

MINUTES OF A MEETING OF THE  
PERFORMANCE, AUDIT AND GOVERNANCE  
OVERSIGHT COMMITTEE HELD IN THE  
COUNCIL CHAMBER, WALLFIELDS,  
HERTFORD ON TUESDAY 14 JANUARY 2020,  
AT 7.00 PM

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PRESENT: Councillor M Pope (Chairman)  
Councillors A Alder, J Burmicz, L Corpe,  
A Curtis and T Stowe

ALSO PRESENT:

Councillors M Goldspink and G Williamson

OFFICERS IN ATTENDANCE:

Lorraine Blackburn	- Scrutiny Officer
Andre Ferreira	- Democratic Services Officer
Bob Palmer	- Head of Strategic Finance and Property
Ben Wood	- Head of Communications, Strategy and Policy

ALSO IN ATTENDANCE:

Nick Jennings	- Shared Anti-Fraud Service (SAFS)
Simon Martin	- Shared Internal Audit Service
Suresh Patel	- EY

293 APOLOGY

An apology for absence was submitted on behalf of Councillor S Bull.

294 CHAIRMAN'S ANNOUNCEMENTS

The Chairman welcomed all those present, specifically Bob Palmer, the Interim Head of Strategic Finance and Property and Section 151 Officer; Isabel Brittain, the former Head of Strategic Finance and Property and Section 151 Officer; and Andre Ferreira, the new Democratic Services Officer.

The Chairman said that the Interim Head of Strategic Finance and Property and Section 151 Officer, Bob Palmer, had been appointed for a six-month period while a permanent appointee was being recruited and he thanked the former Head of Strategic Finance and Property and Section 151 Officer, Isabel Brittain, for her work at the Council, specifically her support to the Committee.

295 MINUTES – 19 NOVEMBER 2019

It was moved by Councillor T Stowe and seconded by Councillor A Curtis that the minutes of the meeting held on 19 November 2019 be confirmed as a correct record and signed by the Chairman. After being put to the meeting and a vote taken, the motion was declared CARRIED.

The Chairman referred to page 12 of the minutes of 19 November 2019, and said he had emailed the Head of Housing and Health in respect of the number of

households living in temporary accommodation earlier that day. He would email Members as soon as the response was received.

With reference to other outstanding items from previous minutes, the Chairman noted the following:

1. Meeting of 24 September 2019: Internal audit carried out at the Herts Home Improvement Agency – A response from the Head of Housing and Health was still awaited.

2. Meeting of 19 November 2019: Employment opportunities in East Herts – this had been answered by the email to PAGO Members from the Head of Communications, Strategy and Policy on 26 November 2019 – action closed.

3. Meeting of 19 November 2019: A topic relating to the promotion of Standards to be included on the PAGO work programme: The Scrutiny Officer reminded Members that they had received training in relation to Standards on 18 June 2019. Further consideration of Standards matters would be discussed with the new Monitoring Officer when he commenced employment with the Council in February 2020, for potential inclusion on the PAGO work programme.

In response to Councillor A Curtis, the Scrutiny Officer said that she would discuss the monitoring of how standards were upheld with the new Monitoring Officer.

4. Meeting of 19 November 2019: Waste collections and fly-tipping: The Head of Operations had replied as follows: The Overview and Scrutiny Committee had

received a report from the Head of Operations on 5 November 2019, which addressed the issue of the missed bin collection targets being missed. The report could be found online on the Council's website. Councillor T Stowe noted that Members should read the report and if they had any further questions they should raise it at the Overview and Scrutiny Committee.

Councillor A Curtis said that the work programmes of PAGO and Overview and Scrutiny should be aligned so as to identify issues of concern. The Scrutiny Officer replied that PAGO essentially monitored performance and was not a scrutiny committee as such. The Overview and Scrutiny Committee set its own programme, but she would discuss any possible alignment with the Chairmen of the two committees.

RESOLVED – that the Minutes of the meeting held on 19 November 2019 be confirmed as a correct record and signed by the Chairman.

296 PROGRESS WITH THE DELIVERY OF THE 2019/20 ANTI-FRAUD PLAN

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The Head of the Shared Anti-Fraud Service (SAFS) provided a summary of the work undertaken by the SAFS to protect the Council against fraud and the Council's 2019/20 Anti-Fraud Plan. Recent reports had been provided by Council Officers and were being used by SAFS to ensure that the Council was aware of its fraud risks and finding ways to mitigate or manage these effectively where possible.

