



**DRAFT Minutes of the
Finance & Governance Committee
held at 11:00 hours on Thursday 20 September 2018 at the
Dorset & Wiltshire Fire and Rescue Service Headquarters, Salisbury**

These are draft minutes were prepared by officers to be approved by the Finance & Governance Committee at their next meeting.

Members present: Cllr Bob Jones (Chairman), Cllr Peter Hutton, Cllr Ann Stribley, Cllr Pip Ridout, Cllr Richard Biggs, Cllr Malcolm Davies

Officer attendance: Deputy Clerk & Monitoring Officer to DWFRA, Ms Grace Evans; Director of Finance and Treasurer, Mr Phil Chow; CFO Ben Ansell; DCFO Derek James; Director of People Services, Ms Jenny Long; Director of Community Safety, ACFO Jim Mahoney; Director of Service Improvement, ACFO Mick Stead; Head of Strategic Planning and Corporate Assurance, Mrs Jill McCrae; Head of Financial Services, Mr Ian Cotter; Head of Information Management and Communications, Mrs Vikki Shearing; Head of Human Resources, Mrs Jane Staffiere; Head of Assets, Mr Ian Thomas; Head of ICT, Mr Chris Donaldson; Area Manager (AM) Byron Standen; AM Craig Baker

Guests: Deloitte LLP, Wil Bevan; KPMG, Ms Harriett McBoyle; Gateway Assure, Mr Robin Pritchard

18/30 Welcome

18/30.1 The Chairman opened the meeting and welcomed attendees including Mr Wil Bevan, Deloitte LLP and Ms Harriett McBoyle, KPMG, to the Finance & Governance Committee meeting.

18/31 Apologies

18/31.1 Apologies were received from Cllr Byron Quayle and ACFO John Aldridge.

- 18/32 Code of Conduct, Declarations of Interest and Notifications of Any Other Business**
- 18/32.1 The Chairman gave a reminder about the code of conduct and asked the meeting for any disclosures of pecuniary interests under the Localism Act. No disclosures were given.
- 18/33 Minutes of the Finance & Governance Committee meeting on 31 July 2018**
- 18/33.1 The Chairman asked members to review and approve the minutes from the last meeting.
- 18/33.2 **RESOLVED: Members approved the minutes and were signed by the Chairman as a correct record.**
- 18/34 Annual Audit Letter 2017-18**
- 18/34.1 The Director of Finance and Treasurer, Mr Phil Chow passed on apologies from External Audit KPMG, Mr Rees Batley who was unable to attend and noted the attendance of Ms Harriett McBoyle on behalf of KPMG.
- 18/34.2 Mr Chow summarised the outcome from the audit work carried out by KPMG of the Dorset & Wiltshire Fire and Rescue Service (the Service) in relation to the 2017-18 audit year. Members agreed that this was a good report and the Chairman thanked KPMG for their support throughout their contract.
- 18/34.3 **RESOLVED: Members considered and noted the audit findings.**
- 18/35 Internal Audit Report**
- 18/35.1 Mr Robin Pritchard, Gateway Assure presented the report for the second quarter of 2018-19. During this quarter, two internal audits had been undertaken covering the areas of Health & Wellbeing and Energy Management, including fuel.
- 18/35.2 Mr Pritchard advised Members that the Health & Wellbeing audit received a substantial level of assurance and went on to explain the rating issued and the rationale in relation to the improvement recommendations made. Mr Pritchard directed Members to the issues in relation to the completion rate of return to work interviews but highlighted that he was comfortable that the Service had arrangements in place to resolve this.
- 18/35.3 The Chairman informed Members that he had been assured by the Strategic Leadership Team (SLT) of the importance they have given to this matter. The Chief Fire Officer (CFO) Ben Ansell supported the Chairman's comments and noted that the Service had questioned the Auditors grading, suggesting adequate may be more appropriate but, following explanation, were now content with substantial.

- 18/35.4 The Director of People Services, Ms Jenny Long, gave Members reassurance that actions are in place to ensure triggers for these meetings happen and leadership masterclasses were taking place to support the management of short term sickness.
- 18/35.5 Members enquired how sickness effects the annual fitness tests and how this is managed, Ms Long provided information on return to work interviews and occupational health referrals.
- 18/35.6 Mr Pritchard took Members through the Energy Management audit which received adequate level of assurance. Mr Pritchard highlighted that a carbon management policy has now been introduced and noted that it was recommended that information from utility companies be used to monitor costs.
- 18/35.7 Members commented that this was a valuable audit and queried if ICT improvements could be made to assist with monitoring costs, Deputy Chief Fire Officer, Derek James explained that ICT is being extensively rolled out as part of the smarter working programme.

