

ETAP Fire and Rescue Finance Panel – Summary Issues and Actions – September 2021

Issue	Panel Update	Actions/Recommendations
Monthly Financial Monitoring	<p>The Panel met in mid September and received summary financial and capital expenditure performance reports for the period to 31 July.</p> <p>The total Revenue spend at the end of month 4 was £14.6m which is £0.4m better than the original budget.</p> <p>Pay costs to date are slightly favourable to budget at £0.1m with savings mainly associated with a number of support staff vacancies within the Service. Wholetime pay is currently slightly over budget with Casual Contracts and Crewing Deficiency Costs running at around £90k per month to support existing crewing shortfalls. The Panel explored recruitment issues and was informed that the service are actively looking to bring forward recruitment that will improve the overall crewing situation during the next few months.</p> <p>Non-pay costs remain slightly favourable being 3.7% below budget. There are no areas of concern at this stage. Community Fire Safety Spend remains low at this time as numbers of Safe and Well visits have not fully recovered due to impact of COVID-19.</p> <p>The Capital Programme for 2021/22 was approved at £6.0m and £0.4m has been carried over from last year. To date only £147k has been spent on capital.</p> <p>The cash position at 31 July 2021 was £20.3m showing an increase in the month following the receipt of the Fire-fighters Pension Fund Top Up Grant of £8.6m.</p> <p>The Panel explored the low level of spend on capital and the impact that might have on service delivery and efficiency. The increasing cost of building projects was also noted as a growing concern with any delays.</p>	The Panel will continue to closely monitor the underlying financial performance in 2021/22.
External audit	<p>The Panel received a verbal update on the current position in relation to the audit. The vast majority of the fieldwork had now been completed and there were no significant issues identified or restatements required. The only outstanding issue relates to the audit of the Staffordshire County Council pension fund by EY. This is due to be completed two days before the next ETAP. The Panel discussed the approach to take in the event that this is delayed. The suggested approach is that the accounts should be recommended for approval subject to final confirmation by the ETAP Chair.</p> <p>The Panel also discussed the approach towards the current PSAA consultation on the tender of external audit. The Panel supported an approach that ensured a single auditor reviewed both Fire and Policing accounts.</p> <p>The Panel also noted that the new VFM review would be completed by December and looked forward to that</p>	The Panel will continue to monitor the external audit performance.

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	<p>paper from the external auditor. At the last meeting the Panel had requested some benchmark information to aid comparison with other services and discussed possible sources. The S151 will be producing some analysis based on existing data sources.</p>	
Going concern summary	<p>The Panel received a report from the S151 officer on a Going Concern Assessment of the Fire and Rescue Authority. This was a summary report prepared for the external auditor summarising the case for considering the FRA as a going concern. This is a new requirement.</p> <p>The Panel welcomed the clarity of the analysis, commended its readability and thanked the S151 for the paper. It discussed the potential for wider use of this summary including members of the Police, Fire and Crime Panel.</p>	<p>The Panel will continue to monitor going concern.</p>

Alan Edwards, ETAP Finance Panel Chair