The Head of the Shared Anti-Fraud Service referenced specific issues such as the overall scale of fraud across

England; the number of reported incidents of fraud in East Herts; penalties to deter fraud; and pro-active prevention activities. He also noted that while EHC had fraud policies in place, they were in need of review and would be updated by Q4 to bring them in line with current practice; specific details were included in Appendix B to the report.

In response to Councillor T Stowe on why progress against the goal of creating a fraud risk culture was shown as Red 'due to lack of policies', the Head of the Shared Anti-Fraud Service said this related to some policies being outdated, and was shown as red as a reminder to him to work with officers to update all policies.

With reference to possible delays in joining the Hertfordshire FraudHub in 2020, the Head of the Shared Anti-Fraud Service said there had been some delays because of a number of Council staff changes. He wanted to ensure that the process was followed correctly and was working with the Interim Head of Strategic Finance and Property to get EHC fully on board by Q3.

In response to Councillor A Curtis on how PAGO monitored the details of the delivery of the Fraud Plan, the Head of the Shared Anti-Fraud Service said it was not within PAGO's remit to monitor the finer details of the plan's delivery. SAFS worked with officers to ensure that sufficient policies were in place, which should be shared with staff. A new "Fighting Fraud Strategy" was due to be published, but care would be taken that this was relevant and adequate for EHC.

The Head of the Shared Anti-Fraud Service communication to staff on fraud was vital and training would be provided to managers to ensure that staff were aware of relevant policies. This could be monitored through the e-learning module and linking the e-learning to relevant policies was also very important.

The Head of the Shared Anti-Fraud Service said the benefits of being part of the Collective Local Authority Bid to join the Counter-Fraud Profession were firstly that a national standard would be set which would have to be maintained, which would in turn lead to a much improved service to EHC and secondly, all local authorities would be part of the Bid. The cost of being part of this would be borne by Central Government for the first three years, after which there would be individual memberships.

The Scrutiny Officer said any changes to Human Resource policies would initially be submitted to the Local Joint Panel and then to the HR committee for decision. She encouraged Members to review reports on the Human Resources agenda.

The Chairman drew Members' attention to the fact that the fees for EHC to be part of SAFS would increase to £81,600 + VAT in 2019/2020.

The Chairman said all the progress items referred to under the Anti-Fraud Culture in the Council were shown as either red or amber, which raised the question if there was enough awareness of the importance of a fraud culture and if it needed a higher profile in the Council. The Head of the Shared Anti-Fraud Service said that officers in the Council did not

tolerate any fraud, but there needed to be more transparency in the Council's policies to better evidence this. A consistent response to fraud was needed; officers had to be confident and able to report fraud and this had to be evidenced by way of policies. Although there had been a number of changes at senior management level, there was enough confidence that the Anti-Fraud Culture would be addressed by way of implementing adequate policies. There was a general article on fraud prevention on the Council's website, which was a positive development.

It was moved by Councillor A Curtis and seconded by Councillor L Corpe that the committee notes the report. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that the Committee notes the report, which detailed the work of the Council and the Shared Anti-Fraud Service in delivering the 2019/20 Anti-Fraud Plan.

## 297 SHARED INTERNAL AUDIT SERVICE PROGRESS REPORT

The Client Audit Manager of the Shared Internal Audit Service (SIAS) provided a summary of the SIAS Progress Report, specifically the delivery of the Audit Plan and key findings; Audit Plan amendments; critical and high priority recommendations and performance management. He said that 68% of the 2019/20 Audit Plan days had been delivered and 19 of the 30 projects had been completed to a draft stage.

The proposed amendment to the Audit Plan related to the audit of Homeless Reduction Act/Temporary Accommodation, which was due to start in January

2020. The proposal was that this audit be cancelled and deferred to the next plan, the reason being that an audit had been done in March 2019.

With reference to the critical and high priority recommendations detailed in the report, the Client Audit Manager said the recommendations on the CCTV and the IT Shared Services audits had all been implemented.

The Chairman said that cyber security was a very topical issue and asked whether the committee should be concerned about the delays in implementing the recommendations from the cyber security audit. The Client Audit Manager replied that whilst the recommendations on cyber security had been partially implemented, there had been delays; these would be monitored regularly and reported to the committee. An industry survey had recently shown that Cyber security was one of the top three audit priorities; the IT industry was continually evolving and the committee should take the appropriate response by monitoring outstanding recommendations, as with other risks.

In response to the Chairman on whether Internal Audit was satisfied with the current state of cyber security at EHC, the Client Audit Manager said this was a high priority for officers and there was a pathway to fully implementing the audit recommendations, and this should continue to be monitored by Members.

