

NORTH HERTFORDSHIRE DISTRICT COUNCIL

DECISION SHEET

Meeting of the Finance, Audit and Risk Committee held as a Virtual Meeting
on Thursday, 3rd December, 2020 at 7.30 pm

1 WELCOME AND REMOTE/PARTLY REMOTE MEETINGS PROTOCOL SUMMARY

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

The Chair invited the Committee, Member and Scrutiny Officer to explain how proceedings would work and to confirm that Members and Officers were in attendance.

The Committee, Member and Scrutiny Officer undertook a roll call to ensure that all Members and Officers could hear and be heard and gave advice regarding the following:

The meeting was being streamed live onto You Tube and recorded via Zoom. Extracts from the Remote/Partly Remote Meetings Protocol was included with the agenda and the full version was available on the Council's website which included information regarding:

- Live Streaming;
- Noise Interference;
- Rules of Debate and
- Voting

Members were requested to ensure that they were familiar with the Protocol.

The Chair, Councillor Kate Aspinwall, started the meeting proper.

2 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Sam Collins, Steve Deakin-Davies and Michael Weeks.

Councillor Morgan Derbyshire sent apologies for the meeting via email at 19:24. However, this was not received by the Committee, Member and Scrutiny Officer until after the meeting had closed.

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;
- (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.

5 PUBLIC PARTICIPATION

There was no public participation.

6 FINAL AUDIT RESULTS REPORT

RESOLVED: That the Final Audit Results Report be noted.

REASON FOR DECISION: To update the Committee on the Final Audit Results.

7 SIAS UPDATE ON PROGRESS AGAINST THE 2020/21 AUDIT PLAN

RESOLVED:

(1) That the Internal Audit Progress Report for the period to 18 November 2020 be noted; and

(2) That the implementation status of High priority recommendations be noted.

REASON FOR DECISIONS: To update the Committee on the progress against the 2020/21 Audit Plan.

8 PROGRESS WITH DELIVERY OF THE 2020/21 ANTI-FRAUD PLAN

RESOLVED:

(1) That the progress made in delivering the 2020/21 Anti-Fraud Plan be reviewed;

(2) That the performance of SAFS in meeting its Key Performance Indicators in 2020/21 be reviewed.

REASON FOR DECISIONS: To update the Committee on the progress with delivery of the 2020/21 Anti-Fraud Plan.

9 ANNUAL GOVERNANCE STATEMENT 2019/20: UPDATED ACTION PLAN FOR 2020/21

RESOLVED: That the progress made against the individual actions as outlined in the Action plan for 2020/21 at Appendix A be noted.

REASONS FOR DECISION:

(1) The AGS must be considered by Members of the Committee and approved under Regulation 6(4)(a) of the Accounts and Audit Regulations ('AAR') 2015/234, before the Statement of Accounts;

(2) The Committee is the legal body with responsibility for approval of the AGS; and

(3) Reviewing the AGS Action Plan during 2020/21 will provide the Committee with assurances that NHDC is examining and where necessary improving its governance arrangements.

10 RISK MANAGEMENT UPDATE

RESOLVED:

- (1) That the reviews of the Corporate Risks for the quarter be noted;
- (2) That the amendments to the Risk Management Framework as part of the Management response to the SIAS Audit, be noted.

RECOMMENDED TO CABINET:

- (1) That the risk score for the Covid 19 Leisure Management Contract risk be increased from 8 to 9;
- (2) The amendments to the Risk Management Framework as part of the Management response to the SIAS Audit.

REASONS 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.

11 SECOND QUARTER REVENUE MONITORING 2020/21

RECOMMENDED TO CABINET:

- (1) That the report entitled Second 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 £2.036million 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 £53k decrease in net expenditure, be noted. These will be incorporated in the draft revenue budget for 2021/22.

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.

12 INVESTMENT STRATEGY (CAPITAL AND TREASURY) MID-YEAR REVIEW 2020/21

RECOMMENDED TO CABINET:

- (1) That the forecast expenditure of £3.937million in 2020/21 on the capital Programme 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 £7.022million, be approved;
- (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, be noted;

That Cabinet recommend to Council:

- (1) That it notes the position of Treasury Management activity as at the end of September 2020.

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.

13 DRAFT BUDGET REPORT 2021/22

RECOMMENDED TO CABINET:

- (1) That the funding forecasts for 2021/22 and the significant uncertainty around Central Government funding levels in 2021/22 and beyond, and that these estimates provided could be subject to significant change, be noted;
- (2) That the comments made at the budget workshops, and comment on the inclusion of the revenue savings and investments in the draft budget, be noted;
- (3) That the comments made at the budget workshops, and comment on the inclusion of the capital investments in the draft budget, be noted;
- (4) That the Council Tax increases for 2021/22 will be in line with the Medium Term Financial Strategy (i.e. the maximum amount allowed without the need for a local referendum), be confirmed.

REASON FOR DECISIONS: To ensure that all relevant factors are considered in arriving at a proposed budget and Council Tax level for 2021/22, to be considered by Full Council on 11 February 2021.

14 POSSIBLE AGENDA ITEMS FOR FUTURE MEETINGS

The Chair reported that at the next meeting of the Finance, Audit and Risk Committee, the following items would be due on the agenda:

- Annual Audit Letter 2019/20;
- Certification of Claims and Returns Annual Report 2019/20;
- Corporate Business Planning – Revenue Budget 2021/22; and
- Investment Strategy (Integrated Capital and Treasury).