



Minutes

Finance & Resources Committee

Date: 05 February 2021

Time: 10.30 am

Venue: Microsoft Teams

Present: Councillor A Tait (in the chair), C Anderson, R Downes, J Fenton-Glynn (for agenda item nos. 1 - 7 Min nos. 21 - 27 refer), D Hall, P Harrand, N Mohammed, D O'Donovan, F Shaheen and S Tulley

In Attendance: None

Apologies: None

21 Minutes of the last meeting

RESOLVED

That the Minutes of the Committee at a meeting held on 16 October 2020 be signed by the Chair as a correct record.

22 Matters arising

None.

23 Urgent items

None.

24 Admission of the public

RESOLVED

That the public and press be excluded from the meeting during consideration of the items of business specified below as it was likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during these items, there would be disclosure to them of exempt information of the descriptions specified

AGENDA ITEM NO.	TITLE OF REPORT	MINUTE NUMBER (to be added)	Description of exempt information by reference to the paragraph number in Schedule 12a of the Local Government Act 1972
E13	Structural firefighting kit – replacement	33	Paragraph 3 – financial or business affairs

25 Declarations of interest

None.

26 Mid-year Treasury Management review

Consideration was given to a report of the Chief Finance and Procurement Officer which presented a mid-year review of treasury management activity as required by the adopted CIPFA Code of Practice on Treasury Management.

The report examined treasury management performance for the period 1 April to 17 December 2020 and provided assurance that it had operated within the approved strategy and reported on the impact of the following;

- Economic factors and interest rates
- Investment performance
- Borrowing performance
- Revenue budget monitoring
- Prudential indicators
- Risk and compliance issues

Members were advised that the Authority had invested an average balance of £39.6m externally during the period; generating an income of £0.129m. Detail of investments was detailed at Annex 1 to the report now submitted.

It was further reported that long-term loans at the end of September totalled £45.3m with total repayments of £0.196m made. No new loans had been taken out during the relevant period or were anticipated in the current financial year.

The Chief Finance and Procurement Officer gave assurance on the following specific issues raised by Members;

- Minimum revenue contribution provision
- Financial health of local authority lenders

RESOLVED

That the report be noted.

27 Procurement review – update

The Chief Finance and Procurement Officer submitted a report which provided an update on the benefits achieved following the Procurement Review undertaken in September 2018.

Members were advised that the Interim Procurement Manager had taken responsibility for the implementation of the review recommendations whilst in post between January 2019 – April 2020 and the following issues were addressed;

- Procurement presence and leadership (appointment of permanent, experienced Procurement Manager and a Category Management Officer – the latter dedicated to property management issues)
- Improved robust and compliant procedures and standards
- Improved focus from transactional purchasing to best value procurement
- Optimisation of systems
- Increased collaborative and joint working
- Improved customer relationships and engagement with auditors

It was reported that total annual savings in the 2020 – 21 year were £331,000 with future savings over the forthcoming 3-year period estimated at an additional £0.8m.

Members sought further detailed on the following issues;

- Purchasing card spending/usage limits
- Contract savings
- Collaborative working
- Use of the COVID19 grant
- Proportion of non-salary spend covered by Contract Procedure rules
- 2021 – 22 priorities for the procurement team

RESOLVED

- a) That the report be noted,
- b) That Members be provided with detailed information on contract spend; and
- c) That a report on the proportion of non-contract spend be submitted to the next meeting of the Committee.

28 Emergency Services Mobile Communications Programme (ESMCP) – control room update

Consideration was given to a report of the Director of Service Support which advised of remediation work and an upgrading of the control room in order for West Yorkshire Fire and Rescue Service (as an approved Emergency Services Network partner) to be ESN compliant.

It was reported that the works would be funded by in the main by the Fire Funding Programme with a £52,000 shortfall being deemed 'business as usual' and funded by this Authority.

RESOLVED

That the report be noted.

29 Virement of funds – managed print solution

Members received a report of the Director of Service Support which sought approval for the virement of funds and procurement of a managed print solution which detailed the purchase as opposed to rental of printers as had been included in the approved 2020 – 21 capital plan.

