

SOUTH WALES FIRE & RESCUE AUTHORITY

MINUTES OF THE FINANCE, AUDIT & PERFORMANCE MANAGEMENT MEETING HELD ON MONDAY 29 JUNE 2015 AT SOUTH WALES FIRE & RESCUE SERVICE HEADQUARTERS

1. PRESENT:

Councillor

Left

P Hannon (Chair)	Newport
J Morgan (Deputy Chair)	Blaenau Gwent
E Galsworthy	Merthyr Tydfil
M Javed	Cardiff
S J Jones	Rhondda Cynon Taff
M Powell	Monmouthshire
C Smith	Bridgend

APOLOGIES:

P Drake	Vale of Glamorgan
C Hawker	Caerphilly
A Jones	Torfaen

ABSENT:

OFFICERS PRESENT:- DCO S Chapman (Monitoring Officer), ACFO A Thomas – Director of Service Delivery, ACFO R Prendergast – Director of Technical Services, Mr C Barton – Treasurer, Mr G Thomas – Head of Finance & Procurement, Mr C Williams – Head of ICT, Mr C Powell – Deputy Monitoring Officer, Ms L Williams – Wales Audit Office, Mr J Maddock – TIAA Auditor

2. DECLARATIONS OF INTEREST

All other Members declared a personal non-prejudicial interest in each agenda item which affected their Authority.

3. CHAIR'S ANNOUNCEMENTS

WELCOME TO NEW MEMBERS

The Chair extended a warm welcome to new Members of the Finance, Audit & Performance Management Committee. He provided an overview of the Committee and its scrutiny function, and highlighted that Members would focus on all financial matters, but were also encouraged to bring forward any issues that they wished to consider for scrutiny.

THANK YOU TO MEMBERS

The Chair also took the opportunity to thank the Deputy Chair for chairing meetings during his absence, and thanked Members for all their good wishes and support whilst he was in hospital.

Members responded by welcoming the Chair back to the Fire & Rescue Authority.

4. MINUTES OF PREVIOUS MEETING

The minutes of the Finance, Audit & Performance Management meeting held on 11 May 2015, were received and accepted as a true record of proceedings.

The Deputy Chief Officer provided an update on the 'Protected Pensions Age: Fire Authority Liability' report, and confirmed that Members decision had been communicated to HMRC and the individuals concerned.

5. REVENUE OUTTURN 2014-2015

The Head of Finance & Procurement informed Members that subject to the external audit process, the report outlined the revenue outturn position for the financial year end 2014/2015.

RESOLVED THAT

Members agreed to receive and note the outturn position and deployment of the net revenue surplus and usable reserves.

6. CAPITAL OUTTURN REPORT 2014/2015

The Head of Finance & Procurement presented a report which provided Members with the capital outturn position for the year ended 31 March

2015, the financing arrangements and the budget slippage required to complete capital schemes in 2015/2016.

The Deputy Chief Officer also provided an update on the extremely high costs received for refurbishing Penarth Fire Station. She informed Members that the Property Strategy team had been tasked with reviewing the Refurbishment Programme and carrying out a cost analysis on reducing the refurbishment costs. Members were assured that they would receive a report on the refurbishment of Penarth Fire Station in due course.

Following lengthy discussion on whether it would be more cost effective to design new style Stations that would be constructed off site as many other businesses now did, which would be fit for purpose, the Deputy Chief Officer stated that the Service was also in the process of carrying out a cost analysis on temporary and portable Fire Stations.

RESOLVED THAT

Members agreed to note the report and approved the budget slippage as detailed in Appendix 1 attached to the report.

7. STATEMENT OF ACCOUNTS 2014/2015

The Treasurer informed Members that the Statement of Accounts provided details of the statutory requirements of the Authority when producing the annual Statement of Accounts.

However, Members were made aware that the Statement of Accounts document was currently incomplete but would be available and signed off by the deadline date of 30 June 2015, and circulated to Members as soon as possible.

The Treasurer requested that Members report any comments or observations on the Statement of Accounts directly to the Head of Finance & Procurement.

