



# Minutes

## Finance & Resources Committee

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Date: 02 February 2024

Time: 10:30

Venue: Dewsbury Town Hall

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Present: Cllr Mohammed (in the chair), Cllrs Almas, Anderson, Hall, Hawkins, Hussain, Keith (as a substitute for Cllr Tulley), O'Donovan and Pollard.

In Attendance:

Apologies: Cllrs Bowden, Tulley

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### **21 Minutes of meeting held on 20 October 2023**

#### **RESOLVED**

That the Minutes of the meeting held on 20 October 2023 be signed by the Chair as a correct record.

### **22 Matters Arising**

There were no matters arising.

### **23 Urgent items**

There were no urgent items.

### **24 Admission of the public**

There were no items requiring the exclusion of the press and public

### **25 Declarations of interest**

There were no declarations of interest.

## **26 Draft Capital Investment Plan, Revenue Budget, and Medium-Term Financial Plan**

The Chief Finance and Procurement Officer presented a report providing a draft capital investment plan, a draft revenue budget and the 4 year Medium-Term Financial Plan 2024/25. The report included details of the Draft Local Government Finance Settlement 2024/25, a standstill budget, and a summary of activity in the 2023/24 financial year.

The report gave further details of the following

- Proposed Capital Investments
- Prudential Indicators
- Revenue Budget and Medium-Term Financial Plan
- Provisional Local Government Finance Settlement
- The Chief Financial Officer's Positive Assurance Statement
- Medium Term Financial Planning

Members thanked the Chief Finance and Procurement Manager for such a detailed comprehensive report.

Members asked and were provided with the expected completion date of the FSHQ new build and the expected move in date. Members were assured there would be no cost pressures on the Authority if there are any delays and that the current plan is showing an expected completion date of 1 November 2024. Members discussed the current heating issues in Oakroyd Hall at FSHQ, which is a Grade 2 listed building, and the requirement to maintain the building to house a skeleton staff until it can be vacated in early 2025.

Members challenged and asked for clarification of the following points:

- The average annual charge of Minimum Revenue Provision (MRP) and interest rates used
- The collection fund rate
- The use of revenue contributions to relieve cost pressures
- Whether Firefighter numbers could be increased to relieve pressure on staffing due to current high sickness levels
- The cost and benefits of using biodiesel
- The figures in the 2024/25 Standstill Revenue Budget compared to the 2023/24 figures.
- The risk factors of the fluctuation in the contributions to business rates
- The increase in the revenue support grant as compared to the increase in core spending

### **RESOLVED**

- a) That the report be noted.
- b) That members approve the transfer of £0.700m from the Pension Equalisation Reserve to the General Fund Reserve

## **27 Quarterly Financial Review**

The Chief Finance and Procurement Officer presented a report providing a quarterly review of the financial position of the Authority. The report gave details of revenue and capital

expenditure, including movements to and from the general contingency budget, variances in the expenditure budget, a summary of waivers to the Contract Procedure Rules (CPR) over £75000 and revisions required to the 2023/24 capital plan.

It was noted that the Ludo charging budget capital scheme budget requires an additional £24000.

Members challenged the report author on the overspend in legal expenses and the revisions to the Capital Plan

## **RESOLVED**

- a) That the report be noted.
- b) That members approve the revised capital plan

## **28 Draft Treasury Management Strategy**

The Chief Finance and Procurement Officer presented a report detailing the Draft Treasury Management Strategy for 2024/25. Members were advised that the report met the requirements of both CIPFA's Code of Practice, and the current 2010 Guidance issued by the Department for Communities and Local Government (DCLG). The report detailed the revised CIPFA Treasury Management Code and Prudential Code which were published on the 20<sup>th</sup> of December 2021 and listed the revisions that need to be included in the reporting framework from the 2023/24 financial year.

The report also covered the following issues:

- Capital Strategy
- Borrowing Strategy
- Investment Strategy
- Prudential Indicators

Members challenged the report author regarding:

- The LOBO loan option date
- Loans made to Local Authorities

## **RESOLVED**

- a) That the content of the report be noted
- b) That the Full Authority be recommended to approve the Treasury Management Strategy 2023/24 including;
  - a) Treasury Management Practices
  - b) the capital strategy
  - c) the borrowing strategy
  - d) the investment strategy
  - e) the policy for provision of repayment of debt
  - d) the Treasury Management Prudential indicators
  - e) the Capital Plan 2024/25 – 2028/29

## **29 Vehicle Replacement Programme 2024/25**

Members considered a report of the Director of Service Support which detailed the Vehicle Replacement Programme for 2024/25 and highlighted the revisions made to the programme due to appliance design changes.

### **RESOLVED**

- a) That the content of the report be noted
- b) That members approve the purchase of 16 fire appliances at a cost of £4,138,610
- c) That members approve the additional project costs of £1,858,000.

## **30 Procurement Annual Review**

The Chief Finance and Procurement Officer presented a report to provide Members with an annual update on procurement activity.

It was reported that

- Savings and efficiencies achieved in this financial year to date are £677,988.
- There are currently two hundred and twenty seven contract arrangements with an annual value of £25.3m
- Since the introduction of the E-procurement portal (In-Tend) in October 2020, ninety one formal tender processes have been compliantly published and awarded.
- Compliance with CPR (Contract Procedure Rules) continues to increase and a log has been introduced to record and resolve non-compliance with CPR.
- Seventy five people have now received training and a small number of people have undertaken several refresher sessions on OPEX (the Authority's purchasing and stock system).
- The regional Yorkshire and Humberside procurement group, which is governed by the regional NFCC strategic group, is well established and use of national framework agreements has significantly increased.
- The Head of Procurement participated in the NFCC Fire Standards Group for consultation on Finance and Procurement, Estates and Asset Management and Internal Governance and Assurance and is currently awaiting the results of the consultation.
- The Head of Procurement is now a superuser on the BLC (Blue Light Commercial) forum.
- The Head of Procurement actively participates in the Authority's quarterly Environmental Working Group meetings which considers the United Nations seventeen Sustainability Goals.
- The new Procurement Act was given Royal Assent in October 2023 and go live is planned for October 2024. This new Act represents the biggest change to Procurement legislation and process in 8 years.

Members requested clarification of:

- The PFAS (Per and Poly Fluoroalkyl Substances) policy
- The termination of the Security Patrol contract and the predicted savings.
- The amendments to the procurement thresholds

## **RESOLVED**

That the content of the report be noted

### **31 Treasury Management Mid Year Report**

The Chief Finance and Procurement Officer presented a report to provide Members with a mid-year review of the treasury management activity of the Authority, as required by the adopted CIPFA Code of Practice on Treasury Management.

The report examined treasury management performance for the period 1 April to the 22 December 2023 and provided assurance that it had operated within the approved strategy and reported on the impact of the following;

- Economic Update & Interest Rates
- Treasury Management Strategy Statement
- Investment Performance
- Borrowing Performance
- Revenue Budget Monitoring
- Prudential Indicators
- Risk and Compliance Issues

The report demonstrated that the Authority is operating within the Treasury Management Strategy and that activity complied with the approved prudential indicators.

## **RESOLVED**

That the content of the report be noted

Chair