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NORTH HERTFORDSHIRE DISTRICT COUNCIL

CABINET

TUESDAY, 30TH JULY, 2019

SUPPLEMENTARY AGENDA

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

Agenda No	Item
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7.	<u>ITEMS REFERRED FROM OTHER COMMITTEES</u> (Pages 3 - 10)
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Any Items referred from other committees will be circulated as soon as they are available.

Referrals 7c, 7d, 7e and 7f are attached.

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***PART 1 – PUBLIC DOCUMENT**

ITEM 7c

TITLE OF REPORT: ITEM REFERRED FROM FINANCE, AUDIT AND RISK COMMITTEE: 29 JULY 2019 – RISK AND OPPORTUNITIES MANAGEMENT UPDATE

The Service Director-Resources presented the report entitled Risk and Opportunities Management Update together with the following appendices:

- Appendix A - New Risk Anti Social Behaviour;
- Appendix B - Annual Report on Risk Management 2018-19.

The Risk Management Group would hold its next meeting on 8 August 2019 and Members of this Committee were welcome to attend. This Group discussed a number of issues and reviewed at least one corporate risk per meeting.

He explained that it was for the Committee to consider suggested changes to the risks

A new risk was being brought to the attention of the Committee, being the Impact of Anti-Social Behaviour on Council Facilities. This was being presented as a Service Risk, although the Committee could change this.

This did not relate to Anti Social Behaviour in general, but to the effect on Council properties.

Appendix B of the report was the Annual Report on Risk Management that would be considered by Cabinet and Council.

The following Members asked question and entered in the debate:

- Councillor Sam North;
- Councillor Kate Aspinwall
- Councillor Steve Jarvis;
- Councillor Michael Weeks.

Members felt that the Anti-Social Behaviour risk should be a Corporate Risk. The Council needed to consider the likelihood of the impact and threats associated with this risk. This had already had an effect on the ability to keep car parks open and public toilets had been vandalised and had to be closed resulting in a cost to the Council.

Members noted that, in Letchworth, although the rates of crime had dropped, anti-social behaviour had dramatically increased in the Town Centre. This may result in the Council having to provide more services such as CCTV and lighting.

Members also noted that this was not only regarding financial risk, but also reputational risk and the ability to provide services.

The Service Director-Resources advised that CCTV had been discussed in relation to the multi store car parks, however it would be difficult to place cameras in a place that they would not also be damaged.

The Chairman asked the Committee to consider a new risk regarding Climate Emergency and the impact that mitigation would have on the Council. Placing this item on the Risk Matrix would ensure more scrutiny. It was suggested that this risk should be related to the Council's implementation of the Climate Change Strategy.

The Service Director- Resources advised that this would be referred to the Risk Management Group and, following consideration by that Group, would be referred back to this Committee.

Members asked for the link to the Council's Risk Management System, Pertana, be circulated to all Members and substitutes of the Committee.

RESOLVED:

- (1) That the Service Director – Resources be requested to refer an update to the existing Climate Change risk to the Risk Management Group;
- (2) That the Workforce Planning Risk retain its current Risk score of 5.
- (3) That the Service Director – Resources be requested to circulate the link to the Council's Risk Management System, Pertana, to all Members and Substitutes of this Committee.

RECOMMENDED TO CABINET:

- (1) That the risk entitled Impact of Anti-Social Behaviour on Council Properties be adopted as a Corporate Risk;
- (2) That the Annual Report on Risk and Opportunities be noted and referred to Full Council for consideration.

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 and opportunities management.

***PART 1 – PUBLIC DOCUMENT**

ITEM 7d

TITLE OF REPORT: ITEM REFERRED FROM FINANCE, AUDIT AND RISK COMMITTEE: 29 JULY 2019 – FIRST QUARTER REVENUE BUDGET MONITORING 2019/20

The Accountancy Manager presented the report entitled First Quarter Revenue Budget Monitoring 2019/20.

The following Members took part in the debate:

- Councillor Kate Aspinwall:
- Councillor Michael Weeks.