RESOLVED THAT

- 7.1 Members agreed to note that the unaudited Statement of Accounts were nearly complete.
- 7.2 Members authorised the Treasurer to make such amendments to the Statement of Accounts as he considered necessary in consultation with the External Auditors.

- 7.3 Members agreed that the audited accounts and statutory report of the external auditor be presented to the Finance, Audit & Performance Management Committee on 14 September 2015, with a view to formal adoption by the full Fire & Rescue Authority on 21 September 2015.
- 7.4 Members agreed to note the Wales Audit Office Financial Audit Outline at Agenda Item 12 - 'Wales Audit Office 2015-2016 Programme of Audit Work'.

8. MEDIUM TERM FINANCIAL STRATEGY UPDATE

The Treasurer delivered an electronic presentation to Members to update them on the Medium Term Financial Strategy.

RESOLVED THAT

- 8.1 Following a question and answer session, and highlighting concerns relating to pension costs, Members agreed to note the electronic presentation on the Medium Term Financial Strategy.
- 8.2 Following a query by the Chair, the Treasurer agreed to confirm the 3.8% under-spend figure.

9. SCRUTINY OF INCIDENTS WHERE NO SMOKE ALARM WAS FITTED OR ACTUATED

The ACFO Service Delivery provided Members with an update on the current developments relating to incidents 'Where no Smoke Alarm was Fitted or Actuated'.

RESOLVED THAT

Following discussion and suggestions by Members on the development of new indicators, Members agreed to note the content of the report in respect of the current and future reporting of incidents 'Where No Smoke Alarm was Fitted or Actuated'.

10. SCRUTINY OF STRATEGIC OBJECTIVES 1 AND 4

The ACFO Service Delivery delivered an electronic presentation to Members on the Scrutiny of Strategic Objective 1 – 'Reduce Risk in our Communities'.

The ACFO Technical Services delivered an electronic presentation to Members on the Scrutiny of Strategic Objective 4 – 'To make use of

technological advances to meet service improvements and requirements’.

RESOLVED THAT

- 10.1 Following a question and answer session, Members agreed to note the electronic presentations of Strategic Objectives 1, and 4.
- 10.2 Members agreed to note that the Scrutiny of Strategic Objective 5 had been deferred until a later date.

11. ICT INFRASTRUCTURE PROJECT

The Head of ICT informed Members that an indicative Capital Bid to refresh the Service ICT infrastructure had been approved by the Fire & rescue Authority. The bid was based on estimated costs in 2013. In the face of software licence changes, increased charges, and an expansion of the project scope, approval to allocate additional resources was required.

RESOLVED THAT

- 11.1 Members agreed to approve the enhanced scope of the ICT Infrastructure Project to meet the current needs of the Service.
- 11.2 Members approved the allocation of additional funds to the project as detailed within the report.

12. WALES AUDIT OFFICE 2015/2016 PROGRAMME OF AUDIT WORK

The Wales Audit Officer outlined for Members the audit work that would be undertaken by the Wales Audit Office during the 2015/2016 financial year together with the associated fees.

RESOLVED THAT

Members agreed to note the areas of audit work to be undertaken by the Wales Audit Office during 2015/2016 and the associated fees.

13. WALES AUDIT OFFICE UPDATE REPORTS

The Deputy Chief Officer and Wales Audit Officer advised Members of the issue of the Certificate of Compliance for the audit of the Authority’s 2015-2016 Improvement Plan and the outcome of the ‘Delivering with Less – Workforce Reconfiguration Study’.

RESOLVED THAT

- 13.1 Members agreed to note the issue of the Certificate of Compliance for the audit of the Authority's 2015-2016 Improvement Plan.
- 13.2 Members agreed to note the positive conclusions reached by the Auditor General in the 'Delivering with less – Workforce Reconfiguration Study'.

14. FORWARD WORK PROGRAMME

The Deputy Chief Officer presented the Forward Work Programme for 2015/2016, and the Internal Auditor provided an update on the progress of the Internal Audit Programme for 2015/2016.

RESOLVED THAT

- 14.1 Members accepted the Forward Work Programme for 2015/2016.
- 14.2 Members noted the update on the Internal Audit Programme for 2015/2016.