



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

FINANCE AND RESOURCES COMMITTEE

MINUTES

of meeting held on **9 APRIL 2010** at Fire and Rescue Service Headquarters,
Bestwood Lodge, Arnold, Nottingham, from 10.00 am to 11.25 am.

Membership

Councillor M Wood (Chair)
Councillor A Foster
Councillor P Griggs (for minutes 39 to 47 inclusive)
Councillor T Pettengell
Councillor K Rostance

Members absent are marked ^

Present as an observer – Councillor Cooper

33 DECLARATIONS OF INTERESTS

No declarations of interests were made.

34 MINUTES

RESOLVED that the minutes of the last meeting held on 8 January 2010, copies of which had been circulated, be confirmed and signed by the Chair.

35 CAPITAL BUDGET MONITORING REPORT TO 28 FEBRUARY 2010

Consideration was given to a report of the Chief Fire Officer, copies of which had been circulated, on capital programme progress during the current financial year to 28 February 2010. The Committee was given the opportunity of discussing the significant variances to the original programme with the Head of Finance and Resources. It was reported that with regard to the sale of Dunkirk Fire Station the case in the Royal Courts of Justice had now been delayed from November 2010 to February 2011. Planning permission for the refurbishment of Tuxford Fire Station had now been granted and work would start shortly.

In order to help with costs, the generator/compressor and electric gates from Carlton Fire Station were to be utilised at Tuxford.

RESOLVED that the progress on the capital programme 2009/10 to the end of February 2010, including the significant variances against the original programme, be noted.

36 REVENUE MONITORING REPORT TO 28 FEBRUARY 2010

Consideration was given to a report of the Chief Fire Officer, copies of which had been circulated, on the financial performance of the Service in the year 2009/10 to 28 February 2010, with an analysis of the significant variances against the original budget. The Head of Finance and Resources confirmed that the end of year underspend would be included in balances.

RESOLVED that the report be noted.

37 PRUDENTIAL CODE MONITORING REPORT TO 28 FEBRUARY 2010

Consideration was given to a report of the Treasurer, copies of which had been circulated, on performance up to 28 February 2010 relating to the prudential indicators for capital accounting and treasury management which had been agreed by the Fire and Rescue Authority at its meeting on 20 February 2009.

RESOLVED that the report be noted.

38 EFFICIENCY SAVINGS

Consideration was given to a report of the Chief Fire Officer, copies of which had been circulated, reporting the progress of the forecasted efficiency savings as outlined in the 2009/10 Forward Look Annual Efficiency Statement. It was anticipated that further efficiency savings may be forthcoming in due course.

RESOLVED that progress against annual efficiency savings targets for 2008/09 and 2009/10 which, so far, had saved £921,000 cumulatively against the target of £995,000, be noted.

39 TREASURY MANAGEMENT STRATEGY 2010/11

During consideration of this item Councillor Griggs joined the meeting.

Consideration was given to a report of the Treasurer, copies of which had been circulated, together with an additional appendix listing the sector weekly credit list of organisations to guide investment by the Service, copies of which were passed around the table. The list was updated weekly and credit ratings would be checked on the day any funds were committed. In addition to the use of credit ratings the authority would use other sources including market data and market information.

RESOLVED

- (1) that the Treasurer submit a summary report to the next full Fire Authority meeting on 28 May 2010 recommending the approval of the proposals in the report;**

- (2) that the following be adopted -**
 - (a) the CIPFA Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes 2009;**
 - (b) the Treasury Management Policy Statement, as set out in appendix A;**
- (3) that the Treasury Management Strategy for 2010/11, as set out in the report, be approved;**
- (4) that the Head of Finance and Resources submit a report to the next meeting of the Committee regarding the possible use and implications of the AAA rated money market.**

40 VALUE FOR MONEY

Consideration was given to a report of the Chief Fire Officer, copies of which had been circulated, outlining the proposed programme for achieving and demonstrating value for money in 2010/11 and reporting progress against the Value for Money Programme 2009/10. The Head of Finance and Resources reported on the success of the Authority in embedding value for money principles in the Service in that all staff had become proactive.