Councillor A Curtis enquired if and how SIAS was keeping pace with developments in the IT industry and if there was enough confidence that cyber security was being adequately addressed, given that EHC did not fully control

this environment. The Client Audit Manager advised that SIAS worked in partnership with BDO and SIAS used BDO to focus exclusively on relevant issues. There was also a history of local authorities working together on such matters and this was increasing. SIAS was acutely aware that the risk profile for local authorities was changing and where authorities worked in partnership, the focus was somewhat different, which was reflected in the audits which had been incorporated into the Audit Plan and reported to the Committee.

Councillor T Stowe asked why the assurance levels of the "Follow-up - S106 Spend Arrangements" and the "Follow-up - CCTV joint audit" were both noted as "Not Assessed". The Client Audit Manager replied that these were both routine follow-up audits and assurance opinions were not given on follow up audits, where the emphasis was placed on the status of recommendations made at the original audit.

Councillor L Corpe referred to the updating of the Disaster Recovery Plan and enquired when this would be completed. The Client Audit Manager said the comments contained in the report were provided directly by service managers and indicated the current status of the plan. This was a high priority issue which would continue to be monitored and reported to the Committee.

Councillor A Curtis commented that there were a number of issues in the report which referred to updates on outstanding issues from officers and said these issues needed completion dates. The Scrutiny Officer said it must be very clear on what was needed and asked from officers. The Chairman said some

issues had been outstanding for some time, e.g. cyber security, and these must be addressed.

Councillor A Curtis moved and Councillor A Alder seconded a motion that the recommendations in the report be approved.

After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that (A) the Internal Audit Progress Report be noted;

(B) the amendments to the Internal Audit Plan as at 27 December 2019 be approved;

(C) the status of Critical and High Priority recommendations be noted; and

(D) Members be provided with a cyber security update by officers as required.

298 ANNUAL AUDIT LETTER FOR THE YEAR ENDED 31 MARCH 2019

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The External Auditor provided a summary of the Annual Audit Letter for the year ended 31 March 2019 and noted that an unqualified audit report on the Council's financial statements had been issued on 29 November 2019.

The External Auditor drew the Committee's attention to the following error on page 9 of the report: the date under no issues identified with the balances brought over should be 1 April 2018 and not 1 April 2019.

The External Auditor said that the Council had updated its accounts to reflect the impact of national issues impacting all local authority pension schemes as well as to reflect changes in the value of investments.

With reference to the additional Audit Fees which would be charged to EHC, the External Auditor said that the proposal was with the PSAA for discussion and approval. The main reason for the increased fee reflected the additional testing which had been agreed with the Council; an additional 40 items had been tested.

In response to a question by the Chairman on future legislative issues to be aware of, the External Auditor referenced IFRS 16 leases; financial resilience arrangements introduced by the IASB Conceptual Framework for Financial Reporting; possible pensions actuarial issues; and future contributions to the tri-annual review.

With reference to the completion of the 2019/2020 audit, the External Auditor thanked Members for their understanding and patience on the possible delay in the completion. In a national context, a review commissioned by the government has meant that more complex accounts had to be submitted by local government authorities, which meant that the completion date of the end of July for the EHC audit was not viable. Furthermore, audit institutions across the UK were struggling with staff attrition and some 40% of audits were not completed on time. The end of September would be a more viable date for the completion of the EHC audit. Ultimately, giving the right assurance was the most important and the end of

July was not a statutory deadline. Audits should not be driven by dates, and it was preferable not to reschedule at short notice. A planned and informed timeline should therefore be agreed between the Council and EY.

The Interim Head of Strategic Finance and Property said that it was a requirement that a statement be made on why the audit cannot be completed by the end of July. The Government expectation was that accounts should be audited and published by the end of July and that was still the preferred option. He would discuss the options with the External Auditor.

Councillor A Alder welcomed the explanation for the possible delay and stressed that a final date must be agreed and adhered to.

Councillor A Curtis said that the national context must be taken into account and the Council should not lapse into a culture of things not getting done.

The Chairman requested the External Auditor and the Interim Head of Strategic Finance and Property to discuss the completion date of the audit and keep committee members updated of progress via email between meetings.

Councillor A Alder moved and Councillor T Stowe seconded a motion that the External Auditor's Annual Audit Letter for the year ended 31 March 2019 be noted.

After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED - that (A) the External Auditor's Annual Audit Letter for the year ended 31 March 2019 be noted.

