



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

FINANCE AND RESOURCES COMMITTEE

**MINUTES of the meeting held at Fire and Rescue Services HQ, Bestwood Lodge,
Arnold Nottingham NG5 8PD on 10 July 2015 from 10.00am to 10.46am**

Membership

Present

Councillor Malcolm Wood (Chair)
Councillor John Clarke
Councillor Gordon Wheeler
Councillor Liz Yates (Substitute for Councillor Chris Barnfather)
Councillor Darrell Pulk (Substitute for Councillor John Allin)

Absent

Councillor John Allin, Substituted by Councillor Darrell Pulk
Councillor Chris Barnfather, Substituted by Councillor Liz Yates

Colleagues, partners and others in attendance:

Neil Timms - Assistant Chief Officer for Finance and Resources
Sue Maycock - Head of Finance
Catherine Ziane-Pryor - Governance Officer

1 APOLOGIES FOR ABSENCE

Councillor Chris Barnfather for whom Councillor Liz Yates is substitute;
Councillor John Allin, for whom Councillor Darrell Pulk is substitute.

2 DECLARATIONS OF INTERESTS

None.

3 MINUTES

The Committee confirmed the minutes of the meeting held on 17 April 2015 as a true record and they were signed by the Chair.

4 REVENUE AND CAPITAL MONITORING REPORT TO MAY 2015

Neil Timms, Assistant Chief Officer for Finance and Resources, presented the report which informs members of the financial performance of the Service in the year 2015/16 to the end of May 2015.

The report identifies areas of overspend and underspend against the approved budget and provides explanations as to why these variances have occurred.

In summary the following underspend and overspend were outlined:

Revenue Budget	Underspend	overspend
Whole Time Pay		£47,000
Retained Pay		£68,000
Administrative and Support Pay	£54,000	
Indirect Employee Expenses		£17,000
Premises	£50,000	
Fuel		£78,000
Supplies and Services		£68,000
Support Services		£20,000
Capital Financing Costs	£131,000	
Income	TBC	TBC
Industrial Action		£11,000 to date

The following points were highlighted:

- (a) there is an overall variance of 1% underspend on the revenue budgets;
- (b) although fuel can be seen to be an overspend, this is not necessarily the case and is a reflection of the way in which fuel purchase is recorded. This is to be addressed and the new recording system agreed to be able to account for fuel as it is used and not whilst it is held in reserve tanks;
- (c) the Capital Programme to 2015/16 has been approved by members at £3,407,000;
- (d) it is very early in the financial year to be reporting on the capital programme and to date £202,000 has been spent;
- (e) it is not possible to release the new appliances until the new radios can be fitted;
- (f) the Tri-Service Control is scheduled to go live in September 2015 as part of a phased implementation.

Councillor's questions were responded to as follows:

- (g) a property tour would be exceptionally useful for members to see and understand the condition of some stations and the proposals to rebuild;
- (h) the budget is phased accordingly to take account of seasonal peaks and troughs.

The question was raised by a Councillor, as to how long ago the Terms and Conditions of employment for the Service had been reviewed and suggested that, in the current difficult financial climate for the Service, a review be considered.

RESOLVED

- (1) to note the report;**
- (2) for an extract of this minute, specifically regarding a suggested review of Terms and Conditions, be forwarded to the Chair of the Human Resources Committee and the Chief Fire Officer.**

5 PRUDENTIAL CODE MONITORING REPORT TO 31 MAY 2015

Neil Timms, Assistant Chief Officer for Finance and Resources, presented the report which informs members of the performance for the two-month period to 31 May 2015 with regard to the Prudential Indicators for Capital Accounting Treasury Management, illustrating that the Authority is complying with Prudential limits.

It is noted that that the Authority is not currently entering into any new borrowing, has not done so since 2010, and will not do so until it is necessary, which may be towards the end of this financial year.

RESOLVED to note the report.

6 INTERNAL AUDIT ANNUAL REPORT 2014/15

Neil Timms, Assistant Chief Officer for Finance and Resources, presented the report which provides the only report prepared by the Authority's Internal Auditors, Nottinghamshire County Council.

The following assurances were awarded, with four further audits still in progress:

	Assurance
Migration of Fixed Asset Data (FRS 1501)	Substantial
ICT Strategy (FRS 1502)	Reasonable
Business Risk Management (follow-up) (FRS 1503)	Reasonable
Corporate Governance (FRS 1504)	Substantial
Payroll (FRS 1505)	Substantial

Capital Grant Claim (FRS 1506)	Satisfactory
Loss of Protected Pension Age (FRS 1507)	Substantial
Asset Management (FRS 1508)	Reasonable
Purchasing and Creditor Payments (FRS 1509)	Reasonable
SharePoint (FRS 1513)	Limited

The following points were highlighted and members' questions responded to:

- (a) four further audits are yet to be completed including 'Treasury Management', 'Financial Management', 'Cardiff Checks', and 'Pensions';
- (b) in auditing terms, a satisfactory rating is the best that can be achieved from an internal audit;
- (c) there are no issues or concerns regarding the quality of the audit;
- (d) the limited level of assurance issued with regard to SharePoint, is due to its introduction being in the very early stages for the Service. SharePoint will bring IT systems such as the intranet and email together and enable improved sharing of and access to information for the Service. The auditors were invited to examine the proposed process for installing this system, purely to ensure that at an early stage the arrangements are appropriate for the needs of the Service. This has been achieved and the advice provided by the auditors regarding SharePoint, will be adhered to and actioned in time for the next audit.

It is suggested that the Service's IT specialist, Gavin Harris, be invited to a future meeting to better explain the capability and benefits of SharePoint.

RESOLVED to note the report.

7 CORPORATE RISK MANAGEMENT

Neil Timms, Assistant Chief Officer for Finance and Resources, presented the report, updating members on the key risks identified for the Service which will be considered as part of the strategic decision-making process.

The Corporate Risk Register is attached to the report as Appendix A and identifies medium and high level risks.

The 3 highest risks identified in the Corporate Risk Register are as follows:

- mobilising, specifically in respect of the Emergency Services Mobile Communications Project (ESMCP);
- workforce issues, with regard to industrial action;

- use of vehicles on authority business;

In response to members' questions, it is noted that the Service holds public liability but that an additional premium is required as attending any incident which may in some way be connected to terrorism, can void insurance. To prevent this, additional cover is required but this is not predicted to hugely increase the insurance premium.

Members welcomed the public sharing of the risk register.

RESOLVED

- (1) to note the contents of the Corporate Risk Register;**
- (2) to note the assurance by Principal Officers that existing control measures and the progress in the implementation of any further control measures identified as necessary, are effective;**
- (3) to note the contents of the Strategic Risk Register and consider its contents with regard to medium and long-term strategic decision-making.**