

CAMBRIDGESHIRE HORIZONS LTD

Minutes of Audit & Risk Management Committee meeting of February 4th 2008.

Conference Room, Cambridgeshire Horizons Ltd., Histon, Cambridge

Present:

John Bridge, Cambridgeshire Chamber of Commerce, Chairman

Alex Plant, Chief Executive

Cllr Alan Melton, Fenland District Council

Cllr Ian Nimmo-Smith, Cambridge City Council

Cllr Peter Moakes, East Cambridgeshire District Council

John Onslow, Director for Development

John Barnes, Finance Manager

Actions

Apologies

Cllr Keith Walters, Cambridgeshire County Council

Item 1 - Minutes

- 1.1 Cllr P.Moakes name to be added to the previous meeting's minutes. The minutes were then approved as an accurate record of the last meeting.

Item 2 – Matters Arising

- 2.1 There were no matters arising that were not covered in the agenda.

Item 3 – 2007-8 Quarter 3 - December management accounts.

- 3.1 The management accounts for December 2007 were presented. The underspend on Capital and Revenue was discussed. The Committee suggested that a split of the Supplies and Services budget and actual into Company core costs and Consultancy would be helpful. The split of projects in the next financial year will reflect the 4 major Programmes in the 2008-11 Programme of Development and will need to show a clear cost allocation between Capital and Revenue costs in the Budgets and in the reporting.

JAB

Item 4 – 2007/8 Forecast year end results

- 4.1 Discussion related to the possible shortfall in spends against the company core revenue budget and the £1.4m additional revenue funding from CLG. John Onslow explained that the senior officer board is monitoring spend and suggested that an update of the project action plan (Author: Paul Mumford) be generated detailing projects to be implemented and actions to mitigate the possible shortfall. The paper to be circulated with the minutes to Committee members

**JO (For
PM)**

- 4.2 The late agreement to fund the £1.4M budget has led to an inability to spend the mainly pay based budget in the seven months available to the company and the local authorities.

Item 5 – Progress report on GAF2 Joint Working Funds

- 5.1 The paper from Paul Mumford will update the committee on where we are with the additional £1.4M budget and the spend to date. To December, £63K has been spent, but there is a significant amount to be billed by the 3 Local Authorities in the last three months of the year. Cambridgeshire Horizons has also identified £207K of work that could be invoiced before year end, that would help to mitigate the company's underspend on the core revenue budget.

Item 6 – Update on capital projects

- 6.1 It was expected that the underspend on Cambridgeshire Horizons' capital projects of £207K at the end of December would be absorbed by the end of the year. It was the top priority to ensure that the whole capital budget was consumed and none left unspent. The main underspend was on the Addenbrooke's access road, which had not had a delivery manager in post, during the year to December 2007.

Item 7 – Review Business Plan (2008-11) and Budget for 2008/9

- 7.1 AP said that he had begun updating the Business Plan, which would be presented to the March Board Meeting. The Committee would be given the opportunity to review the Plan, before the next Board meeting and it was suggested that 2 hours be set aside for this.
- 7.2 AP suggested that the Audit Committee could look in detail at the financials in the Plan, with some high level assumptions and strategies being explained as a part of the committee's review of the Business Plan. This would then enable the main Board to concentrate on the Business planning and strategic direction aspects of the plan.
- 7.3 The Budget for 2008/9 has not yet been finalised as CLG have not yet advised the value of the Revenue settlement for 2008/9, though work is being done on the core costs and the capital.

Item 8 - Any other Business

8.1 Dates of next meetings

SH/JAB to look at diaries for the whole year, to set up meetings in advance of Board meetings and these meetings to be more in line with the accounting period ends and the financial year end. As the Auditors

will not finish their Audit and review of the year end until early June 2008, it will only be provisional year end results that will be available at the June 2008 Board Meeting.

SH/JAB

JAB / 05/02/2008