

MERSEYSIDE FIRE AND RESCUE AUTHORITY

POLICY & RESOURCES COMMITTEE

25 JULY 2024

MINUTES

Present: **Councillors** James Roberts (Chair), Les Byrom, Jeanie Bell, Linda Maloney, Lesley Rennie, Barbara Murray, Gill Wood, Andrew Makinson and Dave Hanratty.

Also Present: Chief Fire Officer, Phil Garrigan
Monitoring Officer, Ria Groves
Director of Finance and Procurement, Mike Rea

1. Apologies

There were no apologies received.

2. Declarations of Interest

There were no declarations of interest at this meeting.

3. Minutes of the Previous Meeting

RESOLVED that the public and exempt minutes of the previous meeting held on 21st March 2024 were agreed as an accurate record.

4. Staff Attendance & Recording Systems (StARS)

Chief Fire Officer, Phil Garrigan, introduced the Staff Attendance and Recording Systems (StARS) report.

Members were provided with an overview of the StARS application, which allowed the Authority to record individual attendance across all duty systems. It was noted that application enhancements had taken place, with the Authority collaborating with the providers to create bespoke functionality for the service.

Attention was drawn to paragraphs 11 to 18, which highlighted potential development opportunities and how the Authority could incorporate any further changes in duty systems into the application.

Councillor Bell inquired if the application had been included in the Authority's budget for the upcoming year. It was clarified that the application was factored into both the Authority's budget and the Medium-Term Financial Plan.

With regard to the recent Task and Finish Review of Sickness Absence, it was noted that some data scrutinised had been provided through the StARS system, and Councillor Maloney noted that the information presented was easy to read. The Chief Fire Officer informed Members that the end user feedback was also positive in terms of the software's usability.

Councillor Hanratty entered the meeting at 13:07pm.

Councillor Murray questioned whether the Authority had planned to undertake any testing as part of the development process. The Chief Fire Officer assured Members that the Authority always sought to work with developers to test that the application reflected the requirements of the Authority, such as its bespoke duty systems.

The recent His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) inspection highlighted the efficiency of the Authority's diverse duty systems in meeting staff needs and delivering services. It was noted that developers consistently had displayed a willingness to collaborate with the Authority to represent diverse duty systems and better address the Authority's needs.

Councillor Murray queried whether the overall cost for development had been included in the price and the Chief Fire Officer confirmed that the price was inclusive of all costs. Members were advised that in some cases, additional costs may arise if additional functionality was requested that had not initially been part of the scope. It was clarified that in some instances, developers could absorb the cost of new applications if they were mutually beneficial for both parties.

Councillor Hanratty expressed concerns about security and potential cyber-attacks, questioning the Authority's dependency on the system and highlighting the need for adequate safeguards. Members were informed that the Authority was aware of those risks and that HMICFRS had indicated that it could seek to assess the Authority's cybersecurity arrangements within the next two years. The Chief Fire Officer assured Members that the Authority was vigilant in the face of evolving hacker technology'. Additionally, Councillor Byrom raised concerns about the telecom outage of the 999 system earlier this year, which prompted a review by The Local Government Association (LGA). It was explained that the telecom company had been fined and this therefore closed the Authority's review of that particular issue.

Councillor Wood queried the adequacy of training relating to the application and whether it was accessible to new employees joining the service. The Chief Fire Officer explained that staff had undergone in-house training and noted that those who were experienced with the application had been assigned to provide the necessary training.

Councillor Byrom advised Members that due to the sensitive nature of a potential Cybersecurity report, it was agreed that a learning lunch for Members would be proposed.

RESOLVED that

- a) the contract for the Staff Attendance Recording System (StARS) to Verisk be awarded; and
- b) the intention to proceed with development work A as outlined below subject to internal application development governance processes be noted

5. Revenue & Capital Outturn Report 2023/24

The Director of Finance and Procurement, Mike Rea, introduced the Revenue & Capital Outturn Report for 2023/24.

Members were informed that the Revenue Budget movements in Quarter 4 were outlined in Paragraph 10. The most notable change pertained to the planned draw-down of £0.581m from the Inflation Reserve to address the rise in premises energy prices.

It was noted that a small drawdown from reserves was made for IT equipment and software, and that the remaining adjustments consisted of some self-balancing virements and other minor changes.

Members were drawn to the table and the end of paragraph 10, page 24 where it was verified that the final budget aligned with the original approved budget of £67.921m. It was noted that the revenue Outturn position in the table on page 25, indicated the year-end revenue underspend of £3.312m, when compared to the final budget.

