



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority

FINANCE AND RESOURCES COMMITTEE OUTCOMES

Report of the Chair of the
Finance & Resources Committee

Agenda No:

Date: 17 September 2010

Purpose of Report:

To report to Members on the business and actions of the Finance and Resources Committee meeting of Friday 09 July 2010.

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1. BACKGROUND

As part of the revised Governance arrangements the Authority has delegated key responsibilities for Finance and Resources to the Finance and Resources Committee. As part of those delegated responsibilities, the Chair of the Finance and Resources Committee and the Management lead report to the Authority on its business and actions as agreed at Fire and Rescue Authority meeting on 1 June 2007.

2. REPORT

- 2.1 The minutes of the Finance and Resources Committee held on Friday 09 July 2010 are attached to this report at Appendix A. The following summarises the main points of the papers discussed at the meeting.
- 2.2 The Committee were firstly in receipt of a report presenting the Medium Term Financial Strategy 2010/11 to 2012/13. Following a lengthy discussion it was resolved that the contents of the Strategy be approved. Further that with regard to the costs of the Regional Control Centre to be transferred to the five Authorities, the Chief Fire Officer be requested to obtain a deal that was at least equitable and not more than this Authority's fair share. The final resolution was that the Head of Finance and Resources investigate with the Service's insurance brokers whether any insurance company would be willing to quote to cover the risk of early retirement by fire fighters through injury or ill health over a 5 year period.
- 2.3 The Committee were also in receipt of a report bringing to the attention of Members the annual report prepared by the Authority's auditors. It was resolved that the contents of the Annual Report be noted and all staff involved be congratulated for their efforts. Additionally the Head of Finance and Resources was requested to test the market to ensure that the fees being paid to Internal Audit were value for money.
- 2.4 Consideration was also given to a report informing Members about the use of money market funds before using them as an investment vehicle for the Fire and Rescue Authority. It was resolved that the contents of the report be noted and that the Head of Finance and Resources be supported in retaining money market funds as an investment option within the Treasury Management Strategy.
- 2.5 A further report to the Committee updated Members on the revised External Audit Code of Practice issued annually by the Audit Commission. It was resolved that the report be noted.
- 2.6 The Committee also considered a report which informed Members of key aspects of financial performance in the first two months of the financial year and sought approval for a capital programme slippage of £2.924million from 2009/10 into 2010/11. The report was noted and the slippage approved.
- 2.7 Finally, the Committee were in receipt of a report providing details of the Chartered Institute of Public Finance and Accountancy (CIPFA) Conference

2010, which had been attended by the former Chair of the Finance and Resources Committee and the Strategic Director of Finance and Resources. It was resolved that the report be noted.

3. FINANCIAL IMPLICATIONS

All of the reports considered by Finance and Resources Committee on 09 July 2010 were finance related. However, there were no significant financial implications arising from those reports.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

All human resources and learning and development implications were considered as part of the original reports submitted to the Finance and Resources Committee.

5. EQUALITY IMPACT ASSESSMENT

An initial equality impact assessment has identified no specific aspects relating to a disproportionate effect in respect of the key equality strands.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

7. LEGAL IMPLICATIONS

There are no legal implications arising directly from this report.

8. RISK MANAGEMENT IMPLICATIONS

There are no additional risk management issues arising from this report other than those specifically reported to the Committee as part of the reports under consideration.

9. RECOMMENDATIONS

That Members note the contents of this report and the business undertaken by the Finance and Resources Committee.

10. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

Councillor Penny Griggs
CHAIR OF FINANCE AND RESOURCES COMMITTEE

FOR NOTE

APPENDIX A



NOTTINGHAMSHIRE AND CITY OF NOTTINGHAM FIRE AND RESCUE AUTHORITY

FINANCE AND RESOURCES COMMITTEE

MINUTES

of meeting held on **9 JULY 2010** at Fire and Rescue Service Headquarters, Bestwood Lodge from 11.00 am to 11.50 am.

Membership

Councillor P Griggs (Chair)
Councillor V Bobo
Councillor A Foster
^ Councillor T Pettengell
Councillor M Wood

Members absent are marked ^

Present as observers – Councillors Cooper and Pulk.

