DECEMBER 2022
– DRAFT BUDGET 2023/24**

RECOMMENDED TO CABINET: That Cabinet:

(1) Note the latest funding forecasts for 2023/24 onwards and the significant uncertainty that still remains;

(2) Confirms that it is necessary to increase Council Tax by 3% (the maximum amount now allowed without a local referendum) as this is what will be assumed by Government in determining the Business Rates that the Council can retain;

(3) Confirms that the Council should be a part of the Business Rate pool in 2023/24, but delegated to the Service Director: Resources, in consultation with the Executive Member for Finance and IT, authority to withdraw from the pooling arrangement if there are significant changes that would make it likely that the Council would suffer a financial loss from pooling;

(4) Notes the comments made at the budget workshops, and comment on the inclusion of the revenue savings and investments in the budget to be brought back for consideration in January, for referral on to Council in February;

(5) Notes the comments made at the budget workshops, and comment on the inclusion of the capital investments in the Investment Strategy to be brought back for consideration in January, for referral on to Council in February.

REASON FOR DECISIONS: To ensure that all relevant factors are considered in arriving at a proposed budget, Investment Strategy and Council Tax level for 2023/24, to be considered by Full Council on 23 February 2022.

Audio Recording: 1 hour 20 minutes 35 seconds

The Service Director – Resources presented the report entitled Draft Budget 2023/24 and highlighted the following points:

- The Medium Term Financial Strategy was approved at Full Council in September, which included a number of assumed budget estimates; these have since been updated as better information has become available.
- The revenue savings and investment proposals, and new capital schemes, go to the confidential Councillor budget workshop at the beginning of November. This report contains the results of those workshops as well as any budget funding updates;
- No recommendations came from either the Joint Administration and Opposition workshops;
- The total value of the revenue proposals does exceed the savings target that was set in the Medium Term Financial Strategy;
- Councils are being given increased flexibility to increase Council Tax up to 3%;
- 3% gives the Council more income should Council Tax be increased; there will be an assumption by the Government that the Council Tax will be increased to 3% in determining future funding;
- The table in paragraph 8.4 shows the financial impact of increasing Council Tax;

- The Local Government Draft Settlement will be announced on Thursday the 22 December 2022; told there was likely to be a interim announcement between the Autumn Statement and Draft Settlement but nothing has happened yet.

Councillor Terry Tyler proposed and Councillor Chris Hinchliff seconded and, following a vote it was:

RECOMMENDED TO CABINET: That Cabinet:

(1) Note the latest funding forecasts for 2023/24 onwards and the significant uncertainty that still remains;

(2) Confirms that it is necessary to increase Council Tax by 3% (the maximum amount now allowed without a local referendum) as this is what will be assumed by Government in determining the Business Rates that the Council can retain;

(3) Confirms that the Council should be a part of the Business Rate pool in 2023/24, but delegated to the Service Director: Resources, in consultation with the Executive Member for Finance and IT, authority to withdraw from the pooling arrangement if there are significant changes that would make it likely that the Council would suffer a financial loss from pooling;

(4) Notes the comments made at the budget workshops, and comment on the inclusion of the revenue savings and investments in the budget to be brought back for consideration in January, for referral on to Council in February;

(5) Notes the comments made at the budget workshops, and comment on the inclusion of the capital investments in the Investment Strategy to be brought back for consideration in January, for feral on to Council in February.

REASON FOR DECISIONS: To ensure that all relevant factors are considered in arriving at a proposed budget, Investment Strategy and Council Tax level for 2023/24, to be considered by Full Council on 23 February 2022.

The reports and papers associated with this item can be viewed here: [Agenda for Finance, Audit and Risk Committee on Wednesday, 7th December, 2022, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)

**6f REFERRAL FROM FINANCE, AUDIT AND RISK COMMITTEE: 07 DECEMBER 2022
– SECOND QUARTER INVESTMENT STRATEGY (CAPITAL AND TREASURY)
2022/23**

RECOMMENDED TO CABINET: That Cabinet:

(1) Note the forecast expenditure of £9.815M in 2022/23 on the capital programme, paragraph 8.3 refers.

(2) Approves the adjustments to the capital programme for 2022/23 onwards, as a result of the revised timetable of schemes detailed in table 2 and 3, increasing the estimated spend in 2023/24 by £0.861M and £2.0M in 2024/25

(3) Notes the position of the availability of capital resources, as detailed in table 4 paragraph 8.6 and the requirement to keep the capital programme under review for affordability.

