

# Public Document Pack

## MERSEYSIDE FIRE AND RESCUE AUTHORITY

10 FEBRUARY 2022

### MINUTES

**Present:** Cllr Linda Maloney (Chair) Councillors Edna Finneran, Janet Grace, Andrew Makinson and Lisa Preston

**Also Present:** Phil Garrigan (CFO), Ria Groves (Monitoring Officer), Ian Cummins (Director of Finance and Procurement)

**Apologies:** Mr Anthony Boyle (Independent Member)

#### 1. Preliminary Matters

Members considered the identification of declarations of interest, any urgent additional items, and any business that may require the exclusion of the press and public.

**RESOLVED** that:

- a) no declarations of interest were made by individual members in relation to any item of business on the agenda;
- b) no additional items of business to be considered as matters of urgency were determined by the Chair; and
- c) no items of business required the exclusion of the press and public during consideration thereof because of the possibility of the disclosure of exempt information.

#### 2. Minutes from Previous Meeting

**RESOLVED** that the minutes of the previous meeting held on 28<sup>th</sup> September 2021 were agreed as an accurate record.

#### 3. Grant Thornton Auditors Annual Report 2021

Members considered the Annual Report of the External Auditors, Grant Thornton, as presented by Georgia Jones. Members were advised that this was a new report resulting from changes to the Code of Audit Practice in 2021 and the report provided a more in depth analysis on value for money.

The report made three improvement recommendations to the Authority and it was explained that this kind of recommendation was the lowest level in terms of significance. It was reported that there were no key recommendations or statutory recommendations for the Authority.

The first recommendation for improvement related to enhanced training for Audit Committee Members to promote challenge of the Committee reports and this was welcomed by the Councillors.

Secondly, it was suggested that an Officer from Internal Audit attend the Committee meetings to answer any challenges from the Members.

The final recommendation sought the integration of service delivery performance reports and financial performance reports in order to highlight any links between the two.

Members queried how External Audit would be assured that any issues raised relating to a potential disciplinary could not occur again. It was explained that External Audit had considered the policies and procedures in place rather than judging the details of any disciplinary hearing and it was found that the policies were fit for purpose and no gaps were identified. Internal Audit and the Monitoring Officer were also reviewing the policies and the training available for Members on disciplinary procedures.

With regard to training, the Chair noted that Members were provided training in their own authorities as well as from the Authority and that the recent Budget Strategy Day had been well attended and useful for Members.

The Chief Fire Officer (CFO) asked for more detail on the recommendation concerning integrating performance reports and it was clarified that the suggestion was to link financial and service performance reports when looking at financial decision making and planning for the future. It was theorised that integrating the reports in this way would help to identify areas for investment and how that can effect another service area.

Ian Cummins, Director for Finance and Procurement noted the difference between a Fire Authority and a Council and suggested that the IRMP was the strategic document where that information was held. It was advised that moving forward these reports (quarterly financial review and the service plan updates) would if possible be brought to the same committee meeting and any correlation between the two would be highlighted at that meeting.

It was acknowledged that although the improvement recommendations were based on good practice, their implementation could vary across different organisations.

The CFO requested that future Grant Thornton reports be adapted to show MFRA staff as opposed to stock images and it was agreed that this would be actioned if possible.

**RESOLVED** that the contents of the presentation be noted

**4. MRFA Audit Committee Progress report - January 2022**

Georgia Jones presented a progress update report which provided the completed financial statement and value for money audit for 2021. The External

Auditors were now in the process of planning for 2021-22 to be presented at the next Committee meeting.

Members were made aware of additional fees attributed to pensions valuations and it was explained that was a national issue resulting from an increased level of scrutiny dictated by the Audit Commission.

**RESOLVED** that the contents of the report be noted.

**5. Financial Review 2021/22 - October to December**

Members received a report from the Director of Finance and Procurement, Ian Cummins, providing a financial review of 2021/22 from October to December.

The report covered the revenue and capital position as well as an update on treasury management performance, which had been consistent with the approved treasury management strategy for 2021/22.

Councillor Makinson raised concerns about inflation and the continual pressure on interest rates and asked if these factors would affect the deliverability of the capital programme. It was explained that the debt servicing costs associated with the required borrowing within the proposed five year capital programme had been incorporated into the revenue budget and MTFP. Members were advised that the revenue budget included a provision for pay and price inflation and the current forecast was that inflation pressures would be contained within the budget.

**RESOLVED** that:

- a) the contents of the report be noted;
- b) the proposed revenue and capital budget alignments be approved;
- c) the reserve adjustments as outlined in the report be approved, and the for £0.800m forecast favourable revenue variance be used to fund an increase in the capital investment reserve in order to contribute towards the cost of a new TDA development; and
- d) the Director of Finance and Procurement be instructed to continue to work with budget managers to maximise savings in 2021/22.

Close

Date of next meeting Tuesday, 7 June 2022

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