

MINUTES OF A MEETING OF THE  
PERFORMANCE, AUDIT AND GOVERNANCE  
OVERSIGHT COMMITTEE HELD IN THE  
COUNCIL CHAMBER, WALLFIELDS,  
HERTFORD ON TUESDAY 19 NOVEMBER  
2019, AT 7.00 PM

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PRESENT: Councillor M Pope (Chairman)  
Councillors A Alder, S Bull, L Corpe,  
A Curtis and T Stowe (Vice-Chairman)

OFFICERS IN ATTENDANCE:

Peter Mannings	- Democratic Services Officer
Alison Street	- Finance Business Partner
Robert Winterton	- Financial Services Manager

ALSO IN ATTENDANCE:

Dan Cooke	- EY
Suresh Patel	- EY

226 APOLOGY

An apology for absence was submitted on behalf of Councillor J Burmicz.

227 MINUTES - 24 SEPTEMBER AND 29 OCTOBER 2019

It was moved by Councillor A Curtis and seconded by Councillor T Stowe that the Minutes of the meetings held on 24 September and 29 October 2019 be

confirmed as correct records and signed by the Chairman. After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that the Minutes of the meetings held on 24 September and 29 October 2019 be confirmed as a correct record and signed by the Chairman.

## 228 STATEMENT OF ACCOUNTS 2018/19

The Executive Member for Financial Sustainability submitted a report setting out the background to the 2018/19 statement of accounts for Members to consider and approve. The accounts provided details of the overall financial position in the balance sheet and details of the revenue activities for the General Fund and the Collection Fund.

Members were advised that the External Auditor's Audit Results report was also shown within the Essential Reference Papers and these would be presented to the Committee by Ernst and Young LLP (EY). The External Auditor thanked the Financial Services Manager and the Finance Business Partner, as well as Officers, for their continued support and understanding with regards to the delay in the Audit process this year, prior to the submission of this rescheduled Audit Report.

Members were advised that there were no matters to report in respect of the value for money conclusion and it was anticipated that an unqualified Auditor opinion would be issued. Members were also updated in respect of the pension liability and the McCloud

judgement in the context of the value of public sector pensions.

The External Auditor detailed the current status of the External Audit work and Members were updated in respect of a number of outstanding matters.

The External Auditor confirmed to Councillor L Corpe that the value for money audit work in respect of Old River Lane was complete pending the outcome of the judicial review. Members were advised that this project would continue to be monitored as the development progressed.

The External Auditor updated the Committee in respect of timescales going forward for future Audit work. The Chairman commented on the importance of ensuring that pension contributions were fully funded going forward. The Finance Business Partner stated the impacts of the pension liability would be reported in the Annual Budget report. The Chairman indicated that each recommendation would be taken individually. This was supported.

Councillor L Corpe moved and Councillor A Alder seconded, a motion that the Council's Statement of Accounts for the Financial Year 2018/19 be approved and the Chairman of the Performance, Audit and Governance Oversight Committee be authorised to sign the Council's Statement of Accounts for the Financial Year 2018/19 at the conclusion of the meeting.

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

Councillor L Corpe moved and Councillor A Curtis seconded, a motion that the letter of representation be approved for signing by the Chairman of the Performance, Audit and Governance Oversight Committee and the Head of Strategic Finance and Property at the conclusion of the meeting.

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

Councillor S Bull moved and Councillor L Corpe seconded, a motion that the External Auditor's Audit Results Report (ISA 260 report), be approved.

After being put to the meeting and a vote taken, this motion was declared CARRIED. Members supported the recommendations as detailed in the report submitted.

RESOLVED – that (A) the Council's Statement of Accounts for the Financial Year 2018/19 be approved and the Chairman of the Performance, Audit and Governance Oversight Committee be authorised to sign the Council's Statement of Accounts for the Financial Year 2018/19 at the conclusion of the meeting;

(B) the letter of representation be approved for signing by the Chairman of the Performance, Audit and Governance Oversight Committee and the Head of Strategic Finance and Property at the conclusion of the meeting; and

(C) the External Auditor's Audit Results Report

(ISA 260 report), be approved.

229 CORPORATE BUDGET MONITORING REPORT - QUARTER 2:  
2019/20

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The Head of Strategic Finance and Property and the Head of Communications, Strategy and Policy submitted a report in respect of finance and performance monitoring for East Herts Council for 2019/20 as at 30 September 2019.

The Financial Services Manager stated that the net revenue budget for 2019/20 was £10.268m as detailed in table 1 of the report submitted. The forecast outturn as at 30<sup>th</sup> September 2019 was a year-end underspend of £37k. Members were advised that the revised capital budget for 2019/20 was £78.319m, of which £62.787m was to be carried forward to future years.

Councillor L Corpe commented on the areas where there had been overspends in relation to the budget. Councillor M Pope referred to underspend in the revenues and benefits budget. Members were assured that service levels had been unaffected.

Councillor M Pope also referred to a drop in revenue of £183k for Planning and Building Control. He also commented on the New Homes Bonus in the context of the costs incurred by Planning and Building Control relating to a site in Little Hadham.

Councillor S Bull commented on the potential impact of the turnover of staff in Planning and Building Control. The Finance Business Partner commented on

the costs associated with a greater use of agency staff in Development Management.

Members were advised that the full detail in respect of the capital budget was detailed in Essential Reference Paper 'B' and a breakdown of debts outstanding as at 30 September 2019. Councillor M Pope undertook to email the Head of Housing and Health in respect of the number of households living in temporary accommodation.

Members commented on the continued red status of the missed waste collections as detailed on page 55 of the report. Members considered whether the Committee could look at this issue in the context of the wider performance of the Council's new waste contract.

Members also noted that fly tipping could be looked at as well if this was considered to be appropriate. Councillor L Corpe referred to the increase in the recycling rate to 55.37%, which was 2.1% higher than at this point last year and was one of the highest recorded percentages.

Councillor L Corpe moved and Councillor T Stowe seconded, a motion that Members receive the report and support the recommendations, now detailed. After being put to the meeting and a vote taken, this motion was declared CARRIED.

RESOLVED – that (A) the report be received;

(B) the projected revenue budget forecast underspend of £37k in 2019/20, as detailed in

paragraph 2.1 of the report, be noted;

(C) the capital budget for 2019/20 of £78,319m, of which £62.787m is to be carried forward to future years, as detailed in paragraph 6.1 of the report, be noted; and

(D) it was agreed that £100k from the New Homes Bonus priority spend reserve be used to fund the planning costs relating to the recent Little Hadham planning application issues; and

(E) it was agreed that equalisation reserves be used to offset the Planning Service under achievement of income by £150k.

## 230 DRAFT WORK PROGRAMME PROPOSALS 2019-20

The Committee Chairman submitted a report inviting Members to review and determine the future work programme of Performance, Audit and Governance Oversight Committee.

Councillor L Corpe said that a topic relating to Standards and the promotion of high standards both at East Herts and other Council's across the District could be considered by Members for addition to the work programme. This was supported.

Councillor A Alder commented on the potential lack of knowledge and understanding of the Standards regime at Parish and Town Councils. Councillor L Corpe moved and Councillor A Alder seconded a motion that the revised work programme, as now amended, be supported.

RESOLVED – that the work programme, as now amended, be approved.

The meeting closed at 8.12 pm

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