RESOLVED

- (1) that the proposed programme for achieving and demonstrating value for money in 2010/11 and progress against the Value for Money Programme 2009/10 be noted;**
- (2) that the target for annual efficiency savings for 2010/11 of £500,000, as detailed in paragraph 2.12 of the report, be approved.**

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

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

RESOLVED that the attendance of the Chair of the Finance and Resources Committee at the CIPFA Conference 2010 to be held in Harrogate from 8-10 June 2010 be approved, and the contents of the report be noted.

42 INTERNATIONAL FINANCIAL REPORTING STANDARDS UPDATE

Consideration was given to a report of the Chief Fire Officer, copies of which had been circulated, updating the Committee on progress towards the introduction of International Financial Reporting Standards. The amount of additional work required by Finance Department staff to introduce the new Standards was outlined and a reserve of £33,000 had been earmarked to cover the cost of an independent IFRS consultant, potential additional costs relating to the review of leasing contracts and to fund additional training requirements for Finance Department staff and, if necessary, for Councillors. One of the

difficult issues could be Dunkirk Fire Station and advice was needed from the external Auditors on how to treat it this.

RESOLVED

- (1) that progress towards the introduction of International Financial Reporting Standards and the checklist for Councillors, as set out in appendix B, be noted;**
- (2) that the consultants be requested to organise a training session with Councillors on the Fire Authority, possibly at the next away day.**

43 INTERNAL AUDIT STRATEGY 2010-13

Consideration was given to a report of the Treasurer, copies of which had been circulated, informing the Committee of the Internal Audit Strategy for the three year period 2010 to 2013 and of the work planned to be undertaken by Internal Audit during 2010/11.

RESOLVED that the Internal Audit Strategy and work proposals for 2010 to 2013, as set out in the appendix to the report, be approved.

44 INTERNAL CONTROL

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

RESOLVED that the system of internal control operating within the Service be noted.

45 CARDIFF CHECKS

Consideration was given to the report of the Treasurer, copies of which had been circulated, informing members of the findings of Internal Audit regarding three paid invoices selected by members during 2009.

RESOLVED that the following recommendations, which had been agreed with the Chief Fire Officer, be implemented without delay:

- (1) that a non-stock requisition form be implemented for all non-stock purchases before the order was placed in order to ensure that there was clear authorisation from the appropriate budget holder for the order being raised;**
- (2) that a register of non-compliance with financial regulations 10.1 to 10.3 be maintained in accordance with financial regulation 10.5;**
- (3) that the re-order levels and re-order quantities for stock items be reviewed periodically to ensure they were still appropriate and to reduce the risk of a stock out or holding excessive stocks of an item;**
- (4) that there should be a comparison of prices carried out, at least once per year, to ensure that best value was being achieved;**

- (5) that invoices should be logged on Kypera when they were received and the option to pay water bills in instalments be taken up;**
- (6) that the Service's Estates Officer arrange for the internal water supply and fitments at Clifton Community Centre to be checked for leakage and any defects found be repaired and Severn Trent Water Authority (STWA) should then be contacted to make arrangements for two meter readings to be taken at a fortnight's interval so that the assessment of water usage could be made since the Service became responsible for the premises;**
- (7) that the Service should progress the re-calculation of water service charges with STWA to ensure a prompt refund of the amounts over-charged by STWA and paid by the Service;**
- (8) that arrangements be made to read the meter and record water consumption every month, thus ensuring that it was possible to identify abnormal consumption;**
- (9) that water charges at the Service's premises be checked to ensure the correct tariffs were being applied.**

46 EXCLUSION OF PUBLIC

RESOLVED that the public be excluded from the meeting during consideration of the remaining item in accordance with section 100A(4) of the Local Government Act 1972 on the basis that, having regard to all the circumstances, the public interest in maintaining the exemption outweighed the public interest in disclosing the information as defined in paragraph 3, schedule 12(A) of the Act.

47 INTERNAL AUDIT REPORTS ISSUED DURING 2009/10

Consideration was given to a report of the Treasurer, copies of which had been circulated.

RESOLVED

- (1) that the contents of the Internal Auditor's reports be noted and the actions of the management in responding to the recommendations made, be supported;**
- (2) that the Head of Finance and Resources submit a report to the next meeting updating the Committee on progress in implementing recommendations agreed following the findings of reports by Internal Audit.**