RECOMMENDED TO CABINET:

- (1) That Cabinet note this report;
- (2) That Cabinet approves the changes to the 2019/20 General Fund budget, as identified in table 3 and paragraph 8.2, a £239k decrease in net expenditure;
- (3) That Cabinet notes the changes to the 2020/21 General Fund budget, as identified in table 3 and paragraph 8.2, a £130k decrease in net expenditure. These will be incorporated in the draft revenue budget for 2020/21.

REASON FOR DECISIONS: To enable the Finance, Audit and Risk Committee to consider the report entitled First Quarter Revenue Budget Monitoring 2019/20 prior to consideration by Cabinet.

(To be considered with Item 11)

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***PART 1 – PUBLIC DOCUMENT**

ITEM 7e

TITLE OF REPORT: ITEM REFERRED FROM FINANCE, AUDIT AND RISK COMMITTEE: 29 JULY 2019 – FIRST QUARTER INVESTMENT STRATEGY (CAPITAL AND TREASURY) REVIEW 2019/20

The Service Director – Resources presented the report entitled First Quarter Investment Strategy (Capital and Treasury) Review together with the following appendices:

- Appendix A - Capital Assets as at 31 March 2019;
- Appendix B - Capital Programme Detail including Funding 2018/19 onwards;
- Appendix C - Treasury Management Update.

The following Members asked questions and took part in the debate:

- Councillor Sam North;
- Councillor Michael Weeks.

In response to a question about the riskiness of investing in other Councils, the Service Director – Resources advised that all Councils had the ability to raise Council Tax and were subject to strict controls. Most trading and commercial ventures were done through companies, which gave some protection to the Council.

In response to a further question he advised that most investments were managed in-house, although fund management was used for approximately 25 percent of investments. These were used where the rate obtained (after fees) was better than could be obtained in-house.

RESOLVED: That the report entitled First Quarter Investment Strategy (Capital and Treasury) Review be noted.

RECOMMENDED TO CABINET:

- (1) That Cabinet notes the forecast expenditure of £7.822million in 2019/20 on the capital programme, paragraph 8.2 refers;
- (2) That Cabinet approves the adjustments to the capital programme for 2019/20 onwards as a result of the revised timetable of schemes detailed in table 2, increasing the estimated spend in 2020/21 by £1.408million;
- (3) That Cabinet notes the position of the availability of capital resources, as detailed in table 3 paragraph 8.6 and the requirement to keep the capital programme under review for affordability;
- (4) Cabinet is asked to note the position of Treasury Management activity as at the end of May 2019.

REASON FOR DECISIONS: To enable the Finance, Audit and Risk Committee to consider the report entitled First Quarter Investment Strategy (Capital and Treasury) Review prior to consideration by Cabinet.

(To be considered with Item 12)

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***PART 1 – PUBLIC DOCUMENT**

ITEM 7f

TITLE OF REPORT: ITEM REFERRED FROM FINANCE, AUDIT AND RISK COMMITTEE: 29 JULY 2019 – MEDIUM TERM FINANCIAL STRATEGY 2020-2025

The Service Director – Resources presented the report entitled Medium Term Financial Strategy 2020-25 together with the following appendix:

- Appendix A- Medium Term Financial Strategy 2020-25.

The following Members asked questions and took part in the debate:

- Councillor Kate Aspinwall;
- Councillor Steve Jarvis;
- Councillor Sam North;

Members queried how the Commercialisation Strategy interacted with the Medium Term Financial Strategy and asked what estimates had been made regarding growth.

The Service Director- Resources advised that he expected these would form part of detailed budget setting.

Members suggested that the MTFS should contain a comment that it did not take account of any potential impacts of Brexit.

In response to a question about how the MTFS reflected housing growth, the Service Director – Resources advised that currently there was an assumption of one percent growth in Council Tax Base.

RECOMMENDED TO CABINET:

- (1) That Cabinet ask the Service Director – Resources to update the MTFS to show that it did not take account of any potential impacts of Brexit;
- (2) That Cabinet recommends to Full Council the adoption of the Medium Term Financial Strategy 2020-25 as attached at Appendix A.

REASON FOR RECOMMENDATIONS: To enable the Finance, Audit and Risk Committee to consider the report entitled Medium Term Financial Strategy prior to consideration by Cabinet.

(To be considered with Item 10)

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