

EPPING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee: Finance and Performance Management Cabinet Committee **Date:** Thursday, 26 September 2019

Place: Council Chamber - Civic Offices **Time:** 7.00 - 7.17 pm

Members Present: Councillors S Stavrou (Chairman), J Philip, C Whitbread, H Whitbread and S Kane

Apologies: None

Officers Present: N Dawe (Interim Strategic Director & Chief Financial Officer), A Hendry (Senior Democratic Services Officer), J Nolan (Service Director (Commercial & Regulatory Services)), R Perrin (Democratic Services Officer) and G Blakemore (Chief Executive)

14. Webcasting Introduction

The Chairman reminded everyone present that the meeting would be broadcast live to the Internet and that the Council had adopted a protocol for the webcasting of its meetings.

15. Substitute Members

The Committee noted that there were no requirements for a substitute member for this meeting.

16. Declarations of Interest

There were no declarations of interest pursuant to the Council's Code of Member Conduct.

17. Minutes

RESOLVED:

That the minutes held on 18 July 2019 were read and signed as a correct record by the Chairman.

18. Risk Management - Corporate Risk Register

The Commercial and Regulatory Service Director, J Nolan advised that the Corporate Risk Register had been considered by the Risk Management Group on 21 August 2019 and subsequently individual risks had been reviewed and amended where required by the relevant Risk Owner. The review had led to two risks being removed and a new one being created.

The Committee concurred that the new Risk 13 – Cyber Security, required becoming a stand alone risk. In addition the Committee commented that the Council's resilience could be improved, if mandatory training was provided to all staff on an annual basis and that any attacks were tracked and monitored. Furthermore, penetration test on the Council's fire walls should be concluded regularly and consideration should be given to maintaining the storage and recovery of data stored off site.

The Committee requested that a separate risk be made for Natural England and the impact of the Council's inability to issue planning consent. The delays from Natural England were causing reputational damage to the Council; had wider effects on the

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Local Plan; and could cause the Council to fail in its housing development requirements, so it was felt an important risk.

RESOLVED:

- (1) That the updated Corporate Risk Register be noted;
- (2) That Risk 13 - Cyber Security be updated to incorporate the Committees comments;
- (3) That a new risk be added to the Risk Register for Natural England incorporating the Committees comments; and

RECOMMENDED:

- (4) That the updated Corporate Risk Register be recommended to Cabinet for approval.

Reasons for Decision:

It was essential that the Corporate Risk Register was regularly reviewed and kept up to date

Other Options Considered and Rejected:

Members may suggest new risks for inclusion or changes such as the scoring of existing risks.

19. Any Other Business

That, as agreed by the Charman of the Committee and in accordance with Section 100B(4)(b) of the Local Government Act 197, the following items of urgent business be considered following the publication of the agenda:

- Item 8 – Finance Update (As at the end of August 2019).

20. Finance Update (as at the end of August 2019)

The Interim Strategic Director, N Dawe provided the Committee with an update on the Council's financial position.

2018/19 Financial Position

It had been reported to the Audit Committee on 12 September 2019, that the external auditors were close to finishing their review of the Councils accounts and had not found, to date, the requirement to alter the accounts other than in line with their technical recommendations. The external auditors had commented on how the process of producing the final accounts could be further improved and officers had been charged with making this a priority and reporting back to the Audit Committee when the improvements had been made.

The only major financial issue that had arisen since the conclusion of the accounts, related to the judgement called the McCloud Case, which increased potential pension liabilities and had resulted in a £1.6m adjustment to the balance sheet. The accounts and final audit certificate were due to return to Council for approval in November 2019.

2019/20 Financial Position

The figures until the end of August, were being produce and the expected figures should demonstrate a continuation of the day to day control of budgets including addressing demand and inflationary pressures. The expected capital expenditure would be below budget and further progress would be needed to ensure the earliest possible delivery of the benefits of the current projects.

In terms of savings schemes, reasonable progress had been made, although it required the remaining schemes to be delivered promptly or substituted for by other valid savings schemes.

2020/21 Budget

The process of forming the budget for 2019/20 had commenced with officers and staff ensuring that all resources were used to maximum effect and that priorities were brought forward for consideration to Cabinet at the end of October 2019. The Budget would also need to take account of external factor arising from national and international economic uncertainty and the growth in the council tax base.

Other Issues of Note

The loans that the Council had made to Eastbourne and Thurrock Districts had been returned amounting to £8m and a review of investment holding, and liquidity was taking place, mindful of the returned loans and the potential call on fund in future months.

The Valuation Office had determined in favour of a company wishing to reduce their business rate exposure. The claim covered several years and amounts to over £1.1m. Repayment of the claim was covered by the provision set aside for such cases and of course other Authorities and the Central Government were due to take a share of the loss later in the financial year. The impact for future years, alongside other claims, was being reviewed.

The Committee commented that good progress had been made and more savings or revenue would be required in the future.

RESOLVED:

That the Committee noted the financial update at the end of August 2019.

CHAIRMAN