The Chairman thanked the External Auditor and the former Head of Strategic Finance and Property, Isabel Brittain, for their assistance in helping the Council to obtain an unqualified audit.

299 DEVELOPING A NEW CORPORATE PLAN

The Head of Communications, Strategy and Policy made a presentation on the Council's Draft Corporate Plan for 2020-2023 and briefly explained the purpose of having a corporate plan. The present plan had been signed-off in 2016 and came to an end on 31 March 2020, hence the need for Council to approve a new plan.

The draft plan had been drafted after several workshops and Council partners had also been involved. The four themes in the plan were Sustainability; Enabling our Communities; Encouraging Economic Growth and Digital by Design. The themes made up the acronym "SEED", which went with the message: 'East Herts, a Place to Grow'.

Councillors A Alder and A Curtis stressed that the plan should not only contain references to or focus on Hertford and Bishops Stortford. There were a number of other towns in the district which played an important role. They often felt 'left-out' and should be mentioned in the plan. Care should also be taken that all communities signed-up to the plan.

The Chairman referred to cost and asked whether money had been committed to improving the digital and IT environment. The Head of Communications, Strategy and Policy said that while there was a link between the objectives in the plan and the budget, no specific amounts were mentioned in the plan. The objectives in the plan were linked to some of the priorities in the budget.

Councillor L Corpe commented that while the objectives in the plan were very worthy, the Council should not just pay lip service to these; processes should be in place to ensure that these would actually be achieved.

Councillor A Curtis said that the objectives should not be considered in silos; there should be cross-cutting to ensure that the objectives are at the basis of all the Council does. As an example, sustainability was much broader than just green issues, it also involved heritage, the built environment and other issues. He asked whether the word "technology" could not be included in the Digital by Design title.

The Head of Communications, Strategy and Policy said he had taken note of all the comments by members and where possible these would be incorporated in the draft Corporate Plan which would be submitted to the Executive for discussion and Council for final approval.

Councillor L Corpe moved and Councillor A Alder seconded, a motion that the Draft Corporate Plan for 2020-2024 be noted.

After being put to the meeting and a vote taken, the

motion was declared CARRIED.

RESOLVED – that (A) the Draft Corporate Plan for 2020-2024 be noted.

300 BUDGET AND MEDIUM TERM FINANCIAL PLAN 2020/21 - 2023/24

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The Interim Head of Strategic Finance and Property and Section 151 Officer presented the report and acknowledged all the work that relevant officers had put into the plan. Because of this work and well-debated proposals, it was possible to recommend a well-balanced Medium Term Financial Plan for 2020/21 – 2023/24.

The Interim Head of Strategic Finance and Property and Section 151 Officer referred to certain specific recommendations in the report and noted the following: the Government had lifted the freeze on Council Tax as they wanted local government to be more self-reliant and not depend too much on central grants; the Fair Funding review by the Government had not yet been concluded, and certain assumptions therefore had to be made, which were done with the help of an external consultancy; and the proposed Capital Programme was affordable for EHC.

The Interim Head of Strategic Finance and Property and Section 151 Officer noted that the Council's revenue budget consisted of five major "building blocks", which were detailed in the report.

With reference to the New Homes Bonus, the Interim Head of Strategic Finance and Property and Section 151 Officer stated that while the Council had

benefitted from this, there was concern about the demise of the bonus. The Government followed a path of gradual reductions and the amount payable was only guaranteed for one more year with no legacy payments and would probably disappear after the Fair Funding review had been concluded. It should also be borne in mind that the bonus would no longer be available to be shared with town and parish councils.

The Interim Head of Strategic Finance and Property and Section 151 Officer specifically thanked the former Head of Strategic Finance and Property (Isabel Brittain) for her work in preparing the budget and engaging the various stakeholders.

Councillor L Corpe referred to the proposed funding cuts to the Citizens' Advice Services and Community Voluntary Services and said that while this might look like a saving up front, the Council would be "shooting itself in the foot" as this may lead to problems in the future. These organisations could not change their funding streams and while the proposed funding cut seemed very small, it would have a big impact on their services. He requested that the proposed cuts should rather be scrapped or phased-in more gradually; an increase in parking fees could possibly be considered to make up for this. The proposed cuts also did not correspond with the objective in the draft Corporate Plan to support vulnerable residents.

Councillor A Curtis noted that while he agreed that these were valuable services, these organisations have known about the proposed cuts for some time.

