

**Minutes of the Inaugural Meeting of  
Shropshire and Wrekin Fire Authority  
Strategy and Resources Committee  
held at Brigade Headquarters, Shrewsbury,  
on Thursday, 17 November 2005 at 2.00 pm**

**PRESENT:** Councillors Box, Eade (from 2.05 pm), Hartin, Hussey, Morgan and West

## **1 Election of Chair**

It was proposed by Councillor Morgan and seconded by Councillor Box

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

There being no other nominations, Councillor Hartin was duly elected Chair for the ensuing year.

## **2 Appointment of Vice-Chair**

It was proposed by Councillor Box and seconded by Councillor Hussey

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

There being no other nominations, Councillor Morgan was duly appointed Vice-Chair for the ensuing year.

## **3 Apologies for Absence**

Apologies for absence had been received from Councillor Minnery.

## **4 Minutes**

It was noted that the new Strategy and Resources Committee was able to approve the minutes of the dissolved Finance and Performance Management Committee, because all Members of the former had sat on the latter.

**Resolved:** *that the minutes of the Finance and Performance Management Committee meeting, held on 22 September 2005, be approved and signed by the Chair as a correct record.*

## **5 Declarations of Interest**

There were no declarations of interest made at this point. Councillor Hartin subsequently (at item 10 of the agenda) declared a personal interest, details of which are given at item 10 of these minutes.



## 6 Public Questions

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

Councillor Eade arrived at this point (2.05 pm).

## 7 Annual Efficiency Statement

This report sought approval to submit annual efficiency statements to the Office of the Deputy Prime Minister (ODPM) under authority delegated to the Committee.

The Treasurer advised that section 4 of his report outlined some of the responses, which the ODPM had given to issues raised during the original consultation. He had picked out those responses, which related to the consultation comments made by this Fire Authority.

**Resolved:** *that the Committee:*

- a) *Note the outcome of Government consultation; and;*
- b) *Endorse the returns attached at Appendix A and Appendix B to the report.*

## 8 2006/07 to 2008/09 Revenue and Capital Budgets

### 8a 2006/07 to 2008/09 Revenue and Capital Budgets - Summary

This report brought together the different elements of the budget set out separately in the reports (8b to 8g), which followed. It was, therefore,

**Resolved:** *that the Committee consider reports 8b to 8g, before making decisions on the recommendations contained in report 8a.*

### 8b Base Budget and Committed Change

This report updated the current year's budget for the next three years. It dealt only with the review of the base budget for unavoidable variations and assumed that the Fire Authority would maintain its presently agreed level of service provision.

**Resolved:** *that the report be noted.*

### 8c Pay and Prices

This report proposed an additional provision for pay and price increases to be added to the 2005/06 base budget.

The Treasurer advised that a 2.5% increase for prices was generous and officers would try to reduce this figure.

**Resolved:** *that the following additional pay and price increases to the 2005/06 base budget be recommended to the Fire Authority:*

2006/07	£400,000
2007/08	£900,000
2008/09	£1,400,000



#### **8d Efficiencies Savings**

This report set out the currently identified efficiency savings.

**Resolved:** *that the report be noted.*

#### **8e Service Developments**

This report set out principles for determining growth in the Service.

Members agreed that, in view of previous decisions of the Fire Authority, the Retained Review should be treated as priority. They were concerned, however, about the wording in section 3 ii of the report, as any decision concerning capping was one, which the Fire Authority as a whole, should make. It was, therefore, agreed that this wording should be amended from: 'Try to achieve the maximum investment compatible with avoiding the risk of capping' to 'Try to achieve the maximum investment, bearing in mind the risk of capping'.

**Resolved:** *that the report be noted.*

#### **8f Capital Programme**

This report set out the strategic capital programme into the medium term. The purpose was to establish a firm capital programme of schemes starting in 2006/07 and as clear as possible a view of expenditure in the following two years. The appendix to the report was tabled, as it had inadvertently been omitted.

It was noted that this was an initial attempt to set out the medium-term capital programme and the figures provided were, therefore, only best estimates. There was still a considerable amount of work to be done in carrying out detailed appraisals for individual projects.

**Resolved:** *that the Committee recommend to the Fire Authority that:*

- a) *A capital programme be produced, using project appraisal for the schemes set out in the appendix to the report;*
- b) *Revenue provision be based on realistic time periods linked to asset life; and*
- c) *Financing include use of capital reