



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 and Resources Committee

Date: 28 February 2014

Purpose of Report:

To report to Members on the business and actions of the Finance and Resources Committee meeting of Friday 17 January 2014.

CONTACT OFFICER

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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 17 January 2014 are attached to this report at Appendix A. The following summarises the main points of the papers discussed at the meeting.
- 2.2 Members were firstly asked to consider the options for the recommendation of a balanced revenue budget over the next three years to the Fire Authority for acceptance and to consider implications for Council Tax. It was resolved to recommend to the Fire Authority at its meeting on 28 February 2014;
- (a) the Capital and Revenue Budgets for 2014/2015 set out in the report;
 - (b) the outline Capital and Revenue Budgets for 2015/2016 and 2016/2017 set out in the report;
 - (c) not to accept the Council Tax freeze grant being offered for 2014/2015;
 - (d) to increase Council Tax for 2014/2015 by 1.95% on the proviso that the referendum limit remains at 2%;

It was additionally resolved to request the Chief Fire Officer to prepare a range of options which can be consulted upon to bring budgets into balance for 2015/2016 and 2016/2017 and to include these options within the budget report to the Fire Authority on 28 February 2014.

- 2.3 Following on from this, consideration was given to a report which provided Members with an update on treasury management activity during the first half of the 2013/14 financial year. It was resolved to note the report; to approve the use of the Santander 95 day Notice Account with modification application to the credit-worthiness policy as outlined in paragraph 2.19 of the report; and to agree to the provision of a treasury management training seminar following either one of the next two committee meetings, subject to the availability of the Authority's external advisers to deliver the seminar.
- 2.4 A further report was presenting seeking the approval of Members to the virement of budget to enable some elements of backlog maintenance to be recovered. It was resolved to approve the virement of up to £420,000 from the employees virement group to the premise virement group to enable the backlog of maintenance works to be carried out partly in the current financial year and early into the next financial year.

2.5 The Committee was also asked to consider three monitoring reports, namely:

- Capital Budget Monitoring (to 30 November 2013);
- Revenue Budget Monitoring (to 30 November 2013);
- Prudential Code Monitoring (to 30 November 2013).

It was resolved that all three reports be noted. Additionally, in respect of capital monitoring, it was resolved to approve a voluntary Minimum Revenue Provision contribution of up to £1m from a combination of general underspends and unused Revenue Contributions to Capital Outlay (RCCO), as outlined in paragraph 2.3 of the report; and to approve the acceleration of the purchase of a Microsoft Volume Enterprise License Agreement covering all Microsoft software applications and server licensing for a 3 year period at an estimated cost of £200,000. This will be financed from the existing budgeted capital financing charges.

2.6 The Committee was finally in receipt of a report which updated on the strategic and corporate risk register and provided associated commentary. It was resolved to note and endorse the Strategic Risk Register; to note and endorse the Corporate Risk Register; and to note the most significant risks facing the Authority.

3. FINANCIAL IMPLICATIONS

There are no financial implications arising directly from this report.

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. EQUALITIES IMPLICATIONS

An equality impact assessment has not been undertaken because this report is not associated with a policy, function or service. Its purpose is to update the Fire Authority on the outcomes of Committee business.

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 Malcolm Wood
CHAIR OF FINANCE AND RESOURCES COMMITTEE



**NOTTINGHAMSHIRE & CITY OF NOTTINGHAM FIRE & RESCUE AUTHORITY -
FINANCE AND RESOURCES COMMITTEE**

MINUTES of the meeting held at Fire and Rescue Services HQ, Bestwood Lodge, Arnold Nottingham NG5 8PD on 17 January 2014 from 10.00 am to 11.37 am

- ✓ Councillor Malcolm Wood (Chair)
- ✓ Councillor Chris Barnfather
- ✓ Councillor John Clarke (minute items 21-26 inclusive)
- ✓ Councillor Gordon Wheeler
- ✓ Councillor Brian Grocock (as substitute for Councillor Jon Collins)
- ✓ Councillor Darrell Pulk (as substitute for Councillor John Clarke-minute items 17-20 inclusive)
- ✓ Councillor Tony Roberts (as substitute for Councillor Chris Barnfather)

✓ indicates present at meeting

Colleagues, partners and others in attendance:

Neil Timms Strategic Director of Finance and Resources
Peter Hurford Treasurer to the Nottinghamshire and City of Nottingham Fire and Rescue Authority
Carol Jackson Constitutional Services

17 APOLOGIES FOR ABSENCE

Councillor Chris Barnfather
Councillor John Clarke
Councillor Jon Collins

18 DECLARATIONS OF INTERESTS

None

19 MINUTES

The Committee confirmed the minutes of the meeting held on 11 October 2013 as a correct record and they were signed by the Chair.

20 BUDGET PROPOSALS FOR 2014/2015 TO 2016/2017 AND OPTIONS FOR COUNCIL TAX

Neil Timms, the Strategic Director of Finance and Resources, presented the Chief Fire Officer's report setting out the options for the recommendation of a balanced revenue budget over the next three years to the Fire Authority for acceptance.

