



**DORSET & WILTSHIRE
FIRE AND RESCUE
AUTHORITY**

**DRAFT Minutes of the
Finance & Governance Committee
held at 11:00hrs on Friday 7 December 2018 at the
Dorset & Wiltshire Fire and Rescue Service Headquarters, Salisbury**

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

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

Officer attendance: Chief Fire Officer, Ben Ansell; Director of Finance and Treasurer; Mr Phil Chow; Deputy Clerk & Monitoring Officer, Ms Grace Evans; Deputy Chief Fire Officer (DCFO), Derek James; Director of Service Support, Assistant Chief Fire Officer (ACFO) John Aldridge; Director of Service Improvement, ACFO Mick Stead; Director of People Services, Ms Jenny Long; Temporary Director of Service Support T/ACFO Byron Standen; Head of Financial Services, Mr Ian Cotter; Head of Information and Communications, Mrs Vikki Shearing; Head of Prevention and Protection, Head of Assets, Mr Ian Thomas; Senior Health & Safety Advisor, Mr John Lincoln

Guests: Deloitte Audit Lead, Ms Michelle Hopton

18/42 Welcome

18/42.1 The Chairman opened the meeting and welcomed attendees including Deloitte Audit Lead, Ms Michelle Hopton from Deloitte.

18/43 Apologies

18/43.1 Apologies were received from ACFO Jim Mahoney, Mrs Jill McCrae, Mr Wil Bevan (Deloitte).

- 18/44 Code of Conduct, Declarations of Interest and Notifications of Any Other Business**
- 18/44.1 The Chairman asked the meeting for any disclosures of pecuniary interests under the Localism Act. There were no disclosures.
- 18/45 Minutes of the Dorset & Wiltshire Fire and Rescue Authority meeting on 20 September 2018**
- 18/45.1 The Chairman asked Members to review and approve the minutes from the last meeting.
- 18/45.2 **RESOLVED: that the Minutes be confirmed without amendment and signed by the Chairman as a correct record.**
- 18/46 External Audit Plan 2018-19**
- 18/46.1 Audit Lead, Deloitte LLP, Ms Michelle Hopton, explained their role as the External Auditor, appointed by Public Sector Audit Appointments Ltd, adding that they were mandated through statute to complete an audit of the Authority. Deloitte LLP had therefore submitted Appendix A, External Audit Plan for 2018-19.
- 18/46.2 Ms Hopton advised Members that there were three key areas of responsibility under the Audit Code of Practice which are the auditing of Financial Statements, providing a Value for Money Conclusion and reviewing the Annual Governance Statement.
- 18/46.3 Ms Hopton advised Members that Deloitte had completed their initial audit planning work and identified three significant audit risks. These concerned the valuation of properties in the accounts; the arrangements for completeness and cut-off of expenditure and the risk of management overriding controls. She added that the interim audit visit would take place in February 2019, with final audit work and testing taking place in June/July 2019.
- 18/46.4 Ms Hopton further advised Members she was obliged, under the regulations, to ask if any Member was aware of any fraud or potential fraud. Should they become aware they must inform Deloitte, the Auditor. Members stated that they did not have any issues to raise.
- 18/46.5 Members discussed the report under Appendix A, thanked Ms Hopton for her report and noted the plan for 2018-19.
- 18/46.6 **RESOLVED: Members noted the External Audit Plan for 2018-19**

18/47 Internal Audit Progress Report

- 18/47.1 DCFO Derek James, introduced the report in Mrs Jill McCrae's absence and took Members through the Internal Audit Progress report (Appendix A). This report provided Members with an update on the progress of work against the recommendations made by Internal Audit, Gateway Assure. He stated that the Q3 report from Gateway Assure was still under preparation between the auditors and Officers and would be available at the next meeting of the Finance & Governance Committee.
- 18/47.2 DCFO James advised Members that most of the actions identified remain on track with good progress being made, although two improvement activities had minor delays which were outlined in Table 1 of the report.
- 18/47.3 DCFO James added that whilst the delays did not cause any significant risk, the Service will continue to review the audit improvement activities to ensure their successful delivery within the revised time scales. A revised timescale for agreeing the On-call salary scheme was agreed by Members to support good industrial relations.
- 18/47.4 Members discussed the report and the Chairman requested that this Committee be advised at the earliest opportunity of any slippage in target dates, adding that this would provide transparency to Members.
- 18/47.5 **RESOLVED: Members approved the progress made towards completing the agreed improvement activities.**

