

**COMMISSIONERS FOR SOUTH WALES FIRE AND RESCUE
SERVICE**

**MINUTES OF THE FINANCE AND AUDIT COMMITTEE
HELD ON FRIDAY, 26 JULY 2024
IN MEETING ROOM 8, SWFRS HQ OR REMOTELY VIA TEAMS**

COMMISSIONERS PRESENT

Baroness Wilcox of Newport (Chair)
Kirsty Williams

OFFICERS PRESENT:- CFO Stuart Millington, ACO Alison Reed – Director of People Services, T/ACFO Dean Loader – Director of Service Delivery, Dominic Mika - Director of Strategic Change and Transformation, Lisa Mullan – Head of Finance, Procurement and Property, Mr S Gourley – TIAA Internal Auditor, Kate Havard – Audit Wales, Carywn Rees – Audit Wales

1. DECLARATIONS OF INTEREST

There were no declarations of interest made.

2. CHAIRPERSON'S ANNOUNCEMENTS

There were no Chair's announcements.

**3. TO RECEIVE THE MINUTES OF FINANCE AND AUDIT
COMMITTEE MEETING HELD ON 19 APRIL 2024**

Lady Wilcox agreed the minutes from 19 April 2024 as a true record of discussions and no matters arising.

Lady Wilcox wanted to note on record her congratulations to the Finance team for winning their award at the Finance Wales Awards.

4. REPORTS FOR DECISION

4.1 REVENUE OUTTURN REPORT 2023/24

The Head of Finance, Procurement and Property provided an outline the revenue outturn position for the financial year end 2023/24 and the resultant impact on reserves. The report presents a summary of the revenue outturn for the year ending 31 March 2024. The statutory

accounts are subject to external audit and therefore a final position will not be definite until the audit process is complete.

Lisa Mullan drew the Committees attention to appendix 2 where we forecasted an overspend and have managed that throughout the year to come to this position. Lisa Mullan presented to the Committee the most significant changes of overspend and underspend within the Service for the financial year since she last brought this to the Committee in April.

Kirsty Williams queried whether JPSC rent should be included in our reserves and whether this should be a core cost. Lisa Mullan explained that our Joint Fire Control takes up occupation in the Police building where our lease ended 8 years ago and therefore we are seeing the amortisation into the budget.

The Commissioners take a lot of assurances from Lisa Mullan's explanations and thanked her for the hard work in putting the report together.

RESOLVED THAT

- 4.1.1** The Commissioners for South Wales Fire and Rescue Service note the report and agreed the content subject to the external audit with Audit Wales.

4.2 CAPITAL OUTTURN REPORT 2023/24

The Head of Finance, Procurement and Property presented the capital outturn position for the year ended on 31 March 2024. The report demonstrates the financing arrangements and the budget slippage required to complete capital schemes in 2024/25. Lisa Mullan provided a treasury management update for the first quarter of 2024.

Lady Wilcox noted that she takes comfort from appendix 4 knowing that there are no breaches and we remain in the guidelines.

RESOLVED THAT

- 4.2.1** The Commissioners for South Wales Fire and Rescue Service noted the report and approved the budget slippage as detailed in the appendix 1.

4.3 AUDIT WALES ENQUIRIES TO 'THOSE CHARGED WITH GOVERNANCE' – DRAFT RESPONSE

Audit Wales presented a report detailing a draft response to the Audit Wales paper on 'Those Charged with Governance' when approving financial statements.

The Head of Finance, Procurement and Property explained that standard questions are given to us for assurance purposes around fraud, regulation and law and related parties. The appendix provides an overview of what we are trying to do and sets out our responses in the three distinct areas.

Kirsty Williams queried where there is a policy in place around fraud, that when identified, a learning review or a lessons learnt session is conducted from cases that arise for extra safeguarding and suggests that this is formally included to show there is a review to quantify and demonstrate learning points and there is an audit trail. Lisa Mullan accepted this suggestion.

RESOLVED THAT

4.3.1 The Commissioners confirm its response to the Audit Wales enquiries detailed in appendix 1.

4.3.2 The Commissioners would formally like to implement a learning review following any fraud cases that arise and this is documented for an audit trail.

4.4 APPOINTMENT OF HEAD OF COMMUNICATIONS AND ENGAGEMENT

The Director of Strategic Change and Transformation presented a report requesting to appoint a permanent Head of Communications and Engagement to support the sustained cultural and service improvement. Dominic Mika explained that this role will be an integral part of the Strategic Leadership Team and will be key in improving internal and external Service communications for our staff and our communities to show the positive things we are doing. People Services will be reviewing the job description and personal specification prior to publication to amend minor word changes.

Kirsty Williams wanted an outline around paragraph 3 in the job description and what does it mean in terms of on-call arrangement. Dominic Mika explained that fire and rescue services will normally have 24 hour on call arrangement to support communications but we rely on our communications team to do work out of hours or on weekends when necessary, so the postholder may be in charge of reviewing or improving the provision.

Kirsty Williams commented whether marketing is a suitable word to use in paragraph 10 of the job description. CFO Stuart Millington explained that this is in terms of communication elements of marketing for example working in collaboration with other department leads to market or target communications by utilising the appropriate media avenues.