18/35.8 **RESOLVED: Members approved the management responses to the Internal Audit report.**

18/36 Internal Audit Progress Report

- 18/36.1 Head of Strategic Planning and Corporate Assurance, Mrs Jill McCrae, introduced the report which provided Members with an update on the progress of work against the recommendations made by Internal Audit, Gateway Assure.
- 18/36.2 Members reviewed the report and were satisfied with the progress of activities.
- 18/36.3 **RESOLVED: Members approved the progress made towards completing the agreed improvement activities.**

18/37 Financial Monitoring Report

- 18/37.1 Head of Financial Services, Mr Ian Cotter introduced the report and appendices A, B & C which provided an analysis of the current financial position for the 2018-19 financial year, reflecting actual spending to 31 July 2018.
- 18/37.2 Mr Cotter drew Members attention to the additional cost in relation to the West Moors Training Centre. Whilst the cost can be contained this year within the highlighted potential revenue underspend, there will be an impact on budget plans for next year and beyond.
- 18/37.3 Members discussed the current level of under-borrowing and Mr Cotter explained that cash flow forecasts were regularly reviewed and went on to detail the rules for any new borrowing. CFO Ansell reiterated this with a further explanation of under-borrowing.

18/37.4 Members discussed the procurement and roll out challenges of appliances, including the new Aerial Ladder Platforms. The Director of Community Safety, ACFO Jim Mahoney and Head of Assets, Mr Ian Thomas, explained the Service has improved its procurement procedures and has an internal Project Group that manages the roll out and training of new appliances. Mr Thomas noted that the delayed roll out of the Aerial Ladder Platforms was largely down to manufacturers snagging issues.

18/37.5 Mr Cotter drew Members attention to section three of the report and commented on reserves and balances and the proposed purchase of land at Tisbury and revised capital programme spend.

18/37.6 **RESOLVED: Members noted the current financial position as at 31 July 2018.**

18/38 Performance Report Quarter 1

18/38.1 The Head of Strategic Planning and Corporate Assurance, Mrs Jill McCrae presented the report advising Members that it set out the performance achieved for 1st quarter of 2018-19, covering the period 1 April 2018 to 31 July 2018.

18/38.2 Mrs McCrae explained the background to the approach being used for reporting performance and confirmed that there were no significant issues to raise with good progress being made.

18/38.3 Members were taken through each Key Line of Enquiry by the appropriate Director, where details regarding the progress and performance were provided.

18/38.4 **RESOLVED: Members approved the Q1 Performance Report.**

18/39 Statement of Assurance 2017-18

18/39.1 Head of Strategic Planning and Corporate Assurance, Mrs Jill McCrae introduced the report reminding Members that the Statement of Assurance is a requirement of the National Framework.

18/39.2 Mrs McCrae provided Members with an overview of how the report was formulated and showed Members the background papers that went into this evidence-based report.

18/39.3 Mrs McCrae noted that the document was underpinned by the Service's eight policies and that directors had provided policy assurance statements against these, to provide the current position statement.

18/39.4 Mrs McCrae confirmed that the new governance arrangements for the Service required the Finance & Governance Committee to review and approve the annual Statement of Assurance.

18/39.5 Members were taken through the policy assurance statements by the relevant Directors who provided justification for the overall judgement scores provided.

- 18/39.6 Members noted the background work under taken to develop the statement of assurance and confirm assurance of the process undertaken in its delivery.
- 18/39.7 Members endorsed and approved the Statement of Assurance for publication.
- 18/39.8 **RESOLVED: Members approved the draft statement of assurance 2017-18.**

18/40 Strategic Risk Register

- 18/40.1 The Head of Strategic Planning and Corporate Assurance Mrs Jill McCrae introduced this report reminding Members of the review against the Strategic Risks undertaken prior to the July Finance & Governance Committee meeting.
- 18/40.2 Mrs McCrae confirmed that all risks had been reviewed by the SLT on a monthly basis and advised that all mitigations of risks were on track and progressing well. Mrs McCrae confirm that there were no issues to address.
- 18/40.3 The Director of Service Improvement, ACFO Mick Stead provided an update against risk 218, noting the progress of negotiations in relation to the site. ACFO Stead noted that future requests were being built into the medium term financial plan as part of reviewing the strategy, and it is believed that the Service would be in a position to recommend the reduction of this risk at the next committee meeting.
- 18/40.4 **RESOLVED: Members agreed the strategic risks and mitigations set out in Appendix A.**

18/41 Date of Next Meeting

- 18/41.1 The Chairman confirmed the date of the next F&G meeting as Friday 7 December 2018 at Dorset & Wiltshire Fire and Rescue Service Headquarters, Five Rivers Health and Wellbeing Centre, Hulse Rd, Salisbury SP1 3NR, from 10am.

Meeting ended at 12:45 hours.

Signed: _____