



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

**NOTTINGHAMSHIRE & CITY OF NOTTINGHAM FIRE & RESCUE AUTHORITY
(NFRS) - FINANCE AND RESOURCES**

**MINUTES of the meeting held at Fire and Rescue Services HQ, Bestwood
Lodge, Arnold Nottingham NG5 8PD on 20 January 2017 from 9.59 - 12.01**

Membership

Present

Councillor Malcolm Wood (Chair)
Councillor John Allin
Councillor Chris Barnfather
Councillor Dave Liversidge
Councillor Roger Jackson
Councillor Darrell Pulk

Absent

Councillor John Clarke, Substituted
by Councillor Darrell Pulk
Councillor Gordon Wheeler,
Substituted by Councillor Roger
Jackson)

Colleagues, partners and others in attendance:

John Buckley - Chief Fire Officer, NFRS
Therese Easom - Head of Corporate Communications, NFRS
Councillor Brian Grocock - Member of Fire Authority, observing
Sue Maycock - Head of Finance, NFRS
Ian Pritchard - Head of Procurement and Resources, NFRS
Neil Timms - Treasurer to the Authority
James Welbourn - Governance Officer

18 APOLOGIES FOR ABSENCE

Councillor John Clarke (substituted by Councillor Darrell Pulk)
Councillor Gordon Wheeler (substituted by Councillor Roger Jackson)

19 DECLARATIONS OF INTERESTS

None.

20 MINUTES

The minutes of the meeting held on 14 October 2016 were confirmed as a true record and signed by the Chair.

21 REVENUE AND CAPITAL MONITORING REPORT TO NOVEMBER 2016

Sue Maycock, Head of Finance at NFRS introduced a report to Members on the financial performance of the Service in the year 2016/17 to the end of November 2016.

The following points were highlighted:

- (a) the Service have managed to borrow at a much lower rate than anticipated;
- (b) there are now less than 476 FTE on the approved establishment;
- (c) due to the decrease in the establishment, overtime has increased;
- (d) London Road Fire Station has not been rated for Business Rates yet. In addition, rates are still being paid on the Central Fire Station, as well as charges for gas and electricity at the Guildhall. When the Central site is sold next year, there will be an application for a refund on rates;
- (e) the work with East Midlands Ambulance Service and the Police should be celebrated.

RESOLVED to:

- (1) note the contents of the report;**
- (2) approve the capital variation of £190,000 in respect of the Breathing Apparatus project, as expenditure in advance of the main project to be carried out in 2017/18.**

22 PRUDENTIAL CODE MONITORING REPORT TO NOVEMBER 2016

Neil Timms, Treasurer to the Fire Authority informed Members of performance for the three month period to 30 November 2016 relating to the prudential indicators for capital accounting and treasury management.

The following points were highlighted:

- (a) all targets and parameters are now being met;
- (b) the view has always been taken that a minimum sovereign rating of AA is wanted. If the UK does get downgraded to AA-, bank accounts with Barclays should be retained along with UK investments.

RESOLVED that, if the UK sovereign rating is downgraded, the Authority's strategy will be to continue with existing banking arrangements and to retain current investments with UK institutions.

The Authority will then need to reconsider its investment strategy in a further report to Members, with any immediate requirements in the interim to be agreed between the Treasurer and the Chair of the Finance and Resources Committee.

23 BUDGET PROPOSALS FOR 2017/2018 TO 2019/2020 AND OPTIONS FOR COUNCIL TAX 2017/2018

Sue Maycock, Head of Finance at NFRS introduced a report allowing Members to consider the options for the recommendation of a balanced revenue budget, as well as considering implications for Council Tax.

The following points were highlighted:

- (a) pay and non-pay budgets have been evenly managed. There has been an increase in capital financing charges, but it was less than predicted last year;
- (b) the Apprenticeship Levy is a new item that has not previously been budgeted for, and will be an estimated £107,000 per year;
- (c) most contingencies within budgets were eliminated several years ago;
- (d) the extent to which surplus balances are allowed to be consumed by budget overspending must be part of a plan.

Members present agreed that in the papers to Full Fire Authority, they would like to see previous year's budgets, as well as the forecasts. Table format would be best for ease.

Councillor Pulk also requested than an extra column be added underneath the figures, which would explain the balances.

RESOLVED to send the budget report onto the Fire Authority, with the Finance and Resources Committee recommending a 1.95% increase in Council Tax.

24 NEWARK FIRE STATION PROJECT

John Buckley, Chief Fire Officer at NFRS updated Members on the Newark Fire Station Project.

The following points were highlighted:

- (a) there is no impact on retained members of staff by remaining on the existing site;
- (b) the intention is to demolish the existing premises, and replace it with a three-bay station, similar to Retford Fire Station at 685 sq metres;

- (c) the price is due to be submitted from tenderers on 3 February;
- (d) to maintain operational cover during construction, NFRS will stop using Newark for garaging purposes. The end bay will be taken off.

RESOLVED to note the report and give authority to proceed with the project to build a new fire station on the existing site at Boundary Road.

25 INTERNAL AUDIT REPORT - CARDIFF CHECKS

Sue Maycock, Head of Finance at NFRS provided Members with the results of the internal audit work undertaken in relation to Cardiff Checks in 2015/16.

RESOLVED to note the report.

26 IMPACT OF THE FALL IN THE VALUE OF STERLING

Sue Maycock, Head of Finance at NFRS set out the risks to the Authority arising from the fall in the value of currency following the European Union referendum, and potential risk control measures.

There is no direct impact to NFRS as things are rarely bought in Euros or Dollars; most of the time items are bought in Sterling. However, if NFRS bought from a company who trades in these currencies, they could pass on the increase in cost.

RESOLVED to note the contents of the report.

27 NATIONAL FIRE SERVICE PROCUREMENT REFORM

John Buckley, Chief Fire Officer provided an update to Members on the national fire service procurement reform, as well as the National Procurement Strategy.

There has been no written directive of what the reform of the fire service would look like. The process as a whole was about triggering debate, and looking to have a better aligned procurement process for UK Fire Services.

Ian Pritchard has been put forward as a category lead; NFRS are recognized as having a professional, excellent procurement team. There will be a payback for NFRS in terms of knowledge gained, as well as the overall lowering in prices in the future as fire services work together. With a slicker research and development regime, there will be less cost carried forward into the product.

RESOLVED to note the content of the report.