



**NOTTINGHAMSHIRE AND CITY OF NOTTINGHAM
FIRE AND RESCUE AUTHORITY**

FINANCE AND RESOURCES COMMITTEE

MINUTES

of the meeting held on **13 APRIL 2007** at The Council House, Old Market Square,
from 10.00 am to 11.20 am.

Membership

Councillor P Griggs (Chair)
Councillor J Cottee
Councillor H Holt
Councillor J O'Riordan
Councillor T Pettengell

31 DECLARATIONS OF INTERESTS

No declarations of interests were made.

32 MINUTES

RESOLVED that the minutes of the last meeting held on 12 January 2007, copies of which had been circulated, be confirmed and signed by the Chair.

33 REVISED TERMS OF REFERENCE

RESOLVED that the revised terms of reference for this Committee, copies of which had been circulated, as agreed at the meeting of the full Fire and Rescue Authority held on 23 February 2007, be noted.

34 ANNUAL AUDIT AND INSPECTION LETTER

Consideration was given to a report of the Chief Fire Officer, copies of which had been circulated, which overall illustrated that the Service was operating well above the minimum standards required, with better than average achievements in performance.

RESOLVED

- (1) that the report be noted;**
- (2) that the Chair of the Performance Monitoring Committee be requested to submit regular updates regarding the statistical information available which would focus on the outcomes, as detailed in paragraphs 7 to 12 of the Audit letter;**
- (3) that the thanks of this Committee to all personnel involved in achieving the results of the Comprehensive Performance Assessment, set out by the auditors, be recorded.**

35 PRUDENTIAL CODE MONITORING TO 28 FEBRUARY 2007

Consideration was given to a report of the Treasurer, copies of which had been circulated, which informed members of the Authority's performance in regard to prudential indicators for capital accounting and treasury management, including a saving of £1,500 by restructuring the debt portfolio.

RESOLVED that the report be noted.

36 EFFICIENCY GAINS - MONITORING

Consideration was given to a report of the Chief Fire Officer, copies of which had been circulated, predicting efficiency gains for 2006/07 of £1,039,457. The Committee received a verbal update at the meeting, reporting that the actual gains achieved were ahead of the national target.

RESOLVED that the report be noted.

37 CAPITAL MONITORING– PERIOD 11 ENDED 28 FEBRUARY 2007

Consideration was given to a report of the Chief Fire Officer, copies of which had been circulated, and identified the following capital position:-

	Total £000s
Budget 2006/07	7,298
Slippage 2005/06 virements 2006/07	751
Revised Budget 2006-07	8,049
Actual expenditure	3,704
Under Spending	-4,345
Estimated Outturn	4,473
Outturn Variance	-3,576

RESOLVED that the report be noted.

38 BUDGET MONITORING – PERIOD ENDED 28 FEBRUARY 2007

Consideration was given to a report of the Chief Fire Officer, copies of which had been circulated, which analysed significant variances and highlighted areas of concern.

RESOLVED that the report be noted.

39 CARDIFF CHECKS

Consideration was given to a report of the Treasurer, copies of which had been circulated, regarding the findings of Internal Audit's consideration of four paid invoices.

RESOLVED

(a) Ntl invoice for leased line rental

- (1) that all contractual arrangements be formally documented to ensure a permanent record was available to both the parties to the contract, with documents identifying the goods and/or services, the period of the contract, renewal, cancellation and pricing arrangements;**
- (2) that strategic and planning decisions which impacted on the effective running of the Service be subject to a formal appraisal of available options, considering benefits, disbenefits and costs to demonstrate that the decisions made represented best value to the Authority and to provide a valuable resource when future reviews were undertaken;**
- (3) that a named, responsible officer, provided with written guidance on the requirements and responsibilities of this role, actively manage contracts;**
- (4) that invoices not subject to formal procurement control processes be subject to certification by the responsible budget officer (across the face of the invoice) to confirm that the charges were valid and related to a current contract;**
- (5) that further efforts be made to establish the value of the overpayment to Ntl, and confirm that the credit given was correct and that a cash refund be requested for the agreed value;**

(b) Bristol Uniforms Limited invoice for uniform clothing

- (6) that the terms of reference/project initiation document for the Integrated Clothing Project refer to the need to demonstrate best value and to test the market at regular intervals, in addition to other contractual issues;**
- (7) that repaired/reserve stocks of uniform be accounted for as stores stock and valued appropriately;**
- (8) that explanations be sought for the variations between physical and book stock records and adjustments be made to stock records and the financial accounts in respect of any necessary and duly authorised amendments;**
- (9) that stock checking procedures be reviewed to ensure that high value and desirable stock items were checked more regularly than other stocks in the cyclical rotation;**

