

Present: Councillor Peter Watson (Chairman), Councillor George Cornah (Vice-Chairman), Councillors Tom Ashton, Katie Chalmers, Anton Dani, Frank Pickett, Stephen Woodliffe and Mr Alan Pickering

In attendance: Councillor Jonathan Noble, Portfolio Holder for Finance

Officers –

Insights & Transformation Manager, Manager – Public Sector, Mazars, Interim Treasury Manager, Financial Services, Assistant Director - Finance (Deputy S151 Officer), Section 151 Officer and Matthew Waller

69 MINUTES

The minutes of the previous meeting held 5th December 2022 was agreed and signed by the Chairman.

70 APOLOGIES

Apologies of absence were received from Councillor Richard Austin and John Medler, Monitoring Officer

71 DECLARATION OF INTERESTS

None

72 PUBLIC QUESTIONS

None

73 MONITORING OFFICER UPDATE

No update was required at this meeting.

74 Q2 RISK REPORT 2022/23

Due to technical issues this item was differed to the next meeting.

75 INTERNAL AUDIT PROGRESS REPORT

The Internal Audit Manager presented the latest Internal Audit Progress Report.

The Internal Audit Manager updated Members on the following areas;

- Claire Goodenough has been appointed as Head of Audit and Risk Management at the County Council – heading up the Assurance Lincolnshire Partnership.

RESOLVED:

That the Committee note the report.

76 AUDIT PROGRESS REPORT

Jon Machej, Manager – Mazars presented a report which contained the Audit Planning Update and Progress Report.

Mr Machej explained that Mazars were currently unable to formally close the report due to the NAO withholding the 2021/22 accounts. It was confirmed that 12% of the Audit had not been signed off. It was explained that the delays are resulting from the Pandemic, since which slippage and delay have occurred.

In response to Members questions relating to the price increase of the Audit, the Assistant Director – Finance confirmed that, following the procurement process, new Auditors have been arranged for the new year.

RESOLVED:

That the Committee note the report.

77 TREASURY MANAGEMENT STRATEGY STATEMENT/ MRP & ANNUAL INVESTMENT STRATEGY

The Interim Treasury & Investments Manager PSPS presented a report which included the Treasury Management Policy and Draft Strategy Statement for the 2023/24 financial year and was included as part of the Budget Setting Report that would be submitted to Council for approval.

The Council was required to operate a balanced budget, which broadly meant that cash raised during the year would meet cash expenditure. Part of the treasury management operation was to ensure that the cash flow was adequately planned, with cash being available when it was needed. Surplus monies were invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main focus of the treasury management service was the funding of the Council's capital plans. These capital plans provided a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council could meet its capital spending obligations. This management over longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it would be prudent and economic, any debt previously drawn may be restricted to meet Council risk or cost objectives.

In response to Member's questions the Interim Treasury & Investment Manager PSPS explained that if the Sovereign rating falls below an AA- the Council would no longer invest in that Country, with the exception being the UK.

RESOLVED:

That the Committee note the report.

78 BUDGET OVERVIEW 2023/24 AND DRAFT BUDGET

The Deputy Chief Executive Corporate Development presented the Budget Overview 2023/24 and Draft Budget, which set out the draft budget including the areas pressure that would be considered as part of this year's budget setting process, the detail of the

Council's Provisional Funding Settlement and the proposed level of Council Tax for 2023/24.

It was agreed that an all Member Briefing would be held to allow Members to fully understand the Budget. At which officers would explain the Budget in more detail and Members would receive a further finalised version of the Draft Budget which was had been delayed due to unforeseen circumstances. The Briefing would be held before the next Cabinet meeting.

Following Member questions the Deputy Chief Executive Corporate Development explained that the Council were awaiting a decision from Government in relation to the Internal Drainage Board Levy.

The Committee thanked the Finance team for the detailed presentation and the work put into the budget.

RESOLVED:

**That the Committee endorse and Support the Budget – Recognising this as the best outcome for the current circumstances.
The lay member agreed with this decision.**

79 WORK PROGRAMME

Members agreed to move the next meeting, previously arranged for the 20th March to the 13th March.

The Meeting ended at 8.09 pm