

**Minutes of the Meeting of
Shropshire and Wrekin Fire Authority
Strategy and Resources Committee
held at Brigade Headquarters, Shrewsbury,
on Thursday, 25 January 2007 at 2.00 pm**

Present:

Councillors Eade, Hartin (Chair), Holyoak, Hussey and West (from 2.05 pm)

Councillor Hartin, as Vice-Chair of the Committee, chaired the meeting, as Councillor Morgan, the Chair of the Committee was not present.

1 Apologies for Absence

Apologies for absence had been received from Councillors Box and Morgan. Having been advised by the Chair that Councillor Morgan was ill in hospital, Members asked that their best wishes for a speedy recovery be conveyed to him.

2 Declarations of Interest

There were no declarations of interest.

3 Non-Exempt Minutes

Members received the non-exempt minutes of the Strategy and Resources Committee meeting, held on 16 November 2006.

Resolved *that the non-exempt minutes of the Strategy and Resources Committee meeting, held on 16 November 2006, be agreed and signed by the Chair as a correct record*

4 Public Questions

No questions, statements or petitions had been received from members of the public.

5 2006/07 Expenditure Statistics

This report set out the comparative financial information for fire authorities, as reported by the Chartered Institute of Public Finance and Accountancy (CIPFA). This enabled the Fire Authority to consider areas for further investigation with the intention of ensuring that any opportunities for improving performance were fully explored.



Councillor West arrived at this point (2.05 pm).

The Treasurer brought Members' attention to Appendix B to the report and, in particular, the section in the table relating to income. This was one area where further comparative work could be done with other members of the West Midlands Regional Management Board.

The Chief Fire Officer reported that in-depth analysis of the CIPFA statistics was currently being carried out to feed into the Integrated Risk Management Planning process. Consequently, officers would be able to provide much clearer information, when CIPFA provided its statistics next year.

Resolved that Members note the report, and request that the Fire Authority assures itself that any potential opportunities for service improvement are followed up, through the Strategy and Resources Committee

6 Precept 2007/08 Consultation Presentation and Feedback from Public Scrutiny Panels

6a Precept 2007/08 Consultation Presentation

The Chief Fire Officer gave a presentation on the Precept 2007/08 Consultation. A copy of the presentation slides is attached to the signed minutes.

Resolved that Members note the content of the presentation

6b Feedback from the Public Scrutiny Panels

The Chief Fire Officer presented feedback on the precept consultation from the Fire Authority's Public Scrutiny Panels, which had been collated by Opinion Research Services (ORS). A copy of the presentation slides was tabled at the meeting and is attached to the signed minutes. The Chief Fire Officer advised that ORS would be producing a more detailed report, which he would bring to the full Fire Authority in due course.

It was noted that the Scrutiny Panels were made up of a cross section of those people in Shropshire, who had responded to the Fire Authority's Best Value Survey. This year, for the precept consultation, the Shrewsbury Panel had consisted of 16 members and the Ludlow Panel of 12 members. The Panels had been working with the Fire Authority on Integrated Risk Management Planning and precept consultations for three years and they had, therefore, gained excellent knowledge of these areas. There were also people on each Panel, who had worked at senior level in local government. In order to stimulate fresh discussion, however, a few members of the Panels did change each year with the result this year that there were more young people involved. The Treasurer confirmed that the Panels had a good understanding of the precept and budget and they had asked key questions during the consultation process.



A discussion took place regarding new and proposed posts and the possibility that the Road Traffic Collision Co-ordinator post could become self-funding in the future by virtue of money, which it might bring in from other organisations. The Deputy Chief Fire Officer advised that he proposed to bring the Young and Older Persons' Officers posts together in an 'At Risk Team', which would co-ordinate the work of operational staff in this area.

Resolved *that Members note the content of the presentation*

7 Assurance Statement on the Robustness of Budget and Adequacy of Financial Reserves

This report addressed the requirement that the Treasurer give a positive assurance about the robustness of the 2007/08 budget and the adequacy of financial reserves.

The Treasurer brought Members' attention to the Appendix to the report, which set out all of the budget provisions and reserves for agreement by the Committee and recommendation to the Fire Authority.

Resolved *that the Committee:*

- a) *Accept that the budget proposed to the Fire Authority is robust;*
- b) *Agree the reserves and provisions, set out in the Appendix, for recommendation to the Fire Authority; and*
- c) *Accept the Treasurer's assurance that these reserves and provisions are adequate.*

8 Capital Programme 2007/08 to 2009/10 and Prudential Guidelines

This report presented the capital programme, together with suggested amendments, for consideration by the Committee in the context of Prudential Guidelines.

The Treasurer brought Members' attention to the table at paragraph c) on page 3 of his report and in particular the increase in prudential borrowing in 2009/10 as expenditure increased but the Capital Reserve ran down. He emphasised, however, that the support to be provided by the Government in 2008/9 and 2009/10 had been estimated and was based on current levels provided. No information was available as to the level of support, which the Government would provide in the future.

