

# **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, 11th June, 2025 at 7.30 pm**

### **1 APOLOGIES FOR ABSENCE**

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

### **2 MINUTES - 12 MARCH 2025**

**RESOLVED:** That the Minutes of the Meeting of the Committee held on 12 March 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.

### **5 PUBLIC PARTICIPATION**

There was no public participation at this meeting.

### **6 SIAS ANNUAL ASSURANCE STATEMENT AND INTERNAL AUDIT ANNUAL REPORT 2024-25**

**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 Global Internal Audit Standards (GIAS) and the Quality Assurance and Improvement Programme (QAIP).
- (3) Approved the SIAS Audit Charter for 2025/26.
- (4) Sought management assurance that the scope and resources for internal audit were not subject to inappropriate limitations in 2024/25.

**REASON FOR DECISION:** To enable the Committee to be provided with the ails the Shared Internal Audit Service's overall opinion on the adequacy and effectiveness of North Herts Council's framework of governance, risk management and control.

### **7 EXTERNAL AUDIT PLAN & STRATEGY 24/25 (KPMG)**

**RESOLVED:** That the Committee noted the External Audit Plan & Strategy 24/25.

**REASON FOR DECISION:** To enable the Committee to be provided with the outlined approach by KPMG to the audit of the Council's financial statements for the year ending 31 March 2025.

## 8 DRAFT ANNUAL GOVERNANCE STATEMENT 2024/25 AND ACTION PLAN FOR 2025/26

**RESOLVED:** That the Committee reviewed and commented on the draft AGS and Action Plan at Appendix A.

**REASON FOR DECISION:**

- (1) The AGS must be considered and approved by this 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 Committee is the legal body with responsibility for approval of the AGS.
- (3) 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.

## 9 REVENUE BUDGET OUTTURN 2024/25

**RECOMMENDED TO CABINET:** The Finance, Audit and Risk Committee commented on the assumptions and information contained within this report, in the context that Cabinet agrees that:

- (1) That Cabinet note this report.
- (2) That Cabinet approves a decrease of £860k in the 2024/25 net General Fund expenditure, as identified in section 8, to a total of £17.889million.
- (3) That Cabinet approves the changes to the 2025/26 General Fund budget, as identified in table 4 and paragraph 8.3, a total £361k decrease in net expenditure.

That Cabinet recommends to Council:

- (4) That Council approves the net transfer to earmarked reserves, as identified in table 9, of £1.035million.

**REASONS FOR RECOMMENDATIONS:**

- (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.

## 10 INVESTMENT STRATEGY (CAPITAL AND TREASURY) END OF YEAR REVIEW 2024/25

**RECOMMENDED TO CABINET:** The Finance, Audit and Risk Committee commented on the assumptions and information contained within this report, in the context that Cabinet agrees that:

**Wednesday, 11th June, 2025**

- (1) That Cabinet notes expenditure of £11.362million in 2024/25 on the capital programme, paragraph 8.3 refers.
- (2) That Cabinet approves the adjustments to the capital programme for 2025/26 as a result of the revised timetable of schemes detailed in table 2, increasing the estimated spend by £5.202million.
- (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.
- (4) That Cabinet approves the application of £3.787million of capital receipts/set aside towards the 2024/25 capital programme, paragraph 8.7 refers.
- (5) Cabinet is asked to note the position of Treasury Management activity as at the end of March 2025.
- (6) Cabinet is asked to recommend this report to Council and ask Council to:
  - 1) Approve the actual 2024/25 prudential and treasury indicators as detailed in Appendix B.
  - 2) Note the annual Treasury Management Review for 2024/25 (Appendix B).

***REASONS FOR RECOMMENDATIONS:***

- (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.

**11 FINANCE, AUDIT AND RISK COMMITTEE ANNUAL REPORT 2024-25**

***RESOLVED:***

- (1) That the Committee considered and commented on the Annual Report of the Finance, Audit and Risk Committee as attached at Appendix A, particularly in relation to feedback on how the Committee operated during 2024/25.
- (2) That the Committee delegated to the Director – Resources, in consultation with the Chair of the Committee, to make any changes to Appendix A arising from discussion of this report.

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

***REASON FOR RECOMMENDATIONS:*** 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 REPORT ON RISK MANAGEMENT GOVERNANCE (YEAR-END UPDATE)**

***RECOMMENDED TO CABINET:*** That Finance, Audit and Risk Committee note and provide recommendations to Cabinet on this year-end Risk Management Governance update, for referral on to Full Council.

***REASONS FOR RECOMMENDATIONS:***

- (1) Cabinet has responsibility for ensuring the management of risks.
- (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 and training sessions for the Committee.

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