1 APOLOGY FOR ABSENCE

An apology for absence was received from Councillor Pettengell.

2 DECLARATIONS OF INTEREST

No declarations of interests were made.

3 MINUTES

RESOLVED that the minutes of the last meeting held on 9 April 2010, copies of which had been circulated, be confirmed and signed by the Chair.

4 MEDIUM TERM FINANCIAL STRATEGY 2010/11 - 2012/13

Consideration was given to a report of the Treasurer, copies of which had been circulated, enclosing the medium term financial strategy 2010/11 to 2012/13.

During a lengthy discussion the following comments were made –

- (a) Independent Trading Company (paragraph 4.13) – the Company had been formed, the Directors appointed and some awareness training undertaken. Discussions were being held with the Trade Unions regarding TUPE etc and the Company would start trading on 1 September 2010. There were currently no trainers and the Directors would decide what action to take;
- (b) Central Government Finances (paragraph 5.7) – the Government's Comprehensive Spending Review would be announced on 22 October when it was anticipated that the Service would suffer cuts in external funding of 15-20% - a conservative estimate?. This was by far the greatest issue facing the strategy;
- (c) Regional Control Centre (paragraph 6.11) – the Regional Fire Control Company had been formed and the costs would be transferred to the five authorities in the region. These would be determined by the Company and it was impossible to predict the impact on budgets until this was finalised;
- (d) Firelink (paragraph 6.10) – the contracts had been signed by the Department of Communities and Local Government but there was no indication of the costs to be transferred to each Authority.

RESOLVED

- (1) that the contents of the Medium Term Financial Strategy 2010/11 to 2012/13 be approved;**
- (2) that with regard to the costs of the Regional Control Centre to be transferred to the five Authorities, the Chief Fire Officer be requested to obtain a deal that was at least equitable and not more than this Authority's fair share;**
- (3) that the Head of Finance and Resources investigate with the Service's insurance brokers whether any insurance company would be willing to quote to cover the risk of early retirement by fire fighters through injury or ill health over a 5 year period.**

5 INTERNAL AUDIT ANNUAL REPORT 2009/10

Consideration was given to the report of the Chief Fire Officer, copies of which had been circulated. The Treasurer pointed out the Auditors had been complimentary about the internal control environment stating that the overall level was satisfactory and provided a good basis for effective financial and resource management.

RESOLVED

- (1) that the contents of the Annual Report be noted and all staff involved be congratulated for their efforts;**

- (2) **that the Head of Finance and Resources be requested to test the market to ensure that the fees being paid to Internal Audit were value for money.**

6 MONEY MARKET FUND INVESTMENTS

Consideration was given to a report of the Treasurer, copies of which had been circulated, informing Councillors about the use of money market funds before using them as an investment vehicle for the Authority.

RESOLVED that the contents of the report be noted and the Head of Finance and Resources be supported in retaining money market funds as an investment option within the Treasury Management Strategy.

7 EXTERNAL AUDIT CODE OF PRACTICE

Consideration was given to a report of the Chief Fire Officer, copies of which had been circulated.

RESOLVED that the revised External Audit Code of Practice issued annually by the Audit Commission be noted.

8 FINANCIAL UPDATE TO 31 MAY 2010

Consideration was given to a report of the Chief Fire Officer, copies of which had been circulated, informing Councillors of key aspects of financial performance in the first 2 months of the financial year. The Head of Finance and Resources confirmed that the capital works at Carlton and Tuxford Fire Stations were on target. With regard to Dunkirk Fire Station the case would now not be heard until early 2011. By the end of the month the Authority would have a QC opinion on the Authority's position which would be shared with Councillors.

RESOLVED that the contents of the report be noted and the capital programme slippage of £2.924million from 2009/10 into 2010/11 be approved. .

9 CHARTERED INSTITUTE OF PUBLIC FINANCE AND ACCOUNTANCY (CIPFA) CONFERENCE 2010

Consideration was given to a report of the former Chair of the Finance and Resources Committee, copies of which had been circulated.

RESOLVED that the details of the above Conference attended by the former Chair of the Finance and Resources Committee and the Strategic Director of Finance and Resources be noted.