Resolved *that the Committee forward the amended programme for consideration by the Fire Authority as part of its final precept deliberations*



9 Revisions to Revenue Budget

This report developed a final revenue budget package for consideration by the Fire Authority. It took into account public consultation and review by officers to see if the increase in precept could be limited to 4%.

The Treasurer referred to a higher than expected pension transfer value, which had resulted in a further £81,000 being made available to the Fire Authority. His recommendation was that this be included in the sum to be transferred to the Capital Reserve, making a total of £143,000. In response to a question from Councillor Eade he confirmed that the figure of £143,000 was in addition to the figure given for the Capital Reserve in Report 7.

The Treasurer explained the prudence of transferring £190,000 into a reserve to pay for the rephasing of the Retained Review implementation. Referring to the retained service pension uptake, he reported that retained employees had until 31 March to advise whether they wished to participate. It was not possible, therefore, to calculate the cost to the Fire Authority until after that date. He hoped that the pay and price contingency would be sufficient to meet this cost but, if not, there was money in the general reserve. This would, however, impact on future years' budgets.

The Chair advised that he had earlier that day attended a meeting of the West Midlands Regional Management Board, at which it had been proposed that the Board fund the employment of the Business Change Manager. He was concerned about introducing, at this late stage, an additional growth item, which would stretch funding further, but wanted to flag the issue up with the Treasurer. If it did go ahead, the likely cost to this Fire Authority would be around £5,000.

The Treasurer then outlined the various options open to the Fire Authority regarding the Collection Fund, which had been notified at £82,000. The full amount could be taken out of the 2007/08 budget. It would, however, be prudent to take only £69,000 (the minimum surplus received in previous years) and add the difference of £13,000 to the Capital Reserve. His rationale for this was that this year, for the first time, the Collection Fund of one of the collection authorities had been in deficit. Also, the amount of Collection Fund due to the Fire Authority was not notified until very late in the financial year.

Councillor Eade did not support all of the recommendations put forward in the Treasurer's report, as he believed that the percentage increase in the Fire Authority's precept should be around 3% to keep in line with inflation. He, therefore, proposed, and Councillor Mrs Holyoak seconded, the following amendments to the 2007/08 budget:

- *The £30,000 for an Information Officer be taken out*
He was not convinced that this post was warranted, as it did nothing to contribute to front-line services.



- *The £24,000 for an Older Persons' Officer be taken out*
He believed that the work carried out by this officer should be done by other agencies, not the Fire Authority.
- *The £13,000, which the Treasurer recommended adding to the Capital Reserve, be put into the Revenue Account instead*
- *The additional sum to be added to the Capital Reserve be reduced by £23,000 to £120,000*

This amounted to a reduction of £90,000, which would bring the percentage increase in the precept down to about 3%.

The Chair asked Officers for their comments on Councillor Eade's proposals. The Chief Fire Officer pointed out that Officers had made the case for the two posts to the Fire Authority in December. With respect to the Information Officer post he advised that the Audit Commission had given a warning about the quality of the Fire Authority's data. He was, therefore, concerned that the performance of the Authority could be affected, if the post were not established. The post would be very valuable, as its purpose was not only to provide statistics to the Government but also to staff, who used information as a management tool to improve performance. He was most concerned about the implications of taking the post out of the budget.

The Deputy Chief Fire Officer spoke about the Older Persons' Officer post. He reported that Shropshire had more than 80,000 residents, who were 65 or over and who, as identified by the Government, were at significantly greater risk from fire. The purpose of this post was to co-ordinate the work of front-line staff and other agencies, such as Help the Aged. It was not the role of those agencies to safeguard older people from fire. If the post were taken out of the budget, the significant work, which was currently being carried out in this area would stop. The Fire Authority already had a Young People's Officer to safeguard the interests of young people. It was, therefore, appropriate to have a similar post safeguarding the interests of older people.

Councillor Eade responded that he had stated at the last meeting of the Fire Authority that it should be looking for no more than a 3% increase. The establishment of an Information Officer post would not affect the performance of the Fire Authority. Although it would assist in the provision of data, that was not the purpose of the Fire Authority: it was here to protect the public.

A discussion took place regarding the necessity of the two posts, during which Members put forward differing views.

The Chair then gave his view. He said that at its last meeting the Fire Authority had tasked Officers with finding reductions to bring the percentage increase in the precept down to 4%. This fitted in with the figures put forward during the precept consultation the previous year. Officers had done what had been asked of them and put forward a 3.9% increase. He was concerned that, if the Fire Authority cut out necessary service developments, it could create difficulties for the future. He felt that Councillor Eade had proposed his amendments merely to reach an increase of 3%, whereas he was looking at



the needs of the Service. He was also looking at protecting future performance, as a reduction in performance would impact upon the Fire Authority financially. Officers had made reductions and put forward a balanced package. Under the circumstances he could not support Councillor Eade's amendments.

