

FINANCE SCRUTINY COMMITTEE

11 September 2019

Present: Councillor M Turmaine (Chair)
Councillor P Kloss (Vice-Chair)
Councillors D Allen-Williamson, N Bell, J Johnson, A Khan,
J Pattinson and S Bolton

Officers: Head of Finance
Democratic Services Officer (AG)

7 Apologies for absence

Apologies for absence were received from Councillor Martins.

Councillor Bolton replaced Councillor Saffery.

8 Disclosure of interests

There were no disclosures of interest.

9 Minutes

The minutes of the meeting held on 25 June 2019 were submitted and signed.

The Chair commented that the two items due to come before the meeting that evening, discussed under the 2019/20 work programme within the minutes, would now be tabled at the November 2019 meeting.

10 Finance digest 2019/20 (Q1)

The Committee received the report of the Head of Finance. The Head of Finance introduced the report advising that as this was quarter one there was not a huge variance. She explained how a number of improvements were being made to the budget monitoring process in relation to the level of vacancies, an extended section of risk and the enhanced role of the Operational Leadership Team.

She explained that the quarter one report did not include information (such

as around income) on the Croxley Business Park - she advised that how the data was to be presented was being examined. Furthermore, the training needs of members were being considered to assist them in monitoring future reports. She went on to discuss how the improvement in property revenues was good news.

The Head of Finance continued by discussing the various sources of income to the council - advising that the New Homes Bonus would stay as it was for the current financial year. However, this would not impact on the forecast. She then talked through the matrix contained in Appendix Six to the report in relation to emerging budget risks and how these would be monitored in the future.

The Head of Finance informed the committee that the decision to sell a phase in relation to Riverwell had reduced borrowing costs. She then discussed revenue transfers from other projects and the details of a report to Cabinet about the Bike Share Project. She advised that Town Hall plans around the northern hub had been put on hold with possible slippage and that there had been an income change to the medium term financial strategy. She concluded by explaining how underspends and slippage costs were calculated.

In response to questions from members, the Head of Finance:

- Undertook to provide further information to the committee on the Rag risk rating of £216K discussed in paragraph 3.1.2 of the report under Watford 2020.
- Advised that the Group Head of Community and Environmental Services was progressing the new cemetery provision and that information would be provided to members once a decision had been made.
- Explained how the income from Hart Homes was being received by the Council. This would be in the region of £5m over 4 years but the net impact would be smaller because of borrowing costs - and should be close to the medium term financial forecast.
- Advised that a court case in relation to the indoor bowls club had been settled - where some elements had been written off and that payments would be received in quarter two.
- Undertook to find out the position in relation to a case of debt to the council.

Councillor Watkin advised the committee of the process for selecting the new managing director and of the progress that had been made to date. He went on to discuss decisions made by Cabinet in relation to the Croxley

Business Park and the Bike Share Project. He ended by explaining that the Revenue and Benefits service would remain sited at the Town Hall.

The Chair concluded the meeting by discussing a number of areas where future monitoring by the committee would be beneficial.

RESOLVED –

- that the 2019/20 Quarter 1 Finance Digest as shown at Annex A to the report was considered and the revenue and capital forecast outturn positions were noted.

Chair
Finance Scrutiny Committee

The meeting started at 7.00 p.m.
and finished at 7.30 p.m.