(10) that, in an attempt to reduce stock levels and subject to supply chain arrangements meeting the required timescale, the needs of new recruits be identified at an early stage in order to anticipate the demand for specific sizes of uniform;

(c) Texaco invoice for ultra low sulphur diesel

(11) that stations be instructed to send all documents associated with fuel orders and receipts to HQ stores;

(12) that contract management procedures be reviewed to ensure that appropriate formal contractual arrangements were in place where appropriate, with effective monitoring and renewal in a timescale appropriate to the circumstances;

(d) Nottinghamshire County Council invoice for Catering Services

(13) that hospitality and additional catering requirements be recharged in full, based on current standard costs, or actual charges.

40 PARTICIPATION IN THE FIRE AND RESCUE SERVICES MUTUAL INSURANCE COMPANY

Consideration was given to a report of the Chief Fire Officer, copies of which had been circulated, which informed members of the opportunity for the Service to participate in the Fire Services Mutual Insurance Company.

RESOLVED that the following be recommended to a future meeting of the Fire and Rescue Authority:-

- (1) that the potential benefits to be gained from participating in the Fire Service Mutual Insurance Company be noted;**
- (2) that the Head of Finance and Resources be given authority to join, withdraw, or participate as appropriate in the Fire Service Mutual Insurance Company, at the most appropriate time, having regard to the available facts and professional advice;**
- (3) that when appropriate, the nomination of the Head of Finance and Resources as a candidate for membership of the board of the Fire Service Mutual Insurance Company be endorsed.**

41 TREASURY MANAGEMENT STRATEGY 2007/08

Consideration was given to a joint report of the Chief Fire Officer and Treasurer, copies of which had been circulated, which set out the proposed treasury management strategy for 2007/08.

RESOLVED

- (1) that the Treasury Management Strategy as set out in the report be approved;**

(2) that the list of institutions, as set out in Appendix A to the report, to which the Authority would lend surplus cash, be approved.

42 INTERNAL AUDIT STRATEGY 2007- 10

Consideration was given to a report of the Treasurer, copies of which had been circulated, which informed members of the proposed audit strategy for the period 2008 to 2010 and presented the planned work to be undertaken by Internal Audit during the 2007/08 financial year.

RESOLVED that the Audit Strategy for 2008 to 2010 and the Audit Plan for 2007/08 be approved.

43 VALUE FOR MONEY

Consideration was given to a report of the Chief Fire Officer, copies of which had been circulated, which proposed the following areas as projects and subjects for value for money scrutiny:-

- Participation and taking a leading role in the development of a benchmarking process for the Fire and Rescue Service
- Linked to the above, continued analysis of expenditure patterns in relation to other Services
- Benchmark assessment of Risk Management, leading on behalf of ALARM with Devon Fire and Rescue Service. (Brought forward from 2006/7)
- Continued support to the regional procurement project
- Continued support to the Integrated Common Service project
- Review of sickness absence programmes
- Water usage, charging and environmental issues
- Storage of road fuel
- Evaluation of Black and Minority Ethnic engagement and consideration of equity issues
- Evaluation of RiskWatch via Quizclass or similar products
- Continuance of base budget review cost reduction process
- Building/grounds maintenance
- Baseline study of environmental impacts and development of an improvement programme
- Development of improved financial reporting arrangements integrating with the performance management framework.

- An evaluation of engagement with disabled citizens

RESOLVED that the approach to the achievement of Value for Money and the proposed programme, be approved.

44 EXCLUSION OF THE PUBLIC

RESOLVED that, pursuant to section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the remaining item as it contained information relating to:-

- individuals and,
- to the financial and business affairs of particular individuals and the Authority,

and, having regard to all the circumstances, the public interest in maintaining the exemption outweighed the public interest in disclosing the information, as defined in paragraphs 1 and 3 of Schedule 12A to the Act.

45 INTERNAL AUDIT REPORTS

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

RESOLVED

- (1) that the contents of the Internal Auditors' reports be noted and the proposed management actions approved;
- (2) that the Internal Auditor's report be submitted by the Chair of this Committee to a future meeting of the Policy and Strategy Committee for consideration;
- (3) that the Chief Fire Officer submit to this Committee an annual report which detailed whether, and how, the recommendations of the Internal Auditors, as specified in the report, had been implemented.