RESOLVED THAT

- 4.4.1** The Commissioners note the report, the associated job description and personal specification.
- 4.4.2** The Commissioners note their recommendation to add any amendments to the post template that is deemed necessary.
- 4.4.3** The Commissioners agree the recruitment for the post for an immediate permanent Head of Communications and Engagement.

5. REPORTS FOR INFORMATION

5.1 AUDIT WALES ANNUAL AUDIT PLAN 2024

Kate Harvard, the Audit Director on the Financial Audits from Audit Wales provided an overview of our annual audit plan and focuses on performance aspect. Kate explained despite the draft written on the document, the report is now final with an amendment for one date on page 78 of the pack. Kate explained we are ahead of the statutory deadline for the next report and on track for the financial audit side.

Carwyn Rees, the Performance Audit Manager from Audit Wales provided an overview of the performance side. The biggest piece they will be undertaking next year is a project around how the council set their wellbeing objectives. There is one piece outstanding from last year around prevention work that the Fire Authorities due to staff sickness and reappointments and they will be looking to pick up both pieces of work in the autumn and will report on this towards the end of the year. The last piece of work is a much smaller piece around the Local Government Measure where they confirm there are improvement plans in place and performance reports have been put together in line with the act.

Kate Harvard would like to formally record her thanks to Lisa Mullan and her team for their cooperation to produce the audit plans.

RESOLVED THAT

5.1.1 The Commissioners note the immense work that has gone on to produce these audit plans.

5.2 DRAFT STATEMENT OF ACCOUNTS 2023/24

The Head of Finance, Procurement and Property presented the Draft Statement of Accounts report for the year ending 31st March 2024. The report gives an annual retrospective of our financial position. Lady Wilcox commented that the report was very detailed and entirely transparent, and thanked Lisa and her team for producing such a comprehensive document.

RESOLVED THAT

5.2.1 That Commissioners receive the unaudited Statement of Accounts 2023/24 and note the audited Statement of Accounts will be presented to them following the completion of the external audit process by Audit Wales.

5.2.2 The Commissioners approve the report for information.

5.3 INTERNAL AUDIT PROCESS REPORT & AUDIT ACTION UPDATE

Steen Gourlay from TIAA presented an audit report to update the Commissioners on the progress being made against the Internal Audit Plans for 2023/24.

There are 2 areas of audit that are being undertaken; EV Charging and Sustainability. There were discussions around Sustainability Officers and we are in a good position as we have one in the Service. CFO Stuart Millington noted that we are currently giving attention to environmental issues and has spoken to Lisa Mullan about improving our action planning which will include collaboration with other services. We are also aiming to modernise our fleet to be less reliant on fossil fuels to contribute to our aspirations of becoming carbon neutral.

Lisa Mullan owns environmental issues under her portfolio and has a carbon reduction plan which we report on annually, which can be presented to the Commissioners in the autumn months.

RESOLVED THAT

5.3.1 That Commissioners note the internal audit recommendations and the work completed to date.

5.4 PERFORMANCE REPORT – STRATEGIC PERFORMANCE INDICATORS 2023/24

The Assistant Chief Fire Officer Dean Loader presented the organisation's performance against the Strategic Performance Indicators compared to the predicted outcomes for 2023/2024.

It was noted that the total fires attended has decreased within 10% and highlights deliberate fires are significantly reducing which provides a good indicator on the good work our stations and reduction team are doing.

It was noted in point 2.6 that we have seen an increase in assisting other agencies such as WAST. The CFO has a meeting with the CEO of WAST next week and can take him through the areas what we are assisting with which is mostly medical calls.

Dwelling fires are directly linked with the Thematic Review and there is work going on around this relating to the prevention and education. The Chief Fire and Rescue Advisor is going to be looking at tactics and whether we can further enhance our training. There was a discussion surrounding the dwelling fire increase and Dean Loader provided clarification that the increase was down to the incident that happened in Ely. Kirsty Williams stated it looks positive on how we have improved from previous years which was welcomed and noted that we still have improvements. Kirsty Williams also wanted to share how impressed she was with the Fire Cadet Instructors in Ely and their commitment to proactively address the figures in Ely. CFO Stuart Millington stated that the recent open day was very well attended by the community and he had good feedback from the families.

RESOLVED THAT

5.4.1 The Commissioners note the Service's Strategic Performance Indicator totals for 2023/2024.

5.4.2 The Commissioners approve the publication of the Service's Strategic Performance Indicators for 2023/24.

5.5 FORWARD WORK PROGRAMME FOR THE FINANCE AND AUDIT COMMITTEE 2023/24

CFO Stuart Millington explained there has been a degree of slippage in certain areas of reporting however statutory items that needs to be reported on has been brought to the Committee on time. The Forward Work Programme will be revised prior to the next meeting. Some of those who are responsible for the statutory reports are sick but this will be picked up by others. The department risk register will be picked up in the next meeting.

RESOLVED THAT

5.5.1 The Commissioners note the comments regarding the Forward Work Programme.

6. TO CONSIDER ANY ITEMS OF BUSINESS THAT THE CHAIR DEEMS URGENT (PART 1 OR 2)

There were no further items of business to consider that Lady Wilcox deemed urgent.