

NORTH HERTFORDSHIRE DISTRICT COUNCIL

DECISION SHEET

Meeting of the Finance, Audit and Risk Committee held in the Council Chamber, District Council Offices, Letchworth Garden City, SG6 3JF on Wednesday, 5th February, 2025 at 7.30 pm

1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Steven Patmore, Vijaiya Poopalasingham and Dominic Griffiths.

Having given due notice Councillor Ralph Muncer substituted for Councillor Patmore and Councillor Nigel Mason substituted Councillor Poopalasingham.

2 MINUTES 08 JANUARY 2025

RESOLVED: That the Minutes of the Meeting of the Committee held on 8 January 2025 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 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 that section 4.8.23(a) of the Constitution did not apply to this meeting.
- (4) The Chair advised that the order of the agenda had been changed to that published, and the substantial items of business were to be considered in the following order:
 - i) Agenda Item 9 – Annual Governance Statement 2023/24 and Action Plan 2024/25
 - ii) Agenda Item 8 – Statement of Accounts 2023/24
 - iii) Agenda Item 6 – SIAS Progress Report 2024-25
 - iv) Agenda Item 7 – Budget 2025/26 (Revenue Budget and Investment Strategy)

5 PUBLIC PARTICIPATION

There was no public participation at this meeting.

6 ANNUAL GOVERNANCE STATEMENT 2023/24 AND ACTION PLAN FOR 2024/25

RESOLVED: That the Committee:

- (1) Approves the amended Annual Governance Statement and Action plan at Appendix A.
- (2) Notes the current position of the actions within the Annual Governance Statement Action Plan, outlined at Appendix B.

REASON FOR DECISION:

- (1) The Annual Governance Statement (AGS) must be considered and approved by the Finance Audit and Risk (FAR) 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 FAR Committee is the legal body with responsibility for approval of the AGS.
- (3) Reviewing the AGS Action Plan during 2024-25 will provide the Committee with assurances that the Council is examining and where necessary improving its governance arrangements.

7 STATEMENT OF ACCOUNTS 2023/24

RESOLVED: That the Committee:

- (1) Notes the KPMG Annual Report as attached at Appendix B and the KPMG Year End Report to the Finance, Audit and Risk Committee at Appendix C.
- (2) Approves the 2023/24 Statement of Accounts as attached at Appendix A (with the Auditors Report to be added), and that they can be signed by the Chair.
- (3) Approves the signing of a Management Representation by the Chair of the Committee. This will be a standard format and is in the process of being finalised by KPMG.

REASON FOR DECISION: To ensure that the Council abides by the Audit and Account Regulations 2015, which require the approval and publication of audited Statement of Accounts. Furthermore, to meet the back-stop deadlines set out in the Accounts and Audit (Amendment) Regulations 2024.

8 SIAS PROGRESS REPORT 2024-25

RESOLVED: That the Committee:

- (1) Notes the SIAS Progress Report for the period to 17 January 2025.
- (2) Notes the implementation status of the reported high priority recommendations.
- (3) Notes the plan amendments to the 2024/25 Annual Audit Plan.

9 BUDGET 2025/26 (REVENUE BUDGET AND INVESTMENT STRATEGY)

RECOMMENDED TO CABINET: The Finance, Audit and Risk Committee commented on the budget process, assumptions and risks contained within the report, in the context that Cabinet recommend to Council that:

- (1) Notes the position on the Collection Fund and how it will be funded.
- (2) Notes the position relating to the General Fund balance and that due to the risks identified a minimum balance of £2.6 million is recommended.
- (3) Notes the net revenue savings that are likely to be required in future years, combined with the Chief Finance Officer's section 25 report (Appendix D) which provides a commentary on the risks and reliability of estimates contained in the budget.

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- (4) Approves the revenue savings and investments as detailed in Appendix B.
- (5) Approves the capital programme as detailed in Appendix C.
- (6) Approves a net expenditure budget of £22.792m, as detailed in Appendix E.
- (7) Approves a Council Tax increase of 2.99%, which is in line with the provisions in the Medium-Term Financial Strategy.
- (8) Approves the Investment Strategy as detailed in Appendix F.
- (9) Approve the adoption of the four clauses in relation to the Code of Practice on Treasury Management (as detailed in paragraphs 8.32 to 8.35).

REASON FOR DECISION:

- (1) To ensure that all relevant factors are considered in arriving at a budget (revenue and capital) and Council Tax level for 2025/26. To ensure that the budget is aligned to Council priorities for 2024-28 as set out in the Council Plan.
- (2) The Council's Investment Strategy is set to comply with relevant statutory guidance, including the CIPFA Prudential Code. The Strategy also sets out the Council's approach to risks in relation to the investment of surplus cash.

10 POSSIBLE AGENDA ITEMS FOR FUTURE MEETINGS

The Chair led a discussion regarding possible agenda items for future meetings and no further items were suggested.