The Strategic Director of Finance and Resources outlined for Members:

- the proposed Capital Programme for 2014/2015 to 2016/2017;
- revenue budgets 2014/2015 to 2016/2017;
- possible areas for budget savings;
- the options for 2014/2015, 2015/2016 and 2016/2017 of both freezing the Council Tax and taking the grant and raising Council Tax by 1.95%;
- the potential affect on balances for 2014/2015, 2015/2016 and 2016/2017 of both freezing the Council Tax and taking the grant and raising Council Tax by 1.95%

all of which are set out in detail in the Report.

Councillor Pulk thanked the Chair for his involvement in the scrutiny of budgets. The Chair thanked the Finance Team for their efforts in the production of the comprehensive report.

RESOLVED

- (1) to recommend to the Fire Authority at its meeting on 28 February 2014;**
 - (a) the Capital and Revenue Budgets for 2014/2015 set out in the report;**
 - (b) the outline Capital and Revenue Budgets for 2015/2016 and 2016/2017 set out in the report;**
 - (c) not to accept the Council Tax freeze grant being offered for 2014/2015;**
 - (d) to increase Council Tax for 2014/2015 by 1.95% on the proviso that the referendum limit remains at 2%;**
- (2) to request the Chief Fire Officer to prepare a range of options which can be consulted upon to bring budgets into balance for 2015/2016 and 2016/2017 and to include these options within the budget report to the Fire Authority on 28 February 2014.**

Councillors Wheeler and Roberts asked that their vote against resolutions (1) (c) and (1) (d) above be recorded in the minutes.

21 TREASURY MANAGEMENT MID-YEAR REVIEW 2013/14

Peter Hurford, the Treasurer to the Fire Authority presented his report updating Members on treasury management activity during the first half of the 2013/14 financial year.

The Chair thanked Peter Hurford for his work in relation to Treasury Management Practices.

RESOLVED

- (1) to note the report;**
- (2) to approve the use of the Santander 95 day Notice Account with modification application to the credit-worthiness policy as outlined in paragraph 2.19 of the report;**
- (3) to agree to the provision of a treasury management training seminar following either one of the next two committee meetings, subject to the availability of the Authority's external advisers to deliver the seminar.**

22 APPROVAL OF TEMPORARY VIREMENT

Neil Timms, the Strategic Director of Finance and Resources, presented the Chief Fire Officer's report seeking the approval of members to the virement of budget to enable some elements of backlog maintenance to be recovered. The virement is proposed from the employees budget which is currently showing an underspend in the region of £480,000 to the building maintenance budget to enable the backlog works to be carried out.

RESOLVED to approve the virement of up to £420,000 from the employees virement group to the premise virement group to enable the backlog of maintenance works to be carried out partly in the current financial year and early into the next financial year.

23 CAPITAL BUDGET MONITORING REPORT TO 30 NOVEMBER 2013

Neil Timms, the Strategic Director of Finance and Resources, presented the Chief Fire Officer's report advising Members on Capital Programme progress in the year 2013/14 to the end of November 2013, analysing significant variances against the original programme.

The capital budget monitoring statement is showing an underspend to date of £6,406,000 against a budget for the year of £8,339,000. Overall capital expenditure is likely to reach £5,151,000 by the end of the year but the outturn will be continually reviewed and reported throughout the year.

RESOLVED

- (1) to approve a voluntary Minimum Revenue Provision contribution of up to £1m from a combination of general underspends and unused Revenue Contributions to Capital Outlay (RCCO), as outlined in paragraph 2.3 of the report;**
- (2) to approve the acceleration of the purchase of a Microsoft Volume Enterprise License Agreement covering all Microsoft software applications and server licensing for a 3 year period at an estimated cost of £200,000. This will be financed from the existing budgeted capital financing charges;**
- (3) to note the content of this report.**

24 REVENUE BUDGET MONITORING TO 30 NOVEMBER 2013

Neil Timms, the Strategic Director of Finance and Resources, presented the Chief Fire Officer's report advising Members of the financial performance of the Service in the year 2013/14 to the end of November 2013, analysing significant variances against the original programme.

The Revenue budget monitoring statement for November 2013 is showing an underspend to date of £863,000 against a budget for the year of £43,899,000. The projected outturn variance for the year is an underspend of £821,000.

RESOLVED to note the contents of the report.

25 PRUDENTIAL CODE MONITORING REPORT TO 30 NOVEMBER 2013

Peter Hurford, the Treasurer to the Fire Authority presented his report informing members of performance for the period March 2013 up to 30 November 2013 relating to the prudential indicators for capital accounting and treasury management.

RESOLVED to note the report.

26 CORPORATE RISK MANAGEMENT

Neil Timms, the Strategic Director of Finance and Resources, presented the Chief Fire Officer's report presenting Members with updated Strategic and Corporate Risk registers and associated commentary.

RESOLVED

- (1) to note and endorse the Strategic Risk Register;**
- (2) to note and endorse the Corporate Risk Register;**
- (3) to note the most significant risks facing the Authority.**