Councillor Hussey suggested reducing the amount to be added to the Capital Reserve, as this was a higher than anticipated figure. It would not then be necessary to cut the two posts proposed. Councillor Eade agreed that in December the Fire Authority had not known that it would have the additional resources advised by the Treasurer in Report 9. He still did not agree, however, with creating an Information Officer post. He, therefore, proposed, and it was seconded by Councillor Mrs Holyoak, that:

Provision for the Older Persons' Officer post be retained in the budget and that £24,000 less be added to the Capital Reserve.

The Treasurer advised Members that any reductions made in proposed additions to the Capital Reserve would not be ongoing into future years and would, therefore, be building up potential problems in what Members and Officers already knew were likely to be difficult budget years.

The Chair then summed up Councillor Eade's amendments to the 2007/08 budget as follows:

- *The £30,000 for an Information Officer be taken out*
- *The £13,000 from the Collection Fund, which the Treasurer recommended adding to the Capital Reserve, be put into the Revenue Account instead*
- *The additional sum to be added to the Capital Reserve be reduced by £47,000 to £96,000*

He asked the Treasurer to advise what impact these amendments would have on the 2007/08 and 2008/09 budgets. The Treasurer calculated that taking £90,000 out of the 2007/08 budget would reduce the increase in precept from 3.9% to 3.1%. The 2008/09 budget would reduce by only £30,000 and the knock-on effect of the reductions in the Capital Reserve would result, on current assumptions, in an increase in the precept from 5.2% to 5.8%.

The amendments were then put to the vote and, with 3 Members voting for and 2 against, were carried. Subject to the above amendments, it was

Resolved *that the Committee put forward a final budget package, as outlined in the report, for consideration by the Fire Authority at its meeting in February*

Councillor West left at this point (4.05 pm).



10 Income and Charging: Consultation by the Department for Communities and Local Government

This report dealt with a response to a consultation paper by the Department for Communities and Local Government (DCLG) on Extension to Charging. It also dealt with outstanding matters from the Fire Authority's own annual review of charges.

Resolved *that the Committee:*

- a) *Does not wish any further comments to be forwarded to the DCLG on its consultation paper;*
- b) *Is content with its present Income Generation Policy and does not wish to reconsider any aspect; and*
- c) *Agrees to a revised scale of fees being brought back to the Fire Authority in February 2007.*

11 Corporate Risk Management Summary

This report was the latest of the regular Risk Summary Reports to the Strategy and Resources Committee. As previously, these reports are intended to enable Members to meet the requirements of this Committee's Terms of Reference as they relate to the Fire Authority's management of corporate risk.

The Head of Performance and Risk highlighted the increased involvement of Councillor Tandy, the Fire Authority's Champion for Risk Management and Audit in the corporate risk management process.

Referring to Risk 17, the Chair asked whether there was any sign that the Government would provide assistance, if the case went in favour of retained firefighters. The Treasurer responded that the cost to the Fire Authority could be millions of pounds, depending on the implementation date of the Tribunal's decision. If the Government did not provide any grant, it might give permission to fire authorities to borrow. This was contained as a risk within the Medium Term Financial Plan and money had been set aside within the General Reserve. It was not possible, however, to plan precise amounts into the budget, as they were as yet unknown.

It was noted that the other most significant risk, Risk 51, would now need to be revisited in light of the Committee's decision earlier in the meeting to take the Information Officer post out of the 2007/08 budget.

Resolved *that Members note the contents of the report*



12 Local Government Act 1972

Resolved that, in accordance with section 100A(4) of the Local Government Act, the public be excluded from the meeting for the consideration of items 13 and 14 on the grounds that they involved the likely disclosure of exempt information as defined by the provisions of Part I of Schedule 12A to the Act, by virtue of paragraphs 3 and 4

13 Corporate Risk Management – Exempted Information (Paragraphs 3 and 4)

The Committee had received an open session report (at item 11 on the agenda), which summarised the Fire Authority’s current exposure to corporate risk. Report 13 supplemented Report 11 but was considered in closed session, as it contained information, which was exempt from publication by virtue of paragraphs 3 and 4 of Schedule 12A of the Local Government Act 1972.

Having considered the contents of the report in conjunction with the Corporate Risk Management Summary contained within Report 11, Members

Resolved that the exempt report be noted

14 Opportunity for Relocation of Wellington Fire Station

This report informed Members about the recent opportunity for relocation of Wellington Fire Station.

Resolved that Members

- a) Note the contents of the report;
- b) Give outline agreement for officers to proceed with discussions and planning on the basis of the principals set out in the report; and
- c) Task Officers to present a final report on the proposed agreement, when this has been formulated.

The meeting closed at 4.25 pm.

Chair.....

Date.....



**Definitions of Exempt Information
Local Government Act 1972 – Schedule 12A**

**Part 1
Descriptions of Exempt Information: England**

Paragraph 1

Information relating to any individual

Paragraph 2

Information which is likely to reveal the identity of an individual

Paragraph 3

Information relating to the financial or business affairs of any particular person (including the authority holding the information)

Paragraph 4

Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority

Paragraph 5

Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings

Paragraph 6

Information which reveals that the authority proposes:

- (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
- (b) to make an order or direction under any enactment.

Paragraph 7

Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime

