

NORTH HERTFORDSHIRE DISTRICT COUNCIL

DECISION SHEET

**Meeting of the Finance, Audit and Risk Committee held in the Council Chamber, Council Offices,
Gernon Road, Letchworth Garden City
on Monday, 29th July, 2019 at 7.30 pm**

1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Kay Tart.

Having give due notice Councillor Adem Ruggiero-Cakir advised that he would be substituting for Councillor Tart.

2 MINUTES - 3 JUNE 2019

RESOLVED: That the Minutes of the Meeting of the Committee held on 3 June 2019 be approved as a true record of the proceedings and be signed by the Chairman.

3 NOTIFICATION OF OTHER BUSINESS

There was no other business notified.

4 CHAIRMAN'S ANNOUNCEMENTS

- (1) The Chairman welcomed those present at the meeting, especially those who had attended to give a presentation;
- (2) The Chairman advised that, in accordance with Council Policy, the meeting would be audio recorded;
- (3) The Chairman drew attention to the item on the agenda front pages regarding Declarations of Interest and reminded Members that, in line with the Code of Conduct, any Declarations of Interest needed to be declared immediately prior to the item in question.

5 PUBLIC PARTICIPATION

There were no presentations by members of the public.

6 SHARED ANTI-FRAUD SERVICE REPORT

RESOLVED: That the report entitled Shared Anti-Fraud Service be noted.

REASON FOR DECISION: To enable the Finance, Audit and Risk Committee to review the following:

- The Councils work to combat fraud in 2018/19;
- The performance of SAFS in meeting its KPIs in 2018/19;
- The progress delivering the Councils 2019/20 Anti-Fraud Plan.

7 ANNUAL GOVERNANCE STATEMENT 2018

RESOLVED:

- (1) That the review of Finance Audit and Risk Committee that advised that it was compliant with CIPFA regulations be noted;
- (2) That the Annual Governance Statement for 2018/19 and the amended action plan, as attached to the report at Appendix A, be approved.

REASON FOR DECISIONS:

- (1) The AGS must be considered and approved by this Committee before the approval of the Statement of Accounts under Regulation 6(4)(a) of the Accounts and Audit Regulations ('AAR') 2015/234;
- (2) This Committee is the legal body with responsibility for approval of the AGS;
- (3) Reviewing the AGS Action Plan during 2019/20 will provide the Committee with assurances that NHDC is examining and where necessary improving its governance arrangements.

8 AUDIT FINDINGS REPORT FOR NHDC 2018/19

RESOLVED: That the report entitled Audit Findings for NHDC 2018/19 be noted.

REASON FOR DECISION: To enable the Finance, Audit and Risk Committee to consider the Audit Findings for NHDC 2018/19.

9 STATEMENT OF ACCOUNTS 2018/19

RESOLVED: That the 2018/19 Annual Statement of Accounts, as set out in Appendix A, be approved and signed by the Chairman.

Note: The Chairman signed the Accounts.

REASON FOR DECISION: To ensure that the Council abides by the Audit and Account Regulations 2015, which require the approval and publication of the Statement of Accounts by no later than the 31 July.

10 ANNUAL REPORT ON RISK MANAGEMENT 2018/2019

The Chairman advised that this agenda item and any reports had been amalgamated with Agenda Item 11.

11 RISK AND OPPORTUNITIES MANAGEMENT UPDATE

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.

12 FIRST QUARTER REVENUE BUDGET MONITORING 2019/20

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.

13 FIRST QUARTER INVESTMENT STRATEGY (Integrated and Treasury Monitoring) 2019/2020

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.

14 MEDIUM TERM FINANCIAL STRATEGY 2020-25

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.

15 FUTURE MEETINGS - POSSIBLE AGENDA ITEMS

The Chairman requested that should any Members have any suggestions for agenda items at future meetings would the please advise himself, officers or the Committee Clerk.