



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

**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 15 April 2016 from 10am- 11.13am**

Membership

Present

Councillor Malcolm Wood (Chair)
Councillor John Allin
Councillor Chris Barnfather
Councillor John Clarke
Councillor Roger Jackson (substituting for Councillor
Gordon Wheeler)
Councillor Dave Liversidge

Absent

Councillor Gordon Wheeler

Councillor Brian Grocock attended as an observer

Colleagues, partners and others in attendance:

Neil Timms	- Treasurer to the Authority
Craig Parkin	- Assistant Chief Fire Officer
Sue Maycock	- Head of Finance
Helen Brooks	- KPMG External Auditors
Catherine Ziane-Pryor	- Governance Officer

24 APOLOGIES FOR ABSENCE

Councillor Gordon Wheeler (Councillor Roger Jackson substituting)

25 DECLARATIONS OF INTERESTS

None.

26 MINUTES

The Committee confirmed the minutes of the meeting held on 15 January 2016 as a true record and they were signed by the Chair.

27 EXTERNAL AUDIT PLAN

Helen Brooks, KPMG External Auditor, was in attendance to present the External Audit Plan for 2015/16.

The Plan identified significant risks of:

- (i) management override of control;
- (ii) fraudulent revenue recognition; (both risks are considered within all audits);
- (iii) the new firefighters pension scheme (this is considered the highest risk and will receive the greatest audit focus).

The new value for money guidance, issued by the National Audit Office, will include a new overall criterion on which the auditor's value for money conclusion is based, supported by three new sub criteria.

It is noted that the audit fee of £31,050 has reduced by 25% on last year's figure.

RESOLVED to note the report and thank Helen Brooks for her attendance.

28 REVENUE/CAPITAL MONITORING

Sue Maycock, Head of Finance, presented the Revenue and Capital Monitoring Report which identified, with explanations, variances against the pre-agreed revenue and capital budgets.

Revenue

Within the revenue budget the following variances are predicted by the end of financial year:

<u>Account Description</u>	<u>Outturn to Budget</u>
Employees	£488,000
Premises-Related Expenditure	-£111,000
Transport-Related Expenditure	-£33,000
Supplies & Services	-£84,000
Third Party Payments	-£27,000
Support Services	£60,000
Sales Fees & Charges	-£342,000
Other Income	-£388,000
Capital Financing Costs	-£256,000
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	-£692,000
Industrial Action costs	£42,000

Member's made the following comments and questions were responded to as follows:

- (a) the Chair welcomed the report and the savings to date;
- (b) Members are concerned at the possible implications of the Fire Service moving to the control of the Police Crime Commissioner and the possible impact on the general reserve;
- (c) if the Police Crime Commissioner is to take control of the Fire Service, both Police and Fire Officers need to work to ensure a better understanding of each other's operations;
- (d) the £118,000 rebate of lease rentals referred to in paragraph 2.16 of the report is a result of changes to corporation tax;

- (e) with regards to pension errors, there is no intention to claw back the overpayment of pensions however the service will reimburse underpayments to affected pensioners.

Capital

<u>Capital Programme</u>	<u>Estimated Outturn Variance</u> £k
Transport	-210
Estates	-622
I.T. & Communications	-62
Human Resources system	-146
Transport	-25
Learning And Development system	98
Finance	-140
Grand Total	<u>-1,107</u>

It is noted that Capital expenditure will be funded as follows:

Capital Grant - TriService Control	12
New Borrowing	<u>3,861</u>
Total	<u><u>3,874</u></u>

It is noted that the development cost of the London Road Fire Station site is likely to come in at £500,000 below the budget. The redevelopment or refurbishment of further stations will be made following property appraisals which will include feasibility studies. A report will be submitted to the Policy and Strategy Committee at the end of April to determine potential options for some sites.

With regard to collaboration, the Fire Service meets regularly with the Police and East Midlands Ambulance Service to identify and discuss further collaboration opportunities.

RESOLVED to note the report.

29 PRUDENTIAL CODE MONITORING

Neil Timms, Treasurer to the Fire and Rescue Authority, presented the quarterly report which informs members of the Authority's performance against the Prudential Indicators for Capital Accounting and Treasury Management.

It is noted that the Authority is compliant with all indicators except one regarding debt profile as the Authority does not currently need to engage in further borrowing. However, it is predicted that this will change in the future.

RESOLVED to note the report.

30 ROAD RISK

Craig Parkin, Assistant Chief Fire Officer, presented the report which updates members on the progress on the Road Risk Group Action Plan since April 2015.

The Road Risk Group Action Plan aimed to significantly reduce the number of insurance claims for service vehicle incidents, the majority of which were not connected with responding to incidents.

Policies, procedures, risk assessments and cultural attitude have all been included within the action plan, and continue to be addressed; results include the significant reduction in the Authority's insurance premium.

The Service has engaged with Nottingham Trent University regarding hazard perception research and the potential development of a pilot hazard perception test for fire appliance drivers.

The report presents the results to date against targets within the plans timelines.

Further engagement is required to ensure that the numbers of slow speed manoeuvre collisions are reduced and that all staff remain vigilant during driving related activities. Members of the Committee welcomed progress but were disappointed that avoidable incidents were still occurring.

It was suggested that virtual driver training sessions include realistic audio, such as sirens.

RESOLVED

- (1) to note the progress made against the Road Risk Group Action Plan;**
- (2) to request a further report on progress against the Road Risk Group Action Plan for the April 2017 meeting, or at such a point that all actions are complete, if sooner.**

31 ICT STRATEGY

Gavin Harris, Head of ICT, introduced a report proposing a new Information and Communications Technology (ICT) Strategy for 2016, to be funded through the current ICT capital programme.

The report outlined the progress to date in achieving 92% of the February 2013 Strategy's 'Strategic Business Requirements' targets, and 77% overall targets of the 2013 Strategy.

The detailed report provides information on how the 2016 Strategy will focus on three connected work streams including:

- (i) unified collaboration;
- (ii) unified communications;
- (iii) connected workforce.

Members welcomed the progressive approach to ICT for improved efficiency for staff, the service and citizens, and applauded the £173,000 savings achieved by reviewing the budget and contracts.

Members were reassured that the system now in place provided a high level of resilience with information stored on a system, not an individual device. Not all systems are backed up to the Cloud at the moment, however individual users who are provided with Office 365 and OneDrive for Business do have data backed up to the Microsoft Cloud. Systems are constantly upgraded to ensure the benefits of the latest developments, and also security.

While capital outlay is required, there is an ongoing focus to drive down the revenue costs.

RESOLVED to support the proposed ICT strategy 2016.