

**Non-Exempt Minutes of the Meeting of
Shropshire and Wrekin Fire Authority
Strategy and Resources Committee
held at Brigade Headquarters, Shrewsbury,
on Thursday, 21 September 2006 at 2.00 pm**

Present: Councillors Box, Eade, Hartin, Holyoak, Hussey, Morgan and West

1 Election of Chair

It was proposed by Councillor Hartin and seconded by Councillor Box:

That Councillor Morgan be elected Chair of the Strategy and Resources Committee.

There being no other nominations, Councillor Morgan was duly elected Chair to hold office until the meeting of the Committee immediately following the Annual Meeting of the Fire Authority.

2 Appointment of Vice-Chair

It was proposed by Councillor West and seconded by Councillor Mrs Holyoak:

That Councillor Eade be appointed Vice-Chair of the Strategy and Resources Committee.

It was proposed by Councillor Box and seconded by Councillor Morgan:

That Councillor Hartin be appointed Vice-Chair of the Strategy and Resources Committee.

On a vote, with three Members voting for Councillor Eade and four Members voting for Councillor Hartin, Councillor Hartin was appointed Vice-Chair to hold office until the meeting of the Committee immediately following the Annual Meeting of the Fire Authority.

3 Apologies for Absence

There were no apologies for absence.

4 Declarations of Interest

There were no declarations of interest.



5 Minutes

Members received the minutes of the Strategy and Resources Committee, held on 25 May 2006.

Resolved that the minutes of the Strategy and Resources Committee meeting, held on 25 May 2006, be agreed and signed by the Chair as a correct record.

6 Public Questions

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

7 Service and Budget Planning 2007/08 – 2009/10

This report informed Members of the progress so far in developing the financial plan, as approved by the Fire Authority in July.

The Treasurer advised that it would be necessary to hold a meeting of the Budget Working Group to move the financial plan forward. He recommended that a date be fixed after the Fire Authority meeting on 18 October and in time for officers to write reports for the next meeting of the Strategy and Resources, which would take place on 16 November.

Following a question from a Member it was agreed that the reference in Specific Reserves to 'bad weather' should be amended to 'extreme weather' to make it clear that it included hot, dry spells.

The Treasurer drew Members' attention to Appendix A to his report. The Revenue Budget had been structured in this way for the first time to reflect the five service areas within the Fire Authority. He asked Members to inform him at this point, if they required any more detail than that given in the report. The Committee agreed that they preferred this new approach and no further detail was required.

Resolved that the Fire Authority be recommended to:

- a) *Endorse a thorough review of its base plus committed growth budget, and agree to developing a budget built up on business plan lines, as set out in Appendix A;*
- b) *Reserve its position on pay and prices assumptions until later in the process;*
- c) *Set a target of £252,000 for efficiencies;*
- d) *Continue to develop proposals for growth, notably through the Integrated Risk Management Planning Action Plan, and to match these to efficiencies;*
- e) *Produce a zero-based capital programme, with all projects subject to an individual project appraisal;*
- f) *Review thoroughly all of its reserves, provisions and balances, particularly linking the capital reserve to the capital programme; and*
- g) *Hold a meeting of the Budget Working Group at 2.00 pm on Monday, 6 November.*

8 Revenue and Capital Monitoring 2006/07

This report informed Members of the budget monitoring position to July 2006.



Following a question about the £25,000 underspend on Retained Support Officers the Principal Accountant confirmed that the underspend this financial year would go to the general reserve but that £25,000 would be taken out of future years' budgets. Councillor Box felt that some of this money should be kept in the budget to cover the cost of training the Retained Support Officers to become National Vocational Qualification (NVQ) assessors. It was noted that the NVQ assessments were not likely to take place until 2008/09 because of the amount of time required to train assessors.

Councillor Eade asked how the performance of the Small Fires Unit would be monitored. The Chief Fire Officer replied that the Unit would be run as a pilot for one year by modifying the existing Land Rover. The pilot would be progressed through the Integrated Risk Management Planning process and would, therefore, be monitored as a Prince 2 project. The results would then be brought back to Members in a year's time.

Resolved that the Fire Authority be recommended to:

- a) Note the position of the revenue budget and approve the necessary changes to budgets;
- b) Note the virements that have been approved by officers; and
- c) Note the current position on capital schemes.

9 Annual Treasury Report 2005/06

This report informed Members of the treasury activities for 2005/06, as required by the Code of Practice on Treasury Management.

A reference was made to the borrowing rate and officers were asked whether it would be possible to produce graphs, which showed when fluctuations in interest rates occurred and when the Fire Authority took its borrowing. The Treasurer confirmed that officers could provide this information and Members agreed that it should be included in future annual treasury reports.

Resolved that Members note the report.

10 Asset Stewardship Report

This report advised Members of the current condition of assets owned by the Fire Authority and changes, which had occurred in the financial year 2005/06. It was a summary of information previously provided in the form of budget working papers, capital appraisals and capital budget reports, together with additional information. It was noted that on page two of the report in the second paragraph, under the heading Non-Operational, 'light goods vehicle' should have read 'large goods vehicle'.

The Head of Resources advised that asset stewardship was now included in the terms of reference of the Committee. He, therefore, wished to bring to the attention of Members the current position on all major assets.

