**SOUTH WALES FIRE & RESCUE SERVICE**

**MINUTES OF THE FINANCE, AUDIT & PERFORMANCE**

**MANAGEMENT COMMITTEE MEETING**

**HELD ON MONDAY, 25 NOVEMBER 2019 AT 10:30HRS**

**SOUTH WALES FIRE & RESCUE SERVICE HEADQUARTERS**

**21. PRESENT**

**Councillor Left**

S Evans (Chair) Torfaen

P Drake Vale of Glamorgan

V Smith Monmouthshire

A Hussey Caerphilly

M Colbran Merthyr Tydfil

**APOLOGIES**

M Spencer Newport

S Ebrahim Cardiff

J Holt Blaenau Gwent

J Harries Rhondda Cynon Taff

**ABSENT**

D White Bridgend

**OFFICERS PRESENT:** Mrs S Chapman – Deputy Chief & Monitoring Officer**,** Mr C Barton – Treasurer**,** ACO A Reed – Director of People Services, Mr A Jones – Head of Human Resources, Mr G Thomas – Head of Finance & Procurement, Mr C Fitzgerald – TIAA Internal Auditor, Ms A Butler – WAO

**22. DECLARATIONS OF INTEREST**

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

**23. CHAIR’S ANNOUNCEMENTS**

There were no announcements from the Chair.

**24. MINUTES OF PREVIOUS MEETING**

The following minutes were received and accepted as a true record of proceedings;

* Finance, Asset & Performance Management meeting held on 25 March 2019
* Finance, Audit & Performance Management meeting held on 9 September 2019.

**25. REVENUE MONITORING REPORT 2019/20**

The Head of Finance & Procurement provided details of the annual revenue budget and associated information for the year ending 31 March 2020.

It was noted that the increase in underspend for contracted services was due to South Wales Police supplying the ICT software for the Joint Control Centre, and the cost sharing arrangements for this.

A discussion arose around which services were now operating from Llantwit Major Fire Station. It was confirmed that the Coastguard, Police and Ambulance are now operating at the Emergency Services’ Station.

The increase in members of staff is as a result of temporary staff becoming permanent members of staff, as per the Re-structure report approved by the Fire Authority. It was noted that the establishment figures had not changed following the Fire Authority report.

**RESOLVED THAT**

12.1 The content of the report was noted.

12.2 A summary explanation on the main variances contained within Appendix 2 of the report to be provided within the main body of future reports.

12.3 A visit to the Emergency Services’ Station at Llantwit Major to be arranged for Members.

**26. CAPITAL MONITORING REPORT 2019/20**

The Head of Finance & Procurement presented Capital Monitoring report 2019/20 and provided detail of the capital budget, transactions to date and the forecast year end position.

**RESOLVED THAT**

Members noted the budget and progress of capital schemes, approved the alterations identified in Appendix 1 and associated movements in funding streams.

**27. REVENUE & CAPITAL BUDGET SETTING UPDATE REPORT**

The Treasurer provided a presentation on the Revenue & Capital budget setting update report. Changes to local authority population figures were discussed in detail and it was noted that the changes were due to a shift in the Welsh Government forecasted figures provided previously.

Scenarios were also presented based on Welsh Government grant funding for pension increases and without the grant funding.

**RESOLVED THAT**

27.1 Members noted the content of the presentation.

27.2 Members agreed to a report being presented at the December Fire Authority meeting, with a view to asking Members to agree to a formal consultation on local authority budget contributions.

**28. AUDIT ACTIONS REPORT**

The Deputy Chief Officer presented the Audit Actions which were reviewed in detail.

**RESOLVED THAT**

Members noted the Audit Actions contained within the report.

**29. TREASURY MANAGEMENT MID-TERM REVIEW REPORT 2019/20**

The Treasurer provided Members with an update on the Authority’s treasury activities for the period 1 April – 30 September 2019.

**RESOLVED THAT**

29.1 Members noted the report and the treasury activity for the period 1 April – 30 September 2019.

29.2 Members agreed for the report to be presented at the December Fire Authority meeting.

**30. INTERNAL AUDIT REPORT**

The Internal Auditor updated Members upon progress being made against the Internal Audit Plan 2019/20.

As part of ICT audits, it was noted that the Service employs outside organisations to undertake a managed exercise to try to gain access to the Service’s systems and alleviate breaches to the system. Daily and weekly backups also take place.

**RESOLVED THAT**

Members noted the internal audit recommendations and work completed to date on the Internal Audit Annual Plan.

**31. 2018-19 AUDIT OF FINANCIAL STATEMENTS REPORT ADDENDUM - RECOMMENDATIONS**

The Wales Audit Officer provided a detailed update on the 2018-19 Audit of Financial Statements Addendum recommendations. A questions and answer sessions followed.

It was noted that requirements will be built into future tender specifications for external valuers to determine the life value of all service properties, for accounting purposes.

**RESOLVED THAT**

Members noted the content of the report.

**32. SERVICE WIDE JOB EVALUATION EXERCISE**

The Director of People Services provided Members with a summary of the proposed service wide Job Evaluation Exercise. It was noted that a report was presented at the previous HR & Equalities Committee and feedback from Members was for officers to consider low morale amongst staff who may be affected in relation to downgrading of posts. In instances of downgrading, those positions will be pay protected for 3 years, in line with current Authority policy.

A report will also be presented at the December Fire Authority meeting which will also cover any risks identified with the exercise, communication & engagement with staff and pension impacts.

**RESOLVED THAT**

Members noted the content of the report and agreed for a report to be presented to Fire Authority on this issue.

**33. FORWARD WORK PROGRAMME 2019-20**

The Deputy Chief Officer presented the Forward Work Programme for 2019/20.

**RESOLVED THAT**

Members agreed the Forward Work Programme for 2019/20.

**34. TO CONSIDER ANY ITEMS OF BUSINESS THAT THE CHAIRMAN DEEMS URGENT (PART 1 OR 2)**

There were no items of urgent business for Members to consider.