



**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 7 July 2017 from 10.00 am - 11.12 am**

Membership

Present

Councillor Malcolm Wood (Chair)
Councillor John Clarke
Councillor Brian Grocock
Councillor Francis Purdue-Horan
Councillor Mike Quigley MBE

Absent

Colleagues, partners and others in attendance:

Simon Allsop	-	Derbyshire Fire and Rescue
Councillor Andrew Brown	-	observing
John Buckley	-	Chief Fire Officer, NFRS
Theresa Channell	-	Head of Strategic Finance, Nottingham City Council
Craig Parkin	-	Assistant Chief Fire Officer, NFRS
Ian Pritchard	-	Head of Procurement and Resources, NFRS
James Welbourn	-	Governance Officer

1 APOLOGIES FOR ABSENCE

None.

2 DECLARATIONS OF INTERESTS

None.

3 MINUTES

The minutes of the meeting held on 31 March were agreed as a true record and signed by the Chair.

4 REVENUE AND CAPITAL OUTTURN FOR 2016/17

Simon Allsop of Derbyshire Fire and Rescue reported to Members on the financial performance of the Service in the year 2016/17.

The final position will also be reported in the Statement of Accounts for 2016/17 at the Combined Fire Authority meeting in September 2017.

The following points were highlighted:

(a) as the Service looks at more collaborative projects timescales can be a little more difficult to predict;

(b) NFRS are moving towards depreciating assets after 15 years. Previously, assets have been depreciated after 10, 12 or 13 years.

IT equipment is slightly different and has a lifespan of 5 years. Property assets are guided by the life granted by the valuation office. Most property assets have a lifespan of 30 years, although some are longer;

(c) the demographics of certain areas within Nottinghamshire are not providing NFRS with the requisite number of shift workers any more. Some towns that have previously provided shift workers, such as Misterton or Southwell are now becoming dormitory towns.

Recruitment has been significantly increased, and there is a look towards a more attractive model for retained staff;

(d) NFRS always try and avoid slippage within the accounts; sometimes this slippage could be down to projects lasting longer than a financial year. With a station build for example, this could last around 18 months.

Sometimes the purpose for a slippage might be a rethink, where NFRS can potentially make savings. The new transport strategy last year was more robust, due to learning provided by more thinking;

(e) the National Joint Council (NJC) have put a pay award offer to the Fire Brigades Union (FBU) of a 2% increase. NFRS have budgeted for 1%; if the 2% was carried forward this may lead to an in-year deficit of £250,000 for NFRS.

The Chair thanked Tracey Stevenson and her team for all the work on this item.

RESOLVED to:

(1) note the contents of the report;

- (2) **approve the total capital slippage of £1,679k to be carried forward to 2017/18.**

The breakdown of the slippage is as follows:

Transport	£297k
Equipment	£87k
Premises	£834k
ICT	£461k
Total	£1,679k

5 PRUDENTIAL CODE MONITORING REPORT TO MAY 2017

Simon Allsop of Derbyshire Fire and Rescue informed Members of performance for the three month period to 31 May 2017 relating to the prudential indicators for capital accounting and treasury management.

NFRS is mindful of best value – any investments should be prudent. There is no immediate borrowing need.

RESOLVED to note the contents of the report.

6 INTERNAL AUDIT ANNUAL REPORT 2016/17

John Buckley, Chief Fire Officer at NFRS introduced Rob Disney and Angela Wendels from Internal Audit at Nottinghamshire County Council.

The annual report includes the Internal Audit Strategy for 2017/18 to 2019/20.

The following points were highlighted:

- (a) Part B of the report summarises levels of assurance. There are three levels: limited, reasonable and substantial. In summary, the Authority has performed satisfactorily, and this feeds through to the annual governance statement;
- (b) limited assurance has been given to some ICT work on environmental controls, and has also been awarded to retained firefighters' remuneration. Positive responses to these issues have been received, as well as actions to tackle the limited assurance;
- (c) the 17/18 plan included in Part D of the report was agreed with the former Head of Finance at NFRS. It was a risk based approach that is being implemented flexibly;
- (d) Internal Audit will take a two-stage approach to follow-up work with finance colleagues within NFRS. The first stage will be an 'Octavian Management' approach (John, is this correct?), followed by a second stage of compliance testing;

Following questions from Councillors, further information was provided:

- (e) retained staff have different arrangements for attending drill nights and training. Issues in the audit relating to remuneration of retained staff related to consistency of administration at certain stations.

In the future, payments will be recorded in a more structured way;

- (f) Internal Audit are focusing on the high priority recommendations for now, along with some of the medium priority issues.

RESOLVED to note the contents of the report and approve the Internal Audit Strategy for 2017/18 to 2019/20, as set out in Section D of the Internal Audit Annual Report 2016/17.

7 CORPORATE RISK MANAGEMENT

Craig Parkin, Assistant Chief Fire Officer provided Members with an overview of the Corporate Risk Management process and the current version of the Corporate Risk Register.

The following points were highlighted:

- (a) the key risks listed in the Appendix to the report are:
 - preventable deaths – the aim will always be to get this number down to zero;
 - mobilising risk. This is a risk with any organisation. This is recognised now that NFRS have transferred to the SYSTEL mobilising system;
- (b) the Airwave system is still used for emergency responders, although it is coming to the end of its life, with the Emergency Services Network (ESN) project being its replacement. ESN is the only option available; however, currently there are only handheld devices available. There is currently a 13 month delay on this project nationwide;
- (c) the use of service vehicles remains a high risk, and it is possible that this will be the case permanently. Lower speed issues are more the issue here rather than high speed driving;
- (d) a lot of effort internally goes into improving project management; this improved effort is required due to a reduction in resources and workforce. Reducing resources does sometimes have a knock on effect with slippage;

Following questions from Members, further information was provided:

- (e) transition to ESN was due to start towards the end of 2017, but this is now looking more likely to be 2019. It is also likely that there will be an incremental transition across the county to this service, rather than every service transitioning at the same time;
- (f) the Public Services Network (PSN) requires that bodies signed up to it need to meet a certain standard of cyber protection first.

RESOLVED to note the contents of the report.

8 ROAD RISK GROUP

Craig Parkin, Assistant Chief Fire Officer provided Members with an update of progress made by the Road Risk Group.

It has taken around 2 and a half years to reach this point with the Group. The intention is to go back and audit all of the arrangements over the next 12 months.

NFRS are working with Derbyshire Fire and Rescue on a joint approach to road risk, and this may give more consistency on issues such as driver training. Driver training was required this week after a fire engine was found to be in a ditch in Hucknall.

RESOLVED to note the contents of the report.

9 EXCLUSION OF THE PUBLIC

RESOLVED to exclude the public 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 outweighs the public interest in disclosing the information.

10 ESTATES UPDATE

Ian Pritchard, Head of Procurement and Resources at NFRS introduced the Estates Update.

RESOLVED to approve the recommendations as listed in the report.