

# NORTH HERTFORDSHIRE DISTRICT COUNCIL

## DECISION SHEET

Meeting of the Finance, Audit and Risk Committee held as a Virtual Meeting  
on Monday, 8th March, 2021 at 7.30 pm

### 1 WELCOME AND REMOTE/PARTLY REMOTE MEETINGS PROTOCOL SUMMARY

The Chair welcomed everyone to the Finance, Audit and Risk Committee.

The Committee, Member and Scrutiny Officer undertook a roll call to ensure all those present could hear and be heard and drew attention to the Remote/Partly Remote Meetings Protocol which was noted.

### 2 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Adem Ruggiero-Cakir and Councillor Morgan Derbyshire.

Having given due notice Councillor Helen Oliver advised that she would be substituting for Councillor Adem Ruggiero-Cakir.

### 3 MINUTES - 18 JANUARY 2021

#### **RESOLVED:**

- (1) That the Minutes of the Meeting of the Committee held on 18 January 2021 be approved as a true record of the proceedings; and
- (2) That, with the authorisation of the Chair, her electronic signature and initials be attached to the Minutes approved in (1) above.

### 4 NOTIFICATION OF OTHER BUSINESS

There was no other business notified.

### 5 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.

### 6 PUBLIC PARTICIPATION

There was no public participation.

**7 ERNST AND YOUNG OUTLINE AUDIT PLAN 2021**

**RESOLVED:** That the report entitled Ernst and Young Outline Audit Plan 2021 be noted.

**REASON FOR DECISION:** To update the Committee on the Outline Audit Plan 2021.

**8 SIAS INTERNAL AUDIT PROGRESS REPORT**

**RESOLVED:**

(1) That the Internal Audit Progress Report for the period to 12 February 2021 be noted; and

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

**REASON FOR DECISIONS:** To update the Committee on the Audit Progress Report and high priority recommendations.

**9 SIAS INTERNAL AUDIT PLAN 2021/2022**

**RESOLVED:** That the proposed North Herts District Council Internal Audit Plan for 2021/22 be approved.

**REASON FOR DECISION:** To approve the proposed North Herts District Council Internal Audit Plan for 2021/22.

**10 SAFS ANTI-FRAUD PLAN 2021/2022**

**RESOLVED:**

(1) That the Anti-Fraud Plan 2021/22 be approved; and

(2) That the activity to protect the Council against fraud and corruption in 2020/21 be noted.

**REASONS FOR DECISIONS:**

(1) To approve the Anti-Fraud Plan 2021/22; and

(2) To inform the Committee of the activity undertaken to protect the Council against fraud and corruption in 2020/21.

**11 LOCAL CODE OF CORPORATE GOVERNANCE 2021 AND ANNUAL GOVERNANCE STATEMENT 2019/20 (ACTION PLAN FOR 2020/21) UPDATE**

**RESOLVED:**

(1) That the Local Code of Corporate Governance 2021 (Appendix A) be approved; and

(2) That the current position with the AGS Action Plan (Appendix B), be noted.

**REASONS FOR DECISIONS:**

- (1) It is recommended practice to review the Local Code of Corporate Governance each year to ensure it remains up to date and relevant.
- (2) Reviewing the AGS Action Plan during 2020/21 provides the Committee with assurances that NHDC is following through with recommended changes and/or improvements to its governance arrangements.

**12 RISK MANAGEMENT UPDATE**

**RESOLVED:** That the reviews of the Corporate Risks for the quarter, be noted.

**RECOMMENDED TO CABINET:**

- (1) That there be no change to the risk score for Corporate Planning risks, subject to the note 'representation prepared with regard the speculative expansion of London Luton Airport to four runways' being archived as deemed no longer relevant.
- (2) That there be an increase in the risk score from 5 to 7 and a target risk score of 6 for the Increased Homelessness Corporate risk;
- (3) That there be no change to the risk score for the review of the Waste Corporate risks subject to the risk score being agreed and signed off by the Executive Member for Waste and Recycling.
- (4) That that the Workforce Planning Corporate Risk be archived. Original Risk score 5, final risk score 5.

**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.

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

**RESOLVED:**

- (1) That the Service Director – Resources be requested to add an additional column into 'Table 5 – COVID Financial Impact on General Fund' relating to the heading 'Expected to be covered by Income guarantee'. Members requested that figures should be provided in the additional column in order to show the amount covered by the Council and the amount covered by the income guarantee. This amendment to Table 5 to be provided as an Addendum to the Cabinet report.
- (2) That Officers be thanked by the Committee for their work in administering grants to those in need as a result of the coronavirus pandemic.

**RECOMMENDED TO CABINET:**

- (1) That the report entitled Third 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 £624k increase in net expenditure, be approved. (Noting that this net movement is expected to be covered by an increase in the Sales, Fees and Charges compensation from Government that has been applied);
- (3) That the changes to the 2021/22 General Fund budget, as identified in table 3 and paragraph 8.2, a total £17k decrease in net expenditure, 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 THIRD QUARTER INVESTMENT STRATEGY (CAPITAL AND TREASURY) REVIEW 2020/21**

**RECOMMENDED TO CABINET:**

- (1) That the forecast expenditure of £2.354million 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 £1.102million, 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 £0.050million budget to refurbish the Gym Floor at the North Herts Leisure Centre be reprofiled into 2020/21, be approved. (The budget has been approved to spend in 2021/22 but with the Leisure Centre closed due to Covid-19 there's an opportunity to bring this work forward and avoid closing the gym once Covid-19 restrictions have been lifted).

**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**

The Chair alongside Members and the Service Director – Resources, agreed that financial recovery following the pandemic would be included in the Revenue Monitoring reports.