(4) Recommends to Council that it notes the position of Treasury Management activity as at the end of September 2022.

REASONS FOR DECISION:

(1) Cabinet is required to approve adjustments to the capital programme and ensure the capital programme is fully funded.

(2) To ensure the Council's continued compliance with CIPFA's code of practice on Treasury Management and the Local Government Act 2003 and that the Council manages its exposure to interest and capital risk.

Audio Recording: 1 hour 16 minutes 40 seconds

The Service Director – Resources presented the report entitled Second Quarter Investment Strategy (Capital and Treasury) Review 2022/23 and highlighted the following points:

- 8.4 Table 2 details the proposals around Capital Schemes that will be delayed in to 2023/24 and onwards;
- 8.5 Table 3 focuses on changes to the overall costs of schemes in 2022/23. The Environmental Improvements to Leisure Centres have seen a large increase in costs affecting the viability of some of those measures;
- Due to the slippage of that capital there is more money to invest; interest rates are also increasing, which is demonstrated in the Treasury position on paragraph 8.9 onwards;
- 8.12 & 8.13 detail where the Council is investing its surplus cash. Some banks and building societies that are paying higher rates on average than the Debt Management Office (Government) so tending to use those up to the Investment Strategy limits, then using DMO.

Councillor Phil Weeder proposed and Councillor Chris Hinchliff seconded and, following a vote it was:

RECOMMENDED TO CABINET: That Cabinet:

(1) Note the forecast expenditure of £9.815M in 2022/23 on the capital programme, paragraph 8.3 refers.

(2) Approves the adjustments to the capital programme for 2022/23 onwards, as a result of the revised timetable of schemes detailed in table 2 and 3, increasing the estimated spend in 2023/24 by £0.861M and £2.0M in 2024/25

(3) Notes the position of the availability of capital resources, as detailed in table 4 paragraph 8.6 and the requirement to keep the capital programme under review for affordability.

(4) Recommends to Council that it notes the position of Treasury Management activity as at the end of September 2022.

REASONS FOR DECISION:

(1) Cabinet is required to approve adjustments to the capital programme and ensure the capital programme is fully funded.

(2) To ensure the Council's continued compliance with CIPFA's code of practice on Treasury Management and the Local Government Act 2003 and that the Council manages its exposure to interest and capital risk.

The reports and papers associated with this item can be viewed here: [Agenda for Finance, Audit and Risk Committee on Wednesday, 7th December, 2022, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)

**6G REFERRAL FROM FINANCE, AUDIT AND RISK COMMITTEE: 07 DECEMBER 2022
– HALF YEARLY UPDATE ON RISK MANAGEMENT**

RESOLVED: That the Committee:

- (1) Notes and provides recommendations to Cabinet on the Half Yearly Risk Management update;
- (2) Notes and provides recommendations to Cabinet on the review of the Risk Management Framework;
- (3) Comments on the type of Risk Management Training they would like to see going forward.

REASON FOR DECISIONS:

- (1) The responsibility for ensuring the management of risks is that of Cabinet;
- (2) This Committee has responsibility to monitor the effective development and operation of Risk Management.

Audio Recording: 1 hr 10 seconds

The Service Director – Resources presented the report entitled Half Yearly Update on Risk Management and highlighted the following points:

- Previously the Committee received quarterly reports on risk, looking at detailed risk proposals. As that has been integrated in the Council Delivery Plan, which is being considered by Overview & Scrutiny, the Finance Audit and Risk Committee can stop looking at regular risk reviews;
- 8.2.2 highlights that all Councillors have access to Pentana, which is a Risk Management Software, giving full details of all the Council's risks;
- Table 1 shows how risks are moving; due to changing circumstances or actions to mitigate them. The table provides a summary of whether risks are moving or if they are not moving. Over time there should be change in risks;
- 8.2.3 notes that Risk Reviews are taking place.

The following Members asked questions:

- Councillor Terry Tyler
- Councillor George Davies
- Councillor Chris Hinchliff

In response to questions the Service Director – Resources advised:

- The Service Director – Resources will investigate why the Empty Homes Strategy Risk have a target to decrease its likelihood but increase its impact;
- This is intended to be a regular report twice a year; there is a Quarterly Risk Management Group during the day where members of FAR and O&S are welcome;
- Information on Pentana will be sent to Members of the committee;
- The Local Plan is still in the challenge period, until that period has elapsed the risk will remain high. It will then be reviewed.