It was explained that after accounting for the £0.803m year-end reserves requested by budget managers for projects and initiatives spanning the 2023/24 and 2024/25, the available underspend for 2023/24 was £2.509m.

Member's attention was drawn to Paragraph 13 and pages 25-26, which overviewed the details on revenue differences and the comprehensive revenue analysis.

It was noted that the Authority aimed to maximise savings for future financial challenges and for infrastructure investment. Members were advised that the report recommended allocating the £2.509m underspend to increase the general reserve by £0.700m, in line with the external Audit's recommendation.

It was suggested that increasing the Capital Investment Reserve by £1.809m would minimise future capital borrowing costs. Mike Rea advised Members that the reserve allocations and the overall revenue Outturn position, would align with the existing budget.

It was discussed that the 2023/24 Capital Budget and Outturn position, was outlined in paragraphs 15-21. Members were advised that within Quarter 4, the 2023/24 Capital programme budget increased by £0.331m, with the overall 5-year capital budget increasing by £0.089m.

It was noted that paragraph 16, page 27 detailed the capital budget amendments made in Quarter 4. The Capital Outturn Position was summarised, with actual spend at the end of 2023/24 explained at £8.711m below budget.

Mike Rea advised that £8.619m had been re-phased into 2024/25. Additionally, a small saving of £0.092m was noted on various 2023/24 schemes, which was identified at year-end.

Regarding reserves, paragraphs 22-31 detailed the reserves available for the year, the changes in Quarter 4, and proposed year-end adjustments. It was noted that excluding year-end adjustments, committed reserves decreased by £0.018m in Quarter 4 to £9.562m.

Members were advised that Officers had reviewed the year-end revenue position statements and requested year-end reserves to allocate funds for the anticipated expenditures in 2024/25 or beyond. Paragraph 26 outlined the £0.803m of year-end reserves requested by officers.

It was concluded that the amount of committed reserves decreased by £7.615m during the year, from £19.789m to £12.174m. Members were advised that the report suggested using the £2.509m revenue underspend to bolster the General Revenue Reserve and Capital Investment Reserves, which was detailed in paragraph 27.

Members' attention was drawn to the table on page 32 and Appendix A4, which summarised the changes in the opening and closing balances of committed reserves throughout the year. Councillor Byrom noted that there was an underspend in the Authority's budget, and he explained that the Authority did not receive a Capital Grant, and as such had to fund its own Capital. He informed Members of the recent lobbying for a capital grant at the LGA, as well as lobbying on business rates and other forms of income that could support Fire and Rescue Services. Councillor Byrom emphasised the importance of maintaining a financially stable position during periods of transition.

Councillor Hanratty queried if the report provided was the final financial accounts of the Authority, Mike Rea clarified that the final accounts had already been submitted to the Audit Committee and emphasised that this report was the Outturn report.

Councillor Hanratty enquired if the collection rate from Council Tax had been higher this year due to house building programs across Merseyside. Mike Rea noted a slight of 0.05% increase in the budget for the year.

Councillor Hanratty inquired about the Authority's outstanding debts and requested a detailed update on the efforts made to manage them.

It was explained that, in collaboration with Legal and Finance departments, it had been sought to limit the number of debts written off by the Authority. It was noted that in the report, there had been two instances, one related to a special service call for access to medication and the other an overpayment due to a pensioner's death. Members were advised that after following the appropriate legal procedures, it was decided not to pursue these debts.

Councillor Wood queried if there had been any unexpected trends or areas of concern for the Director of Finance that the Members should be notified of.

It was explained that the income from secondments had been slightly higher than anticipated but there had been no unexpected surprises to consider.

RESOLVED that;

- a) the actual revenue spend compared to the approved budget delivered a net underspend of £3.312m before the creation of year-end reserves, as outlined in Appendix A1, be noted.
- b) this underspend to;

- create the required year-end reserves of £0.803m to fund projects that had slipped from 2023/24 into 2024/25;
 - increase the General Revenue Reserve by £0.700m;and
 - increase the Capital Investment Reserve by £1.809m to offset capital cost pressures and reduce planned borrowing to free up revenue budget associated with debt servicing costs be approved.
- c) the re-phasing of planned capital spend from 2023/24 into future years of £8.619m, as outlined in Appendix B be approved and (d) the committed reserves of £12.174m and a general reserve of £3.700m as outlined in Appendix A4 be approved.

Close

Date of the next meeting Thursday 12th December 2024