Councillor J Burmicz said it was also a false economy to

reduce the funding of PCSOs as they provided a vital service in all communities. The Chairman noted that the funding for PCSOs came from the Police budget and Councillor A Curtis advised that the Hertford Constabulary were not bound by the EHC budget; they could increase their own budget and appoint more PCSOs.

The Chairman referred to the Net Cost of Services and asked if this had been capped for the first time. The former Head of Strategic Finance and Property said that this was the second year that this approach had been followed; it provided more flexibility when the budget was set.

With reference to the high and subsequently falling costs detailed under Operations, the Interim Head of Strategic Finance and Property and Section 151 Officer said that when the Leisure Centres were completed, the service provider would be paying the Council and this amount should reduce.

The Interim Head of Strategic Finance and Property and Section 151 Officer stated that the costs for salary increases would only be finally determined once negotiations with the unions had been completed.

The Chairman referred to the Budget Gap, specifically the numbers for Revised Service and Funding Pressures, and asked how these were determined. The Interim Head of Strategic Finance and Property and Section 151 Officer said that where there were changes to services, the figures would be adjusted.

Councillor A Curtis referred to Income and enquired if

income sources were being diversified. He also enquired if there was confidence in the income to be obtained from Financial Sustainability and the Millstream company and if these income targets would be met within the proposed timescales. The Interim Head of Strategic Finance and Property and Section 151 Officer replied that Millstream would generate an additional £100k p.a. An updated business plan would be submitted to Council on how this income would be met. With regard to Financial Sustainability, one building had already been acquired and the Financial Sustainability Committee would be looking at acquiring more income-generating buildings. The Interim Head of Strategic Finance and Property and Section 151 Officer said there were no obstacles to generating income from these two sources, and he was therefore confident that the targets would be met.

The Chairman noted that a £40k saving was being proposed from improved recycling and asked if the price trajectory for recycling was known. The Interim Head of Strategic Finance and Property and Section 151 Officer said the paper recycling contract would again be procured in conjunction with North Herts Council and the new figures should be available by the end of February 2020. The paper recycling rate could reduce as part of the new procurement contract. If there was any uncertainty on the outcome of the procurement contract or if there was a sudden increase in the costs of recycling, this would be off-set through cross-subsidisation. The situation would however be monitored.

The Chairman enquired what the effect would be if the option to charge for green waste was not used. The

Interim Head of Strategic Finance and Property and Section 151 Officer said the proposed income of £400k for green waste in 2021/22 was significant. While providing a green waste service was not a statutory obligation, most other authorities charged if they provided such a service.

The Chairman enquired about the type of projects which could be put in place to increase the total reserves. The Interim Head of Strategic Finance and Property and Section 151 Officer replied that there were a number of "Invest to Save Ideas".

With Members consent it was agreed that the recommendations in the report be taken individually.

Councillor A Curtis moved, and Councillor L Corpe seconded, a motion to support recommendation (a) in the report, as detailed below. The motion being put to the meeting, and a vote taken, it was declared CARRIED.

RESOLVED – to endorse that the Executive considers the following for recommendation to Council: that the East Herts share of Council Tax for a band D in 2020/21 be set at £174.09.

Councillor A Curtis moved, and Councillor A Alder seconded, a motion to support recommendation (b) in the report, as detailed below. The motion being put to the meeting, and a vote taken, it was declared CARRIED.

RESOLVED – to endorse that the Executive considers the following for recommendation to Council: that the updated position on the

Medium Term Financial Plan and Budget for 2020/21 including the budget pressures and risks be approved.

Councillor T Stowe moved, and Councillor A Alder seconded, a motion to support recommendation (c) in the report, as detailed below. After being put to the meeting a vote was taken, with Councillor Corpe voting against the motion. The motion was therefore declared CARRIED.

RESOLVED – to endorse that the Executive considers the following for recommendation to Council: The new savings and income generating proposals for 2020/21 onwards as shown in Appendix 'A' be approved.

Councillor A Curtis moved, and Councillor T Stowe seconded, a motion to support recommendation (d) in the report, as detailed below. The motion being put to the meeting, and a vote taken, it was declared CARRIED.

RESOLVED – to endorse that the Executive considers the following for recommendation to Council: that the Capital Programme as set out in Appendix 'C' be implemented.

Councillor T Stowe moved, and Councillor A Curtis seconded, a motion to support recommendation (e) in the report, as detailed below. The motion being put to the meeting, and a vote taken, it was declared CARRIED.

RESOLVED – to endorse that the Executive

considers the following for recommendation to Council: that the schedule of charges set out in Appendix 'D', each with an average increase of 2.5% for 2020/21, be approved.