Councillor Terry Tyler proposed and Councillor Phil Weeder seconded and, following a vote it was:

RESOLVED: That the Committee:

- (1) Notes and provides recommendations to Cabinet on the Half Yearly Risk Management update;
- (2) Notes and provides recommendations to Cabinet on the review of the Risk Management Framework;
- (3) Comments on the type of Risk Management Training they would like to see going forward.

REASON FOR DECISIONS:

- (1) The responsibility for ensuring the management of risks is that of Cabinet;
- (2) This Committee has responsibility to monitor the effective development and operation of Risk Management.

The reports and papers associated with this item can be viewed here: [Agenda for Finance, Audit and Risk Committee on Wednesday, 7th December, 2022, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)

**6h REFERRAL FROM FINANCE, AUDIT AND RISK COMMITTEE: 07 DECEMBER 2022
– SECOND QUARTER REVENUE BUDGET MONITORING 2022/23**

RECOMMENDED TO CABINET: That Cabinet:

(1) Note this report;

(2) Approves the changes to the 2022/23 General Fund budget, as identified in table 3 and paragraph 8.2, a £270k decrease in net expenditure;

(3) Notes the changes to the 2023/24 General Fund budget, as identified in table 3 and paragraph 8.2, a total of £69k increase in net expenditure. These will be incorporated in the draft revenue budget for 2023/24.

REASONS FOR DECISIONS: Members are able to monitor, make adjustments within the overall budgetary framework and request appropriate action of Services who do not meet the budget targets set as part of the Corporate Business Planning process.

Audio Recording: 1 hour 9 minutes

The Service Director – Resources presented the report entitled Second Quarter Revenue Budget Monitoring 2022/23 and highlighted the following points:

- Table 3 details the significant variances of budget areas, the main one being Treasury Investment Interest Income;
- Leisure Centre Management Fee is another significant variance; SLL Leisure use has continued to recover; overall income is doing well;
- Planning Income another significant variance; less planning and housebuilding believed to be due to a general economic slowdown;
- Despite not being a significant change page 251 highlights the income from the North Herts Lottery (as requested at the last meeting);
- Tables 4 & 5 cover main income streams; Table 4 compares to the original budget and are given a status of red, amber or green based on forecast achievement levels; Table 5 provides supporting information on the financial position;
- After the publication of this report there were an additional 4 debts in relation to Housing Benefit which required a write-off of more than £10,000; these have been referred to Cabinet for approval.

Councillor Terry Tyler proposed and Councillor Phil Weeder seconded and, following a vote it was:

RECOMMENDED TO CABINET: That Cabinet:

(1) Note this report;

(2) Approves the changes to the 2022/23 General Fund budget, as identified in table 3 and paragraph 8.2, a £270k decrease in net expenditure;

(3) Notes the changes to the 2023/24 General Fund budget, as identified in table 3 and paragraph 8.2, a total of £69k increase in net expenditure. These will be incorporated in the draft revenue budget for 2023/24.

REASONS FOR DECISIONS: Members are able to monitor, make adjustments within the overall budgetary framework and request appropriate action of Services who do not meet the budget targets set as part of the Corporate Business Planning process.

The reports and papers associated with this item can be viewed here: [Agenda for Finance, Audit and Risk Committee on Wednesday, 7th December, 2022, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)

**6i REFERRAL FROM FINANCE, AUDIT AND RISK COMMITTEE: 7 DECEMBER 2022
– COUNCIL TAX REDUCTION SCHEME 2023/2024**

RECOMMENDED TO CABINET: To:

- (1) Note that a full review of the Council Tax Reduction Scheme has taken place and that consultation with the public and Major Precepting Authorities has taken place.
- (2) Note the aim of the review has been to introduce a new scheme that will:
 - enable us to increase the overall level of support for the lowest income households;
 - reduce the administrative burden placed on the Council following the introduction of Universal Credit;
 - make the scheme easier for our customers to understand and calculate entitlement.
- (3) Recommend to Council that a new banded scheme for working age applicants is adopted from 01 April 2023.
- (4) Recommend to Council the use of the Council Tax Hardship Grant to fund a discretionary scheme to provide additional transitional support where appropriate and that decisions regarding Discretionary support are delegated to the Service Director Customers in consultation with the Executive Member for Finance and IT.
- (5) Note that the new scheme may increase the costs from those of the current scheme, any increase will be split between the Council and its Major Precepting Authorities. The Council's share is expected to be around 12.5%.

