

NORTH HERTFORDSHIRE DISTRICT COUNCIL

DECISION SHEET

Meeting of the Finance, Audit and Risk Committee held in the Council Chamber, District Council Offices, Gernon Road, Letchworth Garden City on Wednesday, 23rd June, 2021 at 7.30 pm

1 APOLOGIES FOR ABSENCE

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

Having given due notice, Councillor Nigel Mason advised that he would be substituting for Councillor Adem Ruggiero-Cakir.

2 MINUTES - 8 MARCH 2021

RESOLVED: That the Minutes of the Meeting of the Committee held on 8 March 2021 be approved as a true record of the proceedings and be signed by the Chair.

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 YouTube;
- (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 SIAS ANNUAL ASSURANCE STATEMENT AND ANNUAL REPORT 2020-2021

RESOLVED:

- (1) That the Annual Assurance Statement and Internal Audit Annual Report be noted;
- (2) That the results of the self-assessment required by the Public Sector Internal Audit Standards (PSIAS) and the Quality Assurance and Improvement Programme (QAIP) be noted;
- (3) That the SIAS Audit Charter 2021/22 be noted;
- (4) That management assurance be sought that the scope and resources for internal audit were not subject to inappropriate limitations in 2020/2.

REASON FOR DECISIONS: To update the Committee on the Annual Assurance Statement and Internal Audit Annual Report 2020/21.

7 SIAS PROGRESS REPORT

RESOLVED:

- (1) That the SIAS Progress Report for the period to 4 June 2021 be noted; and
- (2) That the implementation status of High priority recommendations be noted.

REASON FOR DECISIONS: To update the Committee on the SIAS Progress Report.

8 FINANCE, AUDIT AND RISK COMMITTEE ANNUAL REPORT 2020-21

RESOLVED: That the Annual Report of the Finance, Audit and Risk Committee as attached at Appendix A, prior to consideration by Full Council, be noted.

REASON FOR DECISION: To enable the Committee to consider the report before it is presented to Full Council. To provide Full Council with assurance as to the effectiveness of the Finance, Audit and Risk Committee.

9 RISK MANAGEMENT UPDATE

RESOLVED:

- (1) That the reviews of the Corporate Risks for the quarter be noted; and
- (2) That the Annual report on Risk Management be noted.

RECOMMENDED TO CABINET:

- (1) The reviews of the Corporate Risks for the quarter;
- (2) That there be no change to the Cyber risks (current risk score of 8 and a Target Risk score of 6);
- (3) That the Brexit (EU Transition) Risk be decreased in the current risk score from a 7 to a 5, and a Target risk score of 3; and
- (4) That the Annual report on Risk Management be noted.

That Cabinet recommend to Council:

- (1) That the Annual report on Risk Management be noted.

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.

10 REVENUE BUDGET OUTTURN 2020/21

RECOMMENDED TO CABINET:

- (1) That the report entitled Revenue Budget Outturn 2020/21 be noted;
- (2) That a decrease of £866k in the 2020/21 net General Fund expenditure, as identified in table 3 and paragraph 8.1, to a total of £19.379million, be approved;
- (3) That the changes to the 2021/22 General Fund budget be approved, as identified in table 3, paragraph 8.2 and paragraph 8.3, a total £377k increase in net expenditure.

Cabinet recommends to Council:

- (1) That the net transfer to earmarked reserves, as identified in table 8, of £11.464million, be approved.

REASONS FOR DECISIONS:

- (1) 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.
- (2) Changes to the Council's balances are monitored and approved.

11 INVESTMENT STRATEGY (CAPITAL AND TREASURY) END OF YEAR REVIEW 2020/21

RECOMMENDED TO CABINET:

- (1) That the expenditure of £1.883million in 2020/21 on the capital programme, paragraph 8.3 refers, and in particular the changes detailed in table 3 which resulted in a net increase on the working estimate of £0.001million, be noted;
- (2) That the adjustments to the capital programme for 2020/21 as a result of the revised timetable of schemes detailed in table 2, increasing the estimated spend in 2021/22 by £0.522million (£0.527million re-profiled from 2020/21 and £0.005million from 2021/22 re-profiled into 2020/21), be approved;
- (3) That the position of the availability of capital resources, as detailed in table 4 paragraph 8.8 and the requirement to keep the capital programme under review for affordability, be noted;
- (4) That the application of £1.224million of capital receipts towards the 2020/21 capital programme and the drawdown of £0.417million from set aside receipts, paragraph 8.8 refers, be approved;
- (5) That the position of Treasury Management activity as at the end of March 2021, be noted;

Cabinet recommends to Council:

- (1) That the report entitled Investment Strategy (Capital and Treasury) End Of Year Review 2020/21, be noted;
- (2) That the actual 2020/21 prudential and treasury indicators be approved; and

- (3) That the annual Treasury Report for 2020/21, 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.

12 POSSIBLE AGENDA ITEMS FOR FUTURE MEETINGS

It was agreed that the CIPFA Financial Management Code be provided at the next meeting of the Finance, Audit and Risk Committee.

It was also agreed that towards the end of the year, a report on what the coronavirus pandemic had cost the Council, would be provided to the Committee.