

NORTH HERTFORDSHIRE DISTRICT COUNCIL

DECISION SHEET

Meeting of the Finance, Audit and Risk Committee held as a Virtual Meeting
on Monday, 7th September, 2020 at 7.30 pm

1 WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to this virtual Finance, Audit and Risk Committee meeting that was being conducted with Members and Officers at various locations, communicating via audio/video and online and advised that there was the opportunity for the public and press to listen and view proceedings.

The Committee, Member and Scrutiny Officer gave advice regarding the following:

- Attendance;
- Virtual Meeting;
- Noise Interference;
- Rules of Debate;
- Voting.

2 APOLOGIES FOR ABSENCE

There were no apologies for absence received.

3 NOTIFICATION OF OTHER BUSINESS

There was no other business notified.

4 CHAIR'S ANNOUNCEMENTS

- (1) The Chair welcomed those present at the meeting;
- (2) The Chair advised that, in accordance with Council Policy, the meeting would be audio recorded and streamed on the Council's YouTube Channel;
- (3) The Chair 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; and
- (4) The Chair advised that a comfort break would be called if the meeting were to run past 9:00pm.

5 PUBLIC PARTICIPATION

There was no public participation.

6 SIAS - ANNUAL REPORT 2019/20

RESOLVED: That the report entitled SIAS – Annual Report 2019/20 be noted.

REASON FOR DECISION: To enable the Committee to consider the SIAS Annual Report 2019/20.

7 SIAS - AUDIT COMMITTEE PROGRESS REPORT

RESOLVED:

- (1) That the Internal Audit Progress Report for the period to 21 August 2020 be noted;
- (2) That the implementation of High Priority status recommendations be noted.

REASON FOR DECISIONS: To enable the Committee to consider the SIAS – Audit Committee Progress Report.

8 ANNUAL GOVERNANCE STATEMENT 2019/20

RESOLVED: That the amended AGS and Action plan be approved.

REASONS FOR DECISION:

- (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) The Committee is the legal body with responsibility for approval of the AGS;
- (3) Reviewing the AGS Action Plan during 2020-21 will provide the Committee with assurances that the Council is examining and where necessary improving its governance arrangements.

9 MEDIUM TERM FINANCIAL STRATEGY

That Cabinet recommend to Council:

- (1) The adoption of the Medium Term Financial Strategy 2021-26 as attached at Appendix A.

REASON FOR DECISION: Adoption of a MTFs and communication of its contents will assist in the process of forward planning the use of Council resources and in budget setting for 2021/2022 to 2025/2026, culminating in the setting of the Council Tax precept for 2020/21 in February 2021.

10 STATEMENT OF ACCOUNTS 2019/20

RESOLVED:

- (1) That the draft 2019/20 Annual Statement of Accounts, as set out in Appendix A, be approved based on the draft Audit Results report;
- (2) That subject to the final Audit Results report not requiring any substantial changes, the final approval of the 2019/20 Annual Statement of Accounts be delegated to the Chair of the Committee. This will include confirming that the Chair of the Committee can sign the Statement of Accounts to confirm that they have been approved by the Committee.

REASON FOR DECISIONS: To ensure that the Council abides by the Audit and Account Regulations 2015, which require the approval and publication of audited Statement of Accounts.

11 **DRAFT AUDIT RESULTS REPORT**

RESOLVED: That the Draft Audit Results Report be noted.

REASON FOR DECISION: To enable the Committee to consider the Draft Audit Results Report.

12 **RISK MANAGEMENT UPDATE**

RECOMMENDED TO CABINET:

- (1) That the Corporate Risk for the impact of Anti-Social Behaviour on Council Facilities be retained at a risk score of 7 instead of reduced to 5;
- (2) That the Novel Coronavirus (covid19) Corporate risk be retained at a risk score of 9 instead of reduced to 8;
- (3) That the New Corporate Risk, Covid19 – Leisure Management Contract, be proposed as a risk score of 8.
- (4) That the Route Optimisation of Collection Rounds Risk be archived.

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.

13 **FIRST QUARTER REVENUE MONITORING 2020/21**

RECOMMENDED TO CABINET:

- (1) That the report entitled First Quarter Revenue Monitoring 2020/21 be noted;
- (2) That the changes to the 2020/21 General Fund budget, as identified in table 3 and paragraph 8.2, a £1.468million increase in net expenditure, be approved;
- (3) That the changes to the 2021/22 General Fund budget, as identified in table 3 and paragraph 8.2, a total £186k increase in net expenditure, be noted. These will be incorporated in the draft revenue budget for 2021/22;
- (4) That the write-off of debtor invoices totalling £17,442.64 raised to Hitchin Markets Limited, as explained in paragraphs 8.3 and 8.4, be approved.

REASON 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.

14 FIRST QUARTER INVESTMENT STRATEGY (CAPITAL AND TREASURY) REVIEW 2020/21

RECOMMENDED TO CABINET:

- (1) That the forecast expenditure of £10.519million in 2020/21 on the capital programme, paragraph 8.3 refers, be noted;
- (2) That the adjustments to the capital programme for 2020/21 onwards as a result of the revised timetable of schemes detailed in table 2, increasing the estimated spend in 2021/22 by £0.296million, be approved;
- (3) That 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, be noted;
- (4) That the position of Treasury Management activity as at the end of June 2020, be noted.

REASONS FOR DECISIONS:

- (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.

15 POSSIBLE AGENDA ITEMS FOR FUTURE MEETINGS

RESOLVED: That the risks in relation to Commercialisation and the Commercial Team be reviewed by the Risk Management Group, and that this be reported back to the next meeting.