

**COMMISSIONERS FOR SOUTH WALES FIRE AND RESCUE  
SERVICE**

**MINUTES OF THE FINANCE AND AUDIT COMMITTEE  
HELD ON FRIDAY, 20 SEPTEMBER 2024  
IN MEETING ROOM 8, SWFRS HQ OR REMOTELY VIA TEAMS**

**COMMISSIONERS PRESENT**

Baroness Wilcox of Newport (Chair)

**OFFICERS PRESENT:-** CFO Stuart Millington, ACO Alison Reed – Director of People Services, T/ACFO Brian Thompson – Director of Technical Services, Dominic Mika - Director of Strategic Change and Transformation, Lisa Mullan – Head of Finance, Procurement and Property, T/AM Matt Jones – Head of Operations, Wayne Thomas – Temporary Head of Corporate Support, Gabrielle Greathead – Interim Monitoring Officer, Mr S Gourley – TIAA Internal Auditor

**1. DECLARATIONS OF INTEREST**

There were no declarations of interest made.

**2. CHAIRPERSON'S ANNOUNCEMENTS**

There were no Chair announcements.

**3. TO RECEIVE THE MINUTES OF FINANCE AND AUDIT  
COMMITTEE MEETING HELD ON 26 JULY 2024**

Lady Wilcox agreed the minutes from 26 July 2024 as a true record of discussions and no matters arising.

Lady Wilcox wanted to note the Commissioners were pleased with the number of applicants for the Head of Communications and Engagement role and interviews will be commencing on Monday 23 September.

**4. UPDATE ON OUTSTANDING ACTIONS**

There were no outstanding actions to be discussed.

## **5 REPORTS FOR DECISION**

### **5.1 REVENUE MONITORING REPORT 2024/25**

The Head of Finance, Procurement and Property provided an overview of the revenue monitoring report which provides details of the annual revenue budget and associated information for the year ending 31 March 2025. This is the first monitoring report we have received this financial year and the first update since budget setting in February.

Lisa Mullan presented the main pieces of the spends outlined in the report. Appendix 1 provides an overview of the budget and what the underspend position is. The report is presenting there is a £1.7m overspend on the annual budget. There was a discussion around the On-Call budget and retention and the work needed to re-shape the team within the current establishment and looking at the positions. Matt Jones explained that there is work to be done around the future of on-call around South Wales and how it aligns with national changes. Lady Wilcox stated this is a really good position for us and keen to follow national practice. Lisa Mullan explained that they won't be adding to the costs at this time.

Lisa Mullan explained most of the corporate variances are included within appendix 4 which is a new request from the Commissioners in terms of presenting an overview on what the unbudgeted spend is relating to the Commissioners decisions and the Transformation Programme and extra on improving the organisation. Lisa Mullan noted that the pay awards haven't been agreed and may affect the forecasting. Lady Wilcox expressed it is important to note that there is a lot of changes going on for the Service with intervention, we have had to bear the costs of these without any grant funding unlike with other interventions.

Lisa Mullan further highlighted points within the report. Appendix 3 provides a grant overview and Lisa Mullan drew Lady Wilcox's attention to overspends on national work for National Resilience and USAR. Lisa Mullan hopes this will alter when this is brought back to the Committee next time. CFO Millington provided clarity around the National Resilience position and the fixed budget we receive from Welsh Government. We should be managing our assets within the budget that we are given by Welsh Government. CFO Millington will look at this further to bring this back in line by the end of the financial year.

**RESOLVED THAT**

**5.1.1** The Commissioners for South Wales Fire and Rescue Service noted the content and agreed the report.

## **5.2 CAPITAL MONITORING REPORT 2024/25**

The Head of Finance, Procurement and Property provided an overview of the capital monitoring report which provides details of the capital budget, transactions to date and the forecast year end position for the year ending 31 March 2025. Appendix 1 provides the budget information and funding analysis how we pay for it. In summary we have £19m budget for the year which is set against the outturn. Appendix 2 provides information on the grant funding that we have secured this year. The biggest element is the property such as New Inn refurbishment. We are in the similar position with the Penarth station with a major project going on after Christmas. Lady Wilcox is not overly concerned about slippage as she understands that timescales take longer. CFO Millington provided an update on the Monmouth co-location with WAST. After having a recent conversation with the CEO of WAST, they have decided to go with a refurbishment of their site and so we will have to include a refurbishment of this into our future budget.

This is a new project aimed at managing contamination risks. Brian Thompson thanked the Property team for supporting the project and the work they have done so far. It is an ongoing project and we need to think about drill towers. CFO Millington stated that drill towers are an expensive structure, multipurpose towers would be a beneficial asset and fit for future purposes. We will have an inspection to weigh the cost of remedial works. It was discussed that the Fleet and Engineering work will be done by Chris Temby and that will inform our annual budget. There is a 6 month wait to get a new fleet and this can be difficult when it comes to a new financial year to the time we accept the delivery. Lisa Mullan touched on our ICT budget. CFO Millington raised that there are systems we have that operate independently and are often generic. We are looking to develop our systems across the Service that will be picked up as a part of the Digital Transformation piece.

Lady Wilcox added that she expects moving forward that when a new facility has opened, then an invite to the Council Leader of that area should be sent to attend the opening.