18/48 Financial Monitoring Report – 31 October 2018

- 18/48.1 The Head of Financial Services, Mr Ian Cotter, introduced the report which provided an analysis of the current financial position for the 2018-19 financial year and reflected on the actual spend to 31 October 2018.
- 18/48.2 Mr Cotter added that the overall revenue and capital budget positions remained positive, although the forecast revenue underspend had reduced to £200k, mainly due to additional operational staffing costs incurred over the summer months.
- 18/48.3 CFO Ansell added that additional costs had been incurred due to the very hot summer and because of the major incidents in Salisbury and Amesbury. He added costs associated with the Salisbury and Amesbury incidents would not be recovered due to the financial threshold, under the Bellwin Scheme, not being met.
- 18/48.4 Mr Cotter confirmed to Members that adjustments to reserves and balances had been made to reflect Finance Principle 10 approved by the Authority at their meeting on 28 September 2018.

18/48.5 Mr Cotter also confirmed that the capital programme had been updated to reflect current progress on projects, proposed programme changes and savings made during the year. Forecast spending now totalled £8.306m. He added that the revised capital programme will be presented to the Authority on 13 December 2018.

18/48.6 **RESOLVED: Members noted the current financial position as at 31 October 2018.**

18/49 Performance Report Quarter 2

18/49.1 DCFO James introduced the paper in Mrs Jill McCrae's absence. He outlined Quarter 2 performance, covering the period 1 July to 30 September 2018.

18/49.2 Members discussed the matter of apprentices and asked that an update be brought to the next Finance & Governance Committee meeting.

18/49.3 On behalf of the Committee the Chairman thanked the Senior Health & Safety Advisor, Mr John Lincoln, and his team, for their hard work in achieving BSI (British Standards Institute)18001 accreditation. CFO Ansell added his thanks to all staff for their achievement, adding that the Service was only one of three fire and rescue services which had achieved a 'Certificate of Compliance' across its entire Service.

18/49.4 Members discussed the report and were advised that a Member Seminar may take place on 15 January to discuss the budget implications for 2019–20 should the provisional settlement indicate a degree of flexibility over the fire precept. Members also noted the eLearning available for their use and the Member Development information and Seminar dates as previously provided.

18/49.5 **RESOLVED: Members approved the Performance Report, Quarter 2**

18/49.6 **ACTION: The Director of People Services to bring back a report to the next Finance & Governance Committee meeting about progress on apprenticeships**

18/50 Strategic Risk Register

18/50.1 DCFO James introduced the report in Mrs Jill McCrae's absence, reminding Members of the review against the Strategic Risks undertaken prior to the Finance & Governance Committee September meeting.

18/50.2 DCFO James confirmed that all risks were reviewed by the Strategic Leadership Team on a monthly basis and advised Members that all mitigations of risks were on track and progressing well.

- 18/50.3 DCFO James confirmed to Members that sufficient progress had been made against risk 218 (failure to deliver operational training) to allow it to be managed at departmental level. DCFO James added that there were no further issues to address.
- 18/50.4 Members discussed the on-going negotiations with the Ministry of Defence relating to the West Moors Training Centre and agreed that this risk could be removed from the Strategic Risk Register.
- 18/50.5 Members discussed the emerging risk relating to fire fighter pension schemes and the Government's re-evaluation exercise, which were likely to mean a significantly increased pension burden upon the sector and Authority. Whilst additional funding was being provided for in 2019-20, covering 90% of the estimated additional costs, the position for 2020-21 onwards was not clear.
- 18/50.6 The Treasurer, Mr Phil Chow advised Members that this was a risk faced by all Fire and Rescue Services and that Officers were seeking to secure further information and certainty.
- 18/50.7 Members discussed the potential consequences of leaving the European Union without a deal. Officers advised they were engaging with both local resilience forums who were actively planning for the scenario.
- 18/50.8 **RESOLVED: Members agreed the strategic risks and mitigations set out in Appendix A**
- 18/50.9 **RESOLVED: Members approved the removal of risk 218 from the Strategic Risk Register.**
- 18/51 Date of Next Meeting**
- 18/51.1 The Chairman confirmed the date of the next Finance & Governance meeting as Thursday 7 March 2019 at Dorset & Wiltshire Fire and Rescue Service Headquarters, Five Rivers Health and Wellbeing Centre, Hulse Rd, Salisbury SP1 3NR, from 11am.

The meeting closed at: 12:25hrs

Signed: _____