

**AUDIT AND RISK MANAGEMENT COMMITTEE**  
**Minutes from the Meeting held on**  
**4<sup>th</sup> March 2010**  
**Cambridgeshire Horizons Conference Room**

**COMMITTEE/ BOARD MEMBERS PRESENT:**

<b>John Bridge - Chair</b>	<b>Cambridgeshire Chambers of Commerce</b>
<b>Alex Plant</b>	<b>Cambridgeshire Horizons</b>
<b>Cllr Alan Melton</b>	<b>Fenland District Council</b>
<b>Cllr Tony Orgee (sub for Cllr Tuck)</b>	<b>Cambridgeshire County Council</b>
<b>Cllr Fred Brown</b>	<b>East Cambridgeshire District Council</b>

**ALSO IN ATTENDANCE:**

<b>Ivan Matthews</b>	<b>Cambridgeshire Horizons</b>
<b>Geoff Bruce</b>	<b>Cambridgeshire Horizons</b>
<b>Gill Barker (Minutes)</b>	<b>Cambridgeshire Horizons</b>

**APOLOGIES:**

<b>Cllr Jill Tuck (substituted by Cllr T Orgee)</b>	<b>Cambridgeshire County Council</b>
---	--------------------------------------

## Actions

### 1. Welcome and Apologies

JB welcomed all members to the meeting.  
Apologies were received from Cllr Tuck, Cllr Orgee was substituting.

### 2. Minutes of the Meeting held on 24<sup>th</sup> November 2009

These were agreed.

### 3. Matters Arising

There was discussion regarding the political future for LDV's, the result of which was that a separate meeting of this Committee would be organized to review the risks associated and make recommendations to Board. SDT to be invited to attend.

GDB

### 4. Budgets 2010/11

#### a) Budget Structure 2010/11:

The structure was circulated. Noted that JO's name would change, due to his secondment to CCC for one year.

AP advised that JO's replacement had just been confirmed, formal notification to be sent to Board shortly.

#### b) Core and Joint Planning:

IM noted:

Staff costs – increase due to higher NI and Pensions costs;

Marketing - decrease due to more 'in-house' work;

Overall small deficit to come from revenue reserves.

Agreed:

Report to show balance sheet reflections on reserves and note that it assumed no 'loans' being repaid.

IM

#### c) HGF Revenue:

AP noted level of flexibility required for this budget, due in most part to the difficulty the Government £6m cut to capital caused the ability to spend. Growth Partnership Board had recently reviewed the project list currently allocated and agreed the small increases to those shown. GPB had also reviewed a potential list of additional projects but had sought a review of the criteria and scoring process on this new list prior to being able to prioritise.

As a result this budget currently held a 'rainy day' pot yet to be allocated.

Discussion:

It was noted that the Transport Innovation Fund (TIF) had now been abandoned by the Government, despite 2 years of working on bids etc., the effects of which could be considerable.

Agreed:

Flexibility in this fund was, therefore, considered wholly appropriate;

Agreement with the project list as reviewed by GPB.

- d) **HGF Capital:**  
The HGF Capital budget was reviewed. It was noted this was as placed before Main Board, in Closed Session, in December 2009. This was just prior to the Government official announcement regarding the proposed £6m cut in funding, which was subsequently confirmed.  
Discussion:  
The Clay Farm proposal was discussed in light of the Appeal result;  
It was noted that further to the recommendation from the last ARM meeting, Funding Agreements (FA's) had been sharpened up and were being regularly monitored to ensure spend;  
Queried if there was a 'fall-back' position should Clay Farm not spend. Noted that it could be used in a similar way in other areas such as Cambridge North West;  
Query regarding The Hive project funding. IM to clarify with JO. **IM/JO**  
Agreed:  
Endorsement of the budget as shown;  
Review of Clay Farm situation at September meeting, with view to a fall-back plan if no agreement reached. **Sept Agenda**
5. **Finance Report:**  
**January 2010 (Month 10) Management Accounts**  
The January management accounts had been circulated. IM noted currently 7% under budget. Anticipation that end of year would be closer. No issues with cashflow.  
There were no queries.  
Agreed:  
Very well presented.
6. **Risk Registers**  
a) **Strategic Risk Register:**  
GB was attending for JO. The revised SRR had been circulated, including the Exception Report. The SRR had been simplified.  
Query whether ARM members considered 5.3, 6.2 and 11.2 should all go 'red' in light of TIF announcement?  
Discussion:  
The ramifications of the TIF announcement were discussed.  
The Exception Report was noted and it was generally agreed this made all movements much clearer to identify.  
Noted that the current SRR was now fixed for 3 months, until the next ARM meeting, with all meetings inbetween receiving an updated Exception Report.  
Agreed:  
5.3, 6.2 and 11.2 to move to 'red' risk due to TIF announcement; **GB**  
5.3b – to be removed completely; **GB**  
5.3c and 5.3d – maintain status quo with name change only. **GB**  
Thanks to GB and his team for work on this Register and the

resulting Exception Report..

**b) Internal Risk Register (IRR):**

The IRR had been circulated. IM noted that the Endurance House lease had finally been completed. The IRR now reflected this. There had been a small rent increase, the first since 2005. IM also noted that he was currently investigating the cost of a Disaster Recovery Plan and would report further in due course.

Discussion:

The break out clause was discussed and it was noted that, with 6 months notice, there was no penalty involved.

**7. Forward Dates & Agenda Planner**

There were two date changes:

June meeting to move to 4<sup>th</sup> – am;  
September meeting to move to 6<sup>th</sup> at 1000.

**GDB**  
**GDB**

**11. Any other Business**

There was none.

**12. Date of next Meeting**

Scheduled for 4<sup>th</sup> June 2010, 1000 at Horizons.