

SOUTH WALES FIRE & RESCUE AUTHORITY

MINUTES OF THE FINANCE, AUDIT & PERFORMANCE MANAGEMENT MEETING HELD ON MONDAY 11 SEPTEMBER 2017 AT SOUTH WALES FIRE & RESCUE SERVICE HEADQUARTERS

1. PRESENT:

Councillor	Left	
K Critchley (Chair)		Newport
A Roberts (Deputy Chair)		Rhondda Cynon Taff
L Brown		Monmouthshire
R Crowley		Vale of Glamorgan
S Evans		Torfaen
K Gibbs		Merthyr Tydfil
A Hussey	Arrived 10:50	Caerphilly
D White	Arrived 10:45	Bridgend

APOLOGIES:

H Joyce	Cardiff
G Thomas	Blaenau Gwent

ABSENT:

OFFICERS PRESENT:- DCO S Chapman – Monitoring Officer, Mr C Barton – Treasurer, AFCO A Thomas – Director of Service Delivery, ACO P Haynes – Director of People Services, Mr G Thomas – Head of Finance & Procurement, Mr C Powell – Deputy Monitoring Officer, Ms S Watkins – Head of Service Performance & Communications, Mr J Maddock – TIAA Internal Auditor, Mr M Jones – Wales Audit Officer

2. DECLARATIONS OF INTEREST

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

3. CHAIR'S ANNOUNCEMENTS

WELCOME ADDRESS

The Chair welcomed Members and Officers to the first meeting of the Finance, Audit & Performance Management Committee for the Municipal Year 2017/2018. He stressed that politics would not play a role in running the Committee, and highlighted the importance of Members making every effort to attend future meetings.

4. MINUTES OF PREVIOUS MEETING

The minutes of the previous Finance, Audit & Performance Management meeting held on 3 April, 2017, were received and accepted as a true record of proceedings.

5. REVENUE OUTTURN 2016/2017

For the benefit of new Members, the Head of Finance & Procurement provided a formal introduction. He presented a report to Members which outlined the revenue outturn position, subject to the external audit process, for the financial year end 2016/2017, and the resultant impact on reserves.

Following a lengthy question and answer session on abbreviations within the report, Reserves, and maintaining recruitment levels, the Deputy Chief Officer provided a brief overview of the On-Call Firefighters project, and assured Members that they would receive updates on the issue at future meetings.

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 2016/2017

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

ended 31 March 2017, the financing arrangements, and the budget slippage required to complete capital schemes in 2017/2018.

Following a question and answer session on land acquisitions, the purchasing of vehicles, the Joint Control Centre at Bridgend, and the tri-party project, the Deputy Chief Officer provided Members with an overview of the Service's Risk Modelling tool, and risk profile for the areas where Stations could be sited.

RESOLVED THAT

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

7. STATEMENT OF ACCOUNTS 2016/2017

The Head of Finance, and Treasurer, informed Members that the Appointed Auditor was required to give his opinion on the financial statements for the year ended 31 March 2017. The presented report considered the statutory ISA260 report (draft), the final statement of accounts, and the letter of representation required by the auditor.

The Wales Audit Officer took the opportunity to present a brief update report on the Statement of Accounts 2016/2017, and the recommendations included within the report.

RESOLVED THAT

- 7.1 Members agreed to receive the amended ISA260 report of the Appointed Auditor.
- 7.2 Members agreed to receive the amended Statement of Accounts, with a view for formal approval of the updated version by the full Fire & Rescue Authority
- 7.3 Members agreed to note the letter of representation prior to completion by the Treasurer and Chair on behalf of the Fire & Rescue Authority.

7.4 Following lengthy discussion on the recommendations by the Wales Audit Officer in the previous year's report, Officers agreed to provide Members with a separate report with a progress update on the recommendations.

8. REPORT ON HEALTH CHECK OF PRIORITY ACTIONS AND Q1 PROGRESS AGAINST THE STATUTORY PI'S

The Head of Service Performance & Communications presented a report which would give assurance to Members of the Fire & Rescue Authority and Senior Management within South Wales Fire & Rescue Service, on progress towards achievement of the Priority Actions agreed for 2017/2018, as at Quarter 1.

RESOLVED THAT

Members reviewed the performance details and statistical data for 2017/2018 contained within the presented report, and agreed to note the content.

9. REVENUE MONITORING REPORT 2017/2018

The Head of Finance & Procurement informed Members that the Revenue Monitoring report provided details of the annual revenue budget and associated information for the year ending 31 March, 2018.

RESOLVED THAT

9.1 Members agreed to note the content of the report.

9.2 Members agreed to approve the virement.

10. CAPITAL MONITORING REPORT 2017/2018

The Head of Finance & Procurement informed Members that the Capital Monitoring report provided details of the capital budget for the year, capital transactions to date, and a forecast position as at 31 March, 2018

RESOLVED THAT

- 10.1 Members agreed to note the budget and progress of capital schemes, approved the alterations identified in Appendix 1, and noted the associated funding streams.
- 10.2 Members approved the energy efficiency projects outlined in paragraph 2.1.5 within the report, with funding to be drawn from the Change Management Reserve.

11. 2016/2017 ANNUAL TREASURY MANAGEMENT REVIEW

The Treasurer presented a report for Members to consider the results of Treasury Management activities for the year ending 31 March 2017, in accordance with the Authority's approved Treasury Management Strategy.

RESOLVED THAT

Members agreed to recommend that the Fire & Rescue Authority note the Annual Treasury Management Review for 2016/2017, and approve the actual 2016/2017 prudential and Treasury Indicators set therein.

12. MEDIUM TERM FINANCIAL STRATEGY (MTFS) AND RESERVES STRATEGY UPDATE

The Treasurer presented a report to Members which included an update of the Medium Term Financial Strategy of the Authority, together with its reserve strategy.

RESOLVED THAT

- 12.1 Members agreed to note the content of the report.
- 12.2 In order to agree a timeframe to approve the Budget, Members agreed to attend a further meeting, and would utilise the Finance, Audit & Performance Management Working Group meeting on 9 October, 2017.

The Chair congratulated the Treasurer on presenting the complex report.

13. INTERNAL AUDIT REPORT

The Internal Auditor updated Members upon progress being made against the Internal Audit Plan 2017/2018.

RESOLVED THAT

Following a question and answer session on the Station Visits internal audit, Members agreed to note the internal audit recommendations and work completed to date on the Internal Audit Annual Plan.

14. FORWARD WORK PROGRAMME

The Deputy Chief Officer presented the Forward Work Programme for 2017/2018.

RESOLVED THAT

Members accepted the Forward Work Programme for 2017/2018.

15. 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.