REASON FOR DECISIONS: To ensure that the Council has a fit for purpose Council Tax Reduction Scheme that:

- Provides the greatest support to the lowest income households;
- Reduces the administrative burden that has been placed on the Council since the introduction of Universal Credit (UC);
- Is simple to understand, meaning that customers will be able to calculate entitlement and assess the impact of potential changes in circumstances.

Audio Recording 37 minutes 15 seconds

The Executive Member for Finance & IT, Councillor Ian Albert presented the report entitled Council Tax Reduction Scheme 2023/24 and highlighted the following points:

- The Finance, Audit & Risk Committee had received an update on the proposed reduction scheme in September 2022; this was just before the consultation stage started;
- One of the key projects in the delivery plan was a full review of the reduction scheme, work has gone on throughout the year supported by a specialist consultant;
- One of the key aims of the scheme is to provide the greatest support to those who need it most; there will inevitably be people who do not benefit from these changes; they may see a reduction of their entitlement or end their entitlement all together;
- The review has led the Council to propose a banded scheme, which will enable key objectives to be met;

- Appendix A shows the percentages of increases and decreases; 81% will either receive an increase of entitlement or no change;
- Discretionary support will be provided to those who are experiencing exceptional hardship, these cases will be assessed on a case-by-case basis;
- Appendix B summarises the responses received during the consultation; the majority agree with the proposal to move to a banded scheme;
- The value of reduction ranges from very small amounts up to £29 a week;
- 372 people on an income of less than £100 a week will receive the maximum discount of 100%.

The following Members asked questions:

- Councillor Terry Tyler
 - Councillor Terry Hone
 - Councillor George Davies
 - John Cannon, FAR Independent Member
- In response to questions, the Executive Member for Finance & IT, the Benefits Manager and the Service Director - Customers respectively, advised:
 - The discretionary fund would be considered if a resident contacted the Council, or a more proactive approach could be taken where residents who are known to the Council are offered the scheme;
 - There has been a change in the way benefits are processed, the Council now receives information directly from the Department of Work & Pension through an 'Atlas file'. As we have access to that information directly a declaration of income from a resident is not required and the possibility of fraud is lower;
 - The consultation was promoted as widely as possible through partners, registered landlords, Citizens Advice and social media channels. The views of those currently on the Council Tax Reduction Scheme was seen as very important. A number of pensioners responded to the survey and expressed concern that they would be effected in the proposed changes. We cannot directly link the responses between those who answered yes to being on the reduction scheme and those against the proposed scheme changes but there may be some correlation.

In response to the question from John Cannon, FAR Independent Person, the Service Director – Customers advised that more information on the income brackets of those being effected by the reduction scheme would be circulated after the meeting.

Councillor Phil Weeder proposed and Councillor Chris Hinchliff seconded and, following a vote it was:

RECOMMENDED TO CABINET: To:

- (1) Note that a full review of the Council Tax Reduction Scheme has taken place and that consultation with the public and Major Precepting Authorities has taken place.
- (2) Note the aim of the review has been to introduce a new scheme that will:
 - enable us to increase the overall level of support for the lowest income households;
 - reduce the administrative burden placed on the Council following the introduction of Universal Credit;
 - make the scheme easier for our customers to understand and calculate entitlement.

- (3) Recommend to Council that a new banded scheme for working age applicants is adopted from 01 April 2023.
- (4) Recommend to Council the use of the Council Tax Hardship Grant to fund a discretionary scheme to provide additional transitional support where appropriate and that decisions regarding Discretionary support are delegated to the Service Director Customers in consultation with the Executive Member for Finance and IT.
- (5) Note that the new scheme may increase the costs from those of the current scheme, any increase will be split between the Council and its Major Precepting Authorities. The Council's share is expected to be around 12.5%.

REASON FOR DECISIONS: To ensure that the Council has a fit for purpose Council Tax Reduction Scheme that:

- Provides the greatest support to the lowest income households;
- Reduces the administrative burden that has been placed on the Council since the introduction of Universal Credit (UC);
- Is simple to understand, meaning that customers will be able to calculate entitlement and assess the impact of potential changes in circumstances.

The reports and papers associated with this item can be viewed here: [Agenda for Finance, Audit and Risk Committee on Wednesday, 7th December, 2022, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](#)

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