NORTH HERTFORDSHIRE DISTRICT COUNCIL

FINANCE, AUDIT AND RISK COMMITTEE

MEETING HELD IN THE COUNCIL CHAMBER, DISTRICT COUNCIL OFFICES, GERNON ROAD, LETCHWORTH GARDEN CITY ON MONDAY, 12TH JULY, 2021 AT 7.30 PM

MINUTES

Present: *Councillors: Keith Hoskins MBE (Chair), Clare Billing (Vice-Chair), Adam Compton, Morgan Derbyshire, Terry Hone and Sean Prendergast*

In Attendance: *Ian Couper (Service Director - Resources), Reuben Ayavoo (Policy and Community Engagement Manager), Nick Jennings (Head of the Shared Anti-Fraud Service) and Matthew Hepburn (Committee, Member and Scrutiny Officer)*

Also Present: *Councillor Ian Albert was present as Executive Member for Finance and IT.*

13 APOLOGIES FOR ABSENCE

Audio Recording – 1 Minute

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

14 MINUTES - 23 JUNE 2021

Audio Recording – 1 Minute 11 Seconds

Councillor Adam Compton raised a minor correction in relation Minute 9 – Risk Management Update.

With the correction explained, Councillor Keith Hoskins proposed and Councillor Clare Billing seconded. It was voted upon and:

RESOLVED: That the Minutes of the Meeting of the Committee held on 23 June 2021 be approved as a true record of the proceedings and be signed by the Chair subject to the following amendment:

Minute item 9 – Risk Management Update:

Original:

In response to questions raised, the Service Director – Resources advised:

- He would be happy to look at re-wording ‘e-tendering system able to transmit to the new government e-procurement system in the event of a no-deal Brexit’.

Amendment:

Insert 'both' after 'transmit to' and remove the article 'the'. The sentence to read: 'e-tendering system able to transmit to both new government e-procurement systems in the event of a no-deal Brexit'.

Amendment to read:

In response to questions raised, the Service Director – Resources advised:

He would be happy to look at re-wording 'e-tendering system able to transmit to the new government e-procurement system in the event of a no-deal Brexit' so that it reads 'e-tendering system able to transmit to both new government e-procurement systems in the event of a no-deal Brexit'.

15 NOTIFICATION OF OTHER BUSINESS

Audio Recording – 2 Minutes 57 Seconds

There was no other business notified.

16 CHAIR'S ANNOUNCEMENTS

Audio Recording – 3 Minutes 3 Seconds

(1) The Chair welcomed Councillor Sean Prendergast who had joined the Committee following a change in the membership. The Chair advised that Councillor Prendergast had replaced Councillor Sam Collins;

(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.

17 PUBLIC PARTICIPATION

Audio Recording – 3 Minutes 33 Seconds

There was no public participation.

18 ANTI-FRAUD REPORT 2020/21

Audio Recording – 3 Minutes 40 Seconds

The Head of the Shared Anti-Fraud Service (SAFS) presented the report entitled Anti-Fraud Report 2020/21 along with Appendix A - North Hertfordshire District Council Anti-Fraud Plan 2020/21, including:

- The Plan was developed at the time of the emerging Covid pandemic in March 2020 and, although some 'delivery methods' and activity was reviewed, a decision was made to keep the plan much as it was;
- All actions proposed for the 2020/21 Anti-Fraud Plan commenced in year with the vast majority being completed in-year;

- Two separate fraud awareness/ publicity campaigns were launched in 2020 which were successful;
- Fraud referrals decreased during the pandemic;
- Members were directed to the SAFS KPI Performance 2020/21 in Section 3 and it was reported that all targets were achieved;
- Section 4 - Transparency Code – Fraud Date was also included in the report; and
- There was a further reading list outlined in Section 5.

The Chair thanked the Head of SAFS for the presentation and work undertaken.

The following Members asked questions:

- Councillor Terry Hone; and
- Councillor Adam Compton.

In response to questions raised, the Head of SAFS advised:

- In regards to Table 1- Types of fraud being reported - the 10 fraud referrals recorded as 'other' related to covid council tax refund, planning, local housing provider, local businesses and DWP benefits;
- In relation to Case Study 1 on page 18 within the report, he would be happy to investigate the type of referrals received as a result of the awareness campaign.

It was voted upon and:

RESOLVED:

(1) That the Councils work to combat fraud in 2020/21 be noted; and

(2) That the performance of SAFS in meeting its KPIs in 2020/21 be noted.

REASON FOR DECISIONS: To enable the Finance, Audit and Risk Committee to review the Council's work to combat fraud in 2020/21 and the performance of SAFS in meeting its KPIs in 2020/21.

19 ANNUAL GOVERNANCE STATEMENT 2020/21

Audio Recording – 13 Minutes 30 Seconds

The Policy and Community Engagement Manager presented the report entitled Annual Governance Statement 2020/21 as well as Appendix A and drew Members' attention to the following items within the report:

- The Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015/234 placed a requirement on the Council to undertake an annual review of the effectiveness of the system of internal controls and prepare an Annual Governance Statement (AGS);
- The AGS must be considered by Members of the Finance, Audit and Risk Committee and the AGS approved under Regulation 6(4)(a) AAR 2015;
- The draft AGS had been prepared following an in-depth review/ input and scoring of arrangements by the Leadership against the Framework 2016; and

- The final AGS needed to be approved and accompany the Statement of Accounts. By presenting the draft AGS to this Committee before the audit of the accounts had concluded, the Committee would have time to raise any points that may need to be addressed. The Council had been notified by Ernst and Young that the audit of the Council's Statement of Accounts would not commence until at least November.

The Policy and Community Engagement Manager advised Members that Appendix A was not the entire Annual Governance Statement but a shorter more meaningful communication of the key areas that were being reported on.

It was:

RESOLVED: That the draft AGS Action Plan be noted in order 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.

20 SIAS REVIEW OF THE EFFECTIVENESS OF THE FINANCE, AUDIT AND RISK COMMITTEE 2020-21

Audio Recording – 16 Minutes 50 Seconds

The Service Director – Resources presented the report entitled SIAS review of the effectiveness of the Finance, Audit and Risk Committee 2020-21, including:

- The Committee had operated well and legally in 2020/21;
- To move things forward, he would be speaking to the Service Director – Legal and Community in relation to having an independent member sit on the Committee;
- Members were encouraged to suggest topics for future meetings; and
- Members were requested to complete the training matrix if they had not already done so.

The following Members asked questions:

- Councillor Terry Hone; and
- Councillor Sean Prendergast.

In response to questions raised, the Service Director – Resources advised that only two skill assessment matrixes had been completed and returned.

The Service Director – Resources affirmed that he would send the matrix to Councillor Sean Prendergast who had joined the Committee.

It was voted upon and:

RESOLVED: That the SIAS Review of the Effectiveness of the Finance, Audit and Risk Committee 2020-21 be noted.

REASON FOR DECISION: To allow the Committee to consider the conclusions reached by the review and comment on the recommendations made.

21 POSSIBLE AGENDA ITEMS FOR FUTURE MEETINGS

Audio Recording – 21 Minutes 30 Seconds

It was agreed that the CIPFA Financial Management Code be an agenda item at the next meeting of the Finance, Audit and Risk Committee scheduled to take place on 15 September 2021.

The Chair welcomed Members to contact him in order to suggest possible agenda items for future meetings.

The meeting closed at 7.53 pm

Chair