### **RESOLVED THAT**

**5.1.2** The Commissioners for South Wales Fire and Rescue Service noted the budget and progress of capital schemes,

and approved the alterations identified in appendix 1 and associated movements in funding.

### **5.3 2023/24 ANNUAL TREASURY MANAGEMENT REVIEW**

The Head of Finance, Procurement and Property presented the results of treasury management activities for the year ending 31 March 2024, in accordance with the Authority's approved Treasury Management Strategy for 2023/24. The report is one of three statutory reports that is brought to the Board and provides information on the borrowing outturn. Lisa Mullan explained that the new borrowing will be at a higher rate next year. Lisa directed the Board to the indicator report in appendix 1 and explained we have limits on borrowing as well as a CFR limit which we are under by £13m. Lady Wilcox noted that the report gives a detailed account and follows all the statutory aspects of running a public service to ensure we are in line with Welsh Government and wider government activities.

#### **RESOLVED THAT**

- 5.1.3** The Commissioners for South Wales Fire and Rescue Service note the annual treasury management review for 2023/24 and approve the prudential and treasury indicators set therein.

### **5.4 FINANCE TEAM RESTRUCTURE**

CFO Stuart Millington provided an overview of the plan to restructure the finance team to realign capacity and expertise with Service needs. It is proposed a £33k increase to support additional salary costs to support the structure of the Finance team, to enable us to meet statutory deadlines for reporting and resilience. CFO Millington wishes to pay tribute to the Finance team for their highly complex work that is being produced. Lady Wilcox agreed that and is pleased to see the report and hopes this begins to help address issues in a small team that has produced a significant amount of work. Lady Wilcox expressed that if the proposal does not work that it is revisited quickly to find another solution.

#### **RESOLVED THAT**

- 5.4.1** The Commissioners for South Wales Fire and Rescue Service agreed a £33k increase to the base budget to support additional salary costs.

**5.4.2** The Commissioners for South Wales Fire and Rescue Service approve the immediate implementation of the plan to restructure the team.

**5.4.3** Lady Wilcox added a further revision that there needs to be a revision quickly if the proposal is not working.

## **6. REPORTS FOR INFORMATION**

### **6.1 AUDIT WALES CERTIFICATE OF COMPLIANCE**

Wayne Thomas, Temporary Head of Corporate Support explained that the certificate of compliance has come from Audit Wales as a result of the Annual Improvement Plan that we published on 31 October 2023. It is to demonstrate that the plan is in line and compliant with the act, where we discuss continuous improvement, significant arrangement to undertake improvement objectives and we look at our performance standards that we are committed to going forward. The 2024 Annual Improvement Plan will be brought to the October Board of Commissioners for approval to be published.

#### **RESOLVED THAT**

**6.1.1** The Commissioners note the certificate of compliance.

### **6.2 PERFORMANCE REPORT – STRATEGIC PERFORMANCE INDICATORS QUARTER 1 2023/2024**

Matt Jones, Temporary Area Manager presented the Strategic Performance Indicators for Q1 2023/24. The purpose of the report is to consider the organisation's performance against the indicators to support performance monitoring and continuous improvement within the Service.

Matt Jones provided a brief explanation of the indicators where we measure activity and statistics around the performance and the projected outcome of 2023/24. Some main points to highlight were that we have a lower rate of fires which demonstrates the positive work that is being done across the organisation in our Community Safety and Risk Reduction teams. CFO Millington added that whilst we have had a lower rate of fires, the seasonal weather has played a part due to less wildlife fires and flash flooding we have experienced this year, although we continue with our prevention work.

We have seen an increase in our Automatic Fire Alarms (AFA) of 2% which is down to faulty apparatus. There has been a good reduction in Road Traffic Collisions and there is ongoing collaborative work that our operational staff are doing with education in schools and with our partner agencies.

The number of Other Special Service Calls were lower which is positive. There has been 12% increase of calls to assist with WAST. CFO Millington has met with the CEO of WAST regarding the number of calls crews are attending. CFO Millington expressed that it is not that we don't want to assist, however crews need to be prepared mentally when they attend the calls. Matt Jones is working on a piece of work for CFO Millington to present to the CEO of WAST on these challenges. Matt Jones advised the number of deaths arising from all fires and accidental fires were higher. We are always trying to get up to date information when working with those greatest at risk in our communities. There has been a higher percentage with dwelling fires which were confined within the room of origin. Matt Jones and Dean Loader will create a report to bring to the Board of Commissioners will work with our Statistics team to develop a piece of work to understand the spreading of fires better and to re-engage and train our crews when recording the outcomes of these incidents.

## **RESOLVED THAT**

**6.2.1** Commissioners note the Service's Strategic Performance Indicator totals for Q1 2024/2025.

## **7. FORWARD WORK PROGRAMME FOR FINANCE AND AUDIT COMMITTEE 2024/2025**

CFO Millington advised we are on track with the Forward Work Programme and it gives an accurate reflection of what items are to come next.

## **8. TO CONSIDER ANY ITEMS OF BUSINESS THAT THE CHAIR DEEMS URGENT (PART 1 OR 2)**

There were no further items of business to consider that Lady Wilcox deemed urgent.