



# Minutes

## Finance & Resources Committee

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Date: 07 February 2020

Time: 10.30 am

Venue: Fire and Rescue Service Headquarters, Birkenshaw

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Present: Councillor A Tait (in the chair), C Anderson, R Downes, J Fenton-Glynn, R Grahame, D Hall, P Harrand, N Mohammed, D O'Donovan, F Shaheen and S Tulley

In Attendance: None

Apologies: None

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### **22 Minutes of the last meeting**

#### **RESOLVED**

That the Minutes of the Committee at a meeting held on 11 October 2019 be signed by the Chair as a correct record.

### **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

<b>AGENDA ITEM NO.</b>	<b>TITLE OF REPORT</b>	<b>MINUTE NUMBER (to be added)</b>	<b>Description of exempt information by reference to the paragraph number in Schedule 12a of the Local Government Act 1972</b>
E11	Structural firefighting kit / helmet – replacement	31	Paragraph 3 – financial or business affairs
E12	Integrated Risk Management Plan – property rebuilding / refurbishment	32	Paragraph 3 – financial or business affairs
E13	Voice over internet protocol	33	Paragraph 3 – financial or business affairs
E14	Multimedia storage solution	34	Paragraph 3 – financial or business affairs

## **25 Declarations of interest**

None.

## **26 Mid-year Treasury Management report**

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 24 December 2019 and provided assurance that it had operated within the approved strategy and reported on the impact of the following;

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

Members were advised that the Authority had invested an average balance of £31.4m externally during the period; generating an income of £0.141m. 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 £45.5m with total repayment of £0.274m made (including £38k due in the 2017 – 18 financial year but not collected until April 2019).

Net expenditure on interest and provision of debt repayment was estimated to be £6.998m for 2019/20 and the latest budget monitoring showed that a significant underspend was likely in the current year as it was anticipated that no new borrowing would be required for the remainder of the 2019 – 20 financial year. A schedule of the prudential indicators was provided for Members in Annex C.

## **RESOLVED**

That the report be noted.

## **27 Treasury Management Strategy 2020 – 21**

Members received a report of the Chief Finance and Procurement Officer setting out the draft Treasury Management Strategy for 2020 – 21 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 2019 - 20 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 2020 – 24

## **28 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 2019.

It was reported that, since the date of the last report £330k had been transferred from employee contingencies to employee budgets to finance the firefighters' 2% pay award and the recruitment of 22 retained firefighters. A further transfer of budget from employees to the contingency budget had been made in the sum of £300k which represented an underspend due to a number of vacancies in the fire protection department which had essentially been due to the length of the recruitment process. Additional transfers had also been made from various budgets to contingencies totalling £769k. Detail of which was set out in the report now submitted. Members were advised that an underspend was forecast of £276k with the RAG rating adjusted accordingly.

Members were advised that the approved five-year capital plan 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 £12.56m.

#### **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.

## **29 Draft Capital Investment Plan/Draft Revenue Budget and Medium Term Financial Plan 2020 – 21**

The Chief Finance and Procurement Officer submitted a report which presented a draft capital investment plan for four years to 2023 - 24, a draft revenue budget and a medium-term financial plan. Approval was also sought for the amalgamation of the Operational Equipment reserve with the Capital Reserve and the transfer of £1m between the Pay and Prices reserve to the Service Support Reserve.

The report set out the following;

- a four-year capital investment plan of £53.494m (to include £6.678m in 2020 – 21)
- a standstill budget of £86.924m
- details of the final year of the 4-year funding settlement (an increase of £2.5m)
- 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.

Members were advised that the typographical error in Appendix A would be corrected prior to submission to the Full Authority.

#### **RESOLVED**

- a) That the report be noted;
- b) That approval be given to the amalgamation of the two earmarked capital reserves as detailed in the report now submitted; and

- c) That approval be given to the transfer of £1m from the pay and prices reserve to the Service Support reserve.

### **30 Digital and Data Strategy**

The Director of Service Support submitted a report which sought approval for the engagement with a strategic partner to create a Digital and Data Strategy.

Members were advised that the strategy would provide opportunities to be more efficient, effective and innovative in the ways of working both internally and externally with the community and partners as well as aligning the Authority with the National Fire Chiefs' Council. In order to maximise the benefits it was now proposed to engage with a strategic digital partner which would be undertaken through approved procurement processes for which provision of £100k had been made within the 2020 / 21 revenue budget provision.

Members raised the following specific issues and were satisfied with the Officers' response;

- sharing information on partners used by other Fire Authorities
- assurances on data integrity and security
- data retention schedules, and
- confirmation that the budgetary provision would not be exceeded

#### **RESOLVED**

That approval be given to the engagement of a strategic partner to create a Digital and Data Strategy.

### **31 Structural firefighting kit / firefighting helmet 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 to purchase new tunics, over-trousers and helmets.

In response to Members' concerns it was confirmed that;

- firefighters had been directly involved in providing feedback for the proposed new equipment, and
- that the proposal to return to personal issue kit was viable and this would be supported by a central pool of equipment for emergencies

#### **RESOLVED**

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

### **32 Integrated Risk Management Plan – property rebuilding / refurbishment**

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

Members considered a report of the Director of Service Support which sought approval for the rebuilding / refurbishment plans for the following;

- Keighley, Cleckheaton, Halifax and Huddersfield fire stations, and
- Fire and Rescue Headquarters

#### **RESOLVED**

That the outline rebuilding / refurbishment plans be approved as detailed in the report now submitted.

### **33 Voice over Internet protocol (VoIP) – procurement**

(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 Support which sought approval for the award of a contract in respect of the procurement of a Voice over Internet protocol telephony system following the completion of an approved procurement process as detailed in the report now submitted.

#### **RESOLVED**

That the contract be awarded to the preferred bidder, Maintel Ltd, for the procurement of a Voice over Internet protocol (VoIP).

### **34 Multimedia storage solution**

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

The Director of Service Support submitted a report which sought approval for the drawdown of approved capital funding for the purchase and implementation of a multimedia storage solution for improved storage, management and access of rich media across the organisation.

It was reported that the tender process had concluded on 31 January 2020 and evaluation was currently being undertaken with a view to awarding the contract on 21 February 2020.

In response to a question about retention of material, Members were advised that all data would be tagged with the appropriate retention period.

#### **RESOLVED**

That the drawdown of approved capital funds be approved for the purchase and implementation of a multimedia storage solution.

Chair