Provision was made in the capital plan for replacement printers totalling £65,000. However, it was reported that a review exercise had identified the need to purchase rather than rent the equipment bringing the total cost of printers to £240,000.

Members were advised that the shortfall was proposed to be funded by a virement of £174,00 underspend in the server project scheme. An additional revenue cost of £30,000 had been included as growth in the 2021 – 22 revenue budget to be off-set by a reduction in the cost of the current photocopying contract and purchase of printer cartridges.

Further detail was sought by Members on the following;

- Anticipated financial savings, and
- Timeframe for project implementation

RESOLVED

That approval be given to the virement of funds for the procurement of a managed print solution as detailed in the report now submitted.

30 Treasury Management Strategy 2021 – 22

Members received a report of the Chief Finance and Procurement Officer setting out the draft Treasury Management Strategy for 2021 – 22 which covered the following issues;

- Economic outlook, credit risk and interest rates
- Borrowing and investment strategies
- Capital strategy (including the Chief Finance and Procurement Officer's statement with regard to affordability and risk)

Members were advised that the report met the requirements of both CIPFA's Code of Practice and the current 2010 Guidance issued by the Department for Communities and Local Government (DCLG).

RESOLVED

That the Full Authority be recommended to approve the Treasury Management Strategy 2020 - 21 including;

- The investment strategy
- The borrowing strategy
- The capital strategy
- The policy for the provision for repayment of debt
- The treasury management indicators, and
- The capital plan 2021/22 – 2025/26

31 Quarterly financial review

Members considered a report of the Chief Finance and Procurement Officer which presented the quarterly review of the financial position of the Fire Authority to the end of December 2020.

It was reported that, since the date of the last report, £1.044m had been transferred from employee contingencies to employee budgets to finance the 2020 pay awards to firefighters and Green Book staff and further approved transfers had been made from the general contingency budget as detailed in the report – the net effect of which was a reduction of £318k in total contingencies.

Members were advised that an underspend was forecast of £214k with the RAG rating adjusted accordingly. Information was provided on the use of the COVID19 grant funding - £1.012m forecasted to be spent in the current financial year.

Members were advised that the approved five-year capital plan (£25.074m) had included schemes to the value of £6.581m in the current financial year. Due to a number of revisions approved during the course of the year this figure had been revised to £3.242m.

Additional information was sought and comment made by Members on the following;

- Timeframe for spend on Headquarters refurbishment and new station build
- Investment in staff training, and
- Fees and charges losses / reimbursement from Government grant

RESOLVED

- a) That the report be noted;
- b) That the revised capital plan be approved; and
- c) That the transfer of budget to contingencies be approved.

32 Draft Capital Investment Plan/Draft Revenue Budget and Medium Term Financial Plan 2021 – 22

The Chief Finance and Procurement Officer submitted a report which presented a draft capital investment plan for five years to 2025 - 26, a draft revenue budget and a four-year medium-term

financial plan. Approval was also sought for the transfer of £1.5m from the pay and prices earmarked reserve to the capital finance reserve.

The report set out the following;

- a five-year capital investment plan of £57.585m (to include £16.522m in 2021 – 22)
- a standstill budget of £85.524m
- details of the 3-year funding settlement (an increase of £2m)
- details of the Authority's reserves and planned use of these reserves
- proposed amalgamation and transfer between reserves
- details of the tax base, and
- details of the Authority's share of the council tax surplus
- medium-term financial planning uncertainty (figure in report revised to £593k anticipated deficit)
- projected deficit in 2021 – 22 revenue budget of £0.572m (to be supported by the use of the COVID19 grant)

RESOLVED

- a) That the report be noted; and
- b) That approval be given to the transfer of £1.5m from the pay and prices earmarked reserves to the capital finance reserve.

33 Structural firefighting kit replacement

(This item was considered exempt information under Schedule 12A (3) of the Local Government Act 1972 – financial or business affairs)

Consideration was given to a report of the Director of Service Delivery which sought approval for an additional capital bid to purchase new tunics and over-trousers. It was reported that the additional funding requirement was due to a re-evaluation of the numbers of structural firefighting kit required.

RESOLVED

That approval be given to an additional capital bid as detailed in the report now submitted for the purchase of new tunics and over-trousers.

Chair