



# Minutes

## Finance & Resources Committee

---

Date: 15 October 2021

Time: 10.30 am

Venue: Fire and Rescue Headquarters, Birkenshaw

---

Present: Councillor S Tulley (in the chair), C Anderson, R Downes, D Hall, J Illingworth (for agenda items 5 – 8 only, Min nos. refer), N Mohammed, M Pollard, K Renshaw (as substitute for Councillor D O'Donovan), I Sanders, F Shaheen and L Whitehouse

In Attendance: None

Apologies: Councillor D O'Donovan

---

### **11 Minutes of the last meeting**

#### **RESOLVED**

That the Minutes of the meeting held on 16 July 2021 be signed by the Chair as a correct record.

### **12 Matters arising**

None.

### **13 Urgent items**

None.

### **14 Declarations of interest**

There were no declarations of disclosable pecuniary interest in any matter under consideration at the meeting.

## 15 Quarterly Financial Review

The Chief Finance and Procurement Officer presented a report with the quarterly review of the financial position of the Authority. The report presented an overview of the financial performance of the Authority in the first six months of the current financial year. An update was also provided on the COVID19 grant expenditure.

Members were advised of transfers in and out of the employee contingency budget due to the grey book pay settlement, retained recruitment, staff vacancies, an upgrade to the HR Access system, implementation of the Performance Management Programme, secondees, operational equipment budgets and a greater increase in the numbers of retirements than had been budgeted for.

It was further reported that £1,426m had been spent from the COVID19 grant and a summary of the costs was detailed in the report now submitted.

Detail was provided about the proposed revised capital plan 2021 – 22 and approval was sought for the removal of £1.508m from the plan following an in-depth review for the current year as detailed at Annex A to the report now submitted. Information was also provided with regard to a number of schemes which had been slipped from the 2021 – 22 plan.

Members were also advised of the content of a Fire Spending Review proposal from the National Fire Chiefs' Council prior to the announcement of the comprehensive spending review for funding from April 2022 which included the following;

- Request for £5 increase in the precept
- Request for an increase in the base budget to fund cost pressures (including pay increases related to the anticipated impact of recommendations included in the White Paper, the impact of pension funding (an anticipated increase of 20%) and the cost of implementation of the pensions remedy and a budget deficit until 2024 related to COVID, and
- An offer to commit the service to a 3% increase in firefighter productivity

Members sought, and were provided with, information on the following;

- Staff cost assumptions
- Likelihood of individual authorities funding the pensions shortfalls and adequacy of the pensions grant from central Government
- Assumptions made on the funding settlement
- Delivery and review of the capital plan
- Resilience funding and financing of the implementation of the Grenfell recommendations, and
- Impact of the fire safety legislation due to be considered in the current parliamentary session

### RESOLVED

- a) That the report be noted;
- b) That the revised revenue budget be approved as detailed in the report, and

c) That the revised capital plan 2021 – 22 be approved as detailed in Annex B.

## **16 Reserves Strategy 2021 / 22 – 2025/26**

Consideration was given to a report of the Chief Finance and Procurement Officer which sought endorsement of the Authority's Reserves Strategy 2021 / 22 – 2025 / 26.

It was reported that the Authority had £37.313m in usable reserves which equated to 5.6% of the total revenue budget and Members were advised that the current policy of utilising reserves instead of taking out new loans had saved over £5.4m over the previous 10-year period. A large proportion (29.2%) had been earmarked to finance capital expenditure and 13.4% to relieve revenue funding pressures.

In response to Members, it was advised that the reserves remaining from individual grant funding were reviewed annually and were monitored by the external auditors, Deloitte's.

### **RESOLVED**

That the Reserves Strategy 2021/22 – 2025/26 be approved.

## **17 Information Governance annual update**

Members received a report of the Chief Employment Services Officer which provided Members with an annual update on the implementation of Information Governance and Security arrangements throughout the Authority.

It was noted that there has been significant work and achievements gained, including:

- implementation and monitoring of new regulations by internal working groups
- the creation of an action plan following a self-assessment audit during the pandemic
- adoption of the non-mandatory accountability framework produced by the Information Commissioner' Office
- award of substantial assurance for GDPR (General Data Protection Regulations) arrangements
- use of various toolkits to assist staff in GDPR monitoring; and
- regular up-to-date staff training across the whole Brigade

### **RESOLVED**

That the report be noted.

## **18 Financial Management Code**

Consideration was given to a report of the Chief Finance and Procurement Officer which introduced the Financial Management Code published by CIPFA (Chartered Institute of Public Finance and Accountancy) in response to a number of high-profile cases nationally where Section 114 notices had been issued.

The Code had been published in October 2019 with the first full year of compliance being 2021 – 22. Members were advised that the Code set out a framework whereby the Chief Finance and Procurement Officer could demonstrate that processes were in place to satisfy the principles of good financial management and covered the following six principles;

- Organisational leadership
- Accountability
- Transparency
- Professional standards
- Assurance, and
- Long-term sustainability

It was reported that the Code focussed on the following seven areas;

- Responsibilities of the Chief Finance officer and the leadership team
- Governance and financial management style
- Long- to medium-term financial management
- The annual budget
- Stakeholder engagement and business plans
- Monitoring financial performance, and
- External financial reporting

A self-assessment was attached as an annex to the report now submitted which set out the results of a self-assessment undertaken by Management Board which, whilst not mandatory, had identified 14 areas which were compliant and 3 areas which could be improved as follows;

- credible and transparent financial resilience assessment (not mandatory but due to be undertaken prior to budget approval in February 2023)
- engagement of appropriate key stakeholders in developing a long-term financial strategy (due in the main, with regard to the CRMP (Community Risk Management Plan) consultation, to restrictions during the pandemic), and
- documented option appraisal methodology to demonstrate value for money decisions

## **RESOLVED**

That the report be noted.

Chair