

# NORTH HERTFORDSHIRE DISTRICT COUNCIL

## DECISION SHEET (AMENDED – AMENDMENTS UNDERLINED AND IN ITALICS ON ITEM 8)

Meeting of the Finance, Audit and Risk Committee held in the Council Chamber, District Council Offices, Gernon Road, Letchworth Garden City, SG6 3JF on Wednesday, 21st June, 2023 at 7.30 pm

### 1 APOLOGIES FOR ABSENCE

No apologies for absence were received from Councillors.

### 2 MINUTES - 8 MARCH 2023

**RESOLVED:** That the Minutes of the Meeting of the Committee held on 8 March 2023 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 advised that, in accordance with Council Policy, the meeting would be audio recorded;
- (2) 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.
- (3) The Chair advised for the purposes of clarification for that 4.8.23(a) of the Constitution did not apply to this meeting.

### 5 PUBLIC PARTICIPATION

There was no public participation at this meeting.

### 6 ANNUAL GOVERNANCE STATEMENT 2022/23

**RESOLVED:** That the Committee reviewed and commented on the draft AGS Action Plan for it to be finalised for approval as soon as possible after the Council's External Audit has been completed

**REASON FOR DECISION:** The Committee is the legal body with responsibility for approval of the AGS. Reporting the draft AGS and Action Plan at this stage provides an opportunity for the Committee to assess and comment on the draft, before it is finalised and brought back for approval after the External Audit has been completed

### 7 SIAS ANNUAL ASSURANCE STATEMENT AND INTERNAL AUDIT ANNUAL REPORT 2022/23

**RESOLVED:** That the Committee:

- (1) Noted the Annual Assurance Statement and Internal Audit Annual Report.
- (2) Noted the results of the self-assessment required by the Public Sector Internal Audit Standards (PSIAS) and the Quality assurance and Improvement Programme (QAIP).

- (3) Approved the SIAS Audit Charter for 2023/24.
- (4) Received management assurances that the scope and resources for internal audit were not subject to inappropriate limitations in 2022/23.

**REASON FOR DECISIONS:** To update the Committee on the Annual Assurance Statement and Internal Audit Annual Report 2022/23.

## 8 REVENUE BUDGET OUTTURN 2022/23

### **RECOMMENDED TO CABINET:**

- (1) That Cabinet note this report.
- (2) That Cabinet approves a decrease of £920k in the 2022/23 net General Fund expenditure, as identified in table 4 and paragraph 8.1, to a total of £15.818million.
- (3) That Cabinet approves the changes to the 2023/24 General Fund budget, as identified in table 3 and paragraph 8.3, a total £47k decrease in net expenditure.

That Cabinet recommends to Council.

- (4) That Council approves the net transfer from earmarked reserves, as identified in table 9, of £5.274million

### **REASONS FOR REFERRALS:**

- (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.

## 9 INVESTMENT STRATEGY (CAPITAL AND TREASURY) END OF YEAR REVIEW 2022/23

### **RECOMMENDED TO CABINET:**

- (1) That Cabinet notes expenditure of £6.923million in 2022/23 on the capital programme, paragraph 8.3 refers.
- (2) That Cabinet approves the adjustments to the capital programme for 2023/24 as a result of the revised timetable of schemes detailed in table 2, increasing the estimated spend in by £1.222million.
- (3) That Cabinet notes the position of the availability of capital resources, as detailed in table 4 paragraph 8.7 and the requirement to keep the capital programme under review for affordability. Page 75 Agenda Item 9
- (4) That Cabinet approves the application of £6.300million of capital receipts/set aside towards the 2022/23 capital programme, paragraph 8.7 refers.
- (5) Cabinet is asked to note the position of Treasury Management activity as at the end of March 2023.
- (6) Cabinet is asked to recommend this report to Council and ask Council to:
  - 1) Approve the actual 2022/23 prudential and treasury indicators.

2) Note the annual Treasury Report for 2022/23.

**REASONS FOR REFERRALS:**

- (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.

**10 LGA REVIEW ACTION PLAN**

**RECOMMENDED TO CABINET:** That Finance, Audit and Risk Committee comment on the draft Action Plan, and refer it to Cabinet to be approved.

**REASONS FOR REFERRAL:** To ensure that the Council responds to the matters identified within the peer support report, ensuring that the benefits of that process are realised.

**11 FINANCE, AUDIT AND RISK COMMITTEE ANNUAL REPORT 2022/23**

**RESOLVED:** That the Committee considered and commented on the Annual Report of the Finance, Audit and Risk Committee as attached at Appendix A,

**RECOMMENDED TO COUNCIL:** The Annual Report of the Finance, Audit and Risk Committee be noted.

**REASONS FOR REFERRAL:** 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

**12 YEAR END REPORT ON RISK MANAGEMENT GOVERNANCE**

**RESOLVED:**

- (1) That Finance, Audit and Risk Committee noted and provided comments to Cabinet on the Annual Risk Management update, for referral on to Full Council.
- (2) That Finance, Audit and Risk Committee provided comments to Cabinet on the review of the Risk Management Framework.
- (3) That Finance, Audit and Risk Committee commented on the type of Risk Management Training they would like to see going forward.

**RECOMMENDED TO CABINET:**

- (1) That Cabinet note the comments provided by FAR on the Annual Risk Management update, for referral on to Full Council.
- (2) That Cabinet note the comments provided by FAR Finance, on the review of the Risk Management Framework.

**REASONS FOR REFERRAL:**

- (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 POSSIBLE AGENDA ITEMS FOR FUTURE MEETINGS**

The Chair led a discussion regarding possible agenda items for future meetings. An update on high-risk items and the Churchgate project, being mindful not to duplicate any work of the O&S Committee, were discussed as future agenda items.

The Chair requested that, should any Members have any suggestions for agenda items for future meetings, they advise himself, relevant officers or the Committee Member and Scrutiny Team.