Councillor Hartin said that he was aware of the unreliability of the Service's R registration appliances and asked whether they should be disposed of. The Head of Resources responded that officers were currently reviewing the position with those three appliances and with one in particular, which was creating problems. It was likely that just that one would be considered for disposal. The Chief Fire Officer



added that, since the issue had been raised with Members at one of the Integrated Risk Management Planning (IRMP) consultations, the maintenance record of the one appliance had been looked at and, as a result, the station had been given a more reliable vehicle.

Councillor Box referred to the recommendations made through the IRMP process and asked, if they were implemented, whether a K registration vehicle would be allocated to Tweedale. He also wished to know whether a revaluation of Wellington Station would be carried out. The Chief Fire Officer responded that, if an appliance were to be moved to Tweedale, then officers would need to reallocate existing vehicles. The Head of Resources explained the basis of the three types of valuations carried out for Fire Authority properties, adding that a greater demand for a particular property did not affect these valuations.

When asked about the disposal process for Fire Authority assets, such as appliances, the Head of Resources responded that they currently go to auction, before which they are decommissioned. Officers are, however, exploring with a government agency how assets might be disposed of in future.

Having considered the information provided, Members

Resolved that:

- a) *The information provided was sufficient for the Committee to fulfil its role in relation to asset management; and*
- b) *The current asset position be noted.*

11 Audit Commission Value for Money and Direction of Travel Profile Tools

This report was provided in response to a request by Members (at a Fire Authority meeting on 14 June 2006) that a detailed analysis should be conducted into areas where, using Chartered Institute of Public Finance and Accountancy (CIPFA) statistics for 2005/06, the Fire Authority had previously been identified as spending above the average for Combined Fire Authorities. Although the updated statistics from CIPFA, required for this work, had not yet been received, this report instead used 'value for money' and 'direction of travel' profile tools, recently provided by the Audit Commission for the purpose of their forthcoming assessments of the Fire Authority.

A graph containing revised information about training expenses was tabled (a copy of which is attached to the signed minutes).

The Chief Fire Officer went through the comparative information, contained in the various appendices to the report. He advised Members that the graph in the tabled document showed this Fire Authority's position if employee costs were included and if they were excluded. This Authority had followed CIPFA guidance, which stated that employee costs should be included. Subsequent enquiries made to Fire and Rescue Services in West Midlands had, however, revealed that Hereford and Worcester, Warwickshire and Staffordshire did not include them. Members were, therefore, concerned about the integrity of the CIPFA statistics and felt that this should be flagged up now with both CIPFA and the Audit Commission, particularly as the statistics would form the basis of the Audit Commission's forthcoming assessments.



The Treasurer added that officers within this Fire Authority had questioned the reliability of the statistics with CIPFA on a number of occasions but CIPFA had not responded.

Resolved that Members:

- a) *Note the performance of the Service against Best Value Performance Indicators, as identified by use of the 'direction of travel' profile tool.*
- b) *Note the benchmarking results achieved by use of the 'value for money' profile tool. Also, to note that these results confirm the findings reported previously to the Fire Authority, following a preliminary analysis of CIPFA statistics;*
- c) *Require officers, upon receipt of updated CIPFA statistics, to carry out further analysis as previously instructed and to report the findings to either the Fire Authority or this Committee, dependent upon the date of release of the CIPFA statistics; and*
- d) *Require the Chief Fire Officer to write to CIPFA and the Audit Commission to draw their attention to the inconsistencies in the information, which is to be used in the forthcoming assessments of Fire Authorities.*

12 Efficiencies – Analysis of Notable Practice Guide

This report provided information concerning an analysis of notable practice case studies from other Fire and Rescue Authorities, as compiled by the Department for Communities and Local Government, the Local Government Association and the Chief Fire Officers Association. It also sought Members' guidance on which of the case studies they felt warranted further examination in the interest of identifying additional efficiency savings to fund Service improvements.

Referring to the provision of National Vocational Qualifications to Retained firefighters, Councillor Box voiced his concern that this Fire Authority would not start the process until 2008/09. He asked whether a pilot scheme could take place. The Assistant Chief Officer responded that officers could consider a pilot scheme but it would not be possible across all stations, because of the time required to train assessors. Officers were, however, currently considering different standards of assessor.

Officers were asked whether equality and diversity measures, which had worked in large cities, were transferable to rural areas. The Assistant Chief Officer replied that officers would consider the case studies in detail. This Fire Authority needed to improve its performance in relation to ethnic minorities and women, so anything which would help in this area would be useful.

Resolved that Members:

- a) *Note and confirm the findings of the analysis to date;*
- b) *Agree the proposals as to which case studies require further exploration; and*
- c) *Agree that the method of analysis conducted in this case is suitable for use with further examples of notable practice.*

13 Corporate Risk Management Summary

This 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 the Committee's Terms of Reference as they relate to the Fire Authority's management of corporate risk.

It was noted that in the final paragraph of the report it should have read 'four new threats' not 'six new threats'.

Resolved: *that Members note the contents of the report*

14 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 item 15 on the grounds that it 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.*

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

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

Having considered the contents of this report in conjunction with the Corporate Risk Management Summary contained within Report 13, Members

Resolved: that the exempt report be noted.

The meeting closed at 3.30 pm.

CHAIR:.....

DATE:.....