301 CAPITAL STRATEGY 2020 ONWARDS

The Interim Head of Strategic Finance and Property and Section 151 Officer presented a summary of the report and noted that the Capital Strategy had not been developed in isolation. There was a clear relationship between the Capital Strategy and other key corporate strategies and plans. Capital schemes referred to in the plan were both prudent and proportionate and the relationship between each scheme and the relevant objective(s) in the Corporate Plan were detailed in the plan.

The Chairman referred to the Core Influences Action Plan and asked why the Leisure Facilities Strategy was mentioned upfront. The Interim Head of Strategic Finance and Property and Section 151 Officer said that it merely reflected the value of the leisure centre projects.

In response to the Chairman if sustainability was reflected in the figures shown for capital projects, specifically the Old River Lane project, the Interim Head of Strategic Finance and Property and Section 151 Officer said that while sustainability was very topical, some projects would not meet the high sustainability requirements and some of the figures shown were outdated. The plan highlighted how the processes would be taken forward and in the case of Old River Lane, there were four options further down the line when the costing would be reviewed. The

correct balance between commercial return and sustainability had to be found.

Councillor L Corpe said that if sustainability was built into projects at an early stage, they became cheaper and if adopted as a matter of principle, it influenced entire projects.

The Interim Head of Strategic Finance and Property and Section 151 Officer drew the committee's attention to the fact that the Government's announcement on the provisional settlement for local government for 2019/20 included a statement on the potential for government intervention, which meant that the Government had the power to intervene to limit borrowing. Where the Capital Strategy had to be updated, it would be shared with Members.

The Scrutiny Officer commented that in terms of scrutiny, it was important that Members relay to their residents changes which would involve and impact on them.

Councillor A Curtis moved and Councillor T Stowe seconded, a motion that the Committee endorsed that the Executive considers the recommendations in the report for recommendation to Council.

After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED - to endorse that the Executive considers the following for recommendation to Council: the Capital Strategy 2020 onwards as shown in Appendix 'A'.

302 TREASURY MANAGEMENT STRATEGY 2020/21

The Interim Head of Strategic Finance and Property and Section 151 Officer presented a summary of the report and submitted an amended table under the item Core Funds and Expected Investment Balances. Whilst the Financial Sustainability Committee considered the acquisition of additional buildings, building investments were relatively small and there was no over-reliance on commercial income. External advisers were also used and the Capital Strategy was similar to that of previous years.

In response to a question by the Chairman on details of "other long term liabilities", the Interim Head of Strategic Finance and Property and Section 151 Officer BP said that he thought these were leases, but that he would check and email the information to Members.

The Interim Head of Strategic Finance and Property and Section 151 Officer said there would only be borrowing as and when funds were needed, although there was a realistic possibility that no borrowing would be needed in the 2020/21 financial year. The cost of borrowing was included in the MTFP and but business cases on capital schemes allowed for interest.

The Interim Head of Strategic Finance and Property and Section 151 Officer that the Council had appointed Link Asset Services as its treasury advisor and part of their service was to assist the Council in formulating a view on interest rates. There were numerous variables which could influence interest rates and forecasts were largely based on assumptions.

With reference to counterparties, the Chairman

enquired if banks should not be named. The Interim Head of Strategic Finance and Property and Section 151 Officer said that this was not necessary; the options were based on credit ratings and by not naming banks specifically, it avoided having to make amendments to the strategy at a later stage. The strategy as presented therefore gives that flexibility.

Councillor A Curtis moved and Councillor A Alder seconded, a motion that the Committee endorses that the Executive considers the recommendations in the report for recommendation to Council.

After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED - to endorse that the Executive considers the following for recommendation to Council: that the (a) Treasury Management Strategy and Annual Investment Strategy in Appendix 'A', including the prudential indicators discussed in paragraphs 3.6 be approved and (b) credit and counterparty risk management and approved countries list discussed in paragraph 3.7 be approved.

### 303 DRAFT WORK PROGRAMME 2019/20

A revised Work Programme was submitted to members in a paper format.

The draft agenda for the Committee's next meeting on 17 March 2020 was amended by deleting the item on a Performance Review for Communications.

Councillor A Curtis moved and Councillor A Alder seconded, a motion that the Committee’s draft work programme, as amended, be approved, and be published as part of the agenda.

After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED - that the Committee’s draft work programme, as amended, be approved.

The meeting closed at 9.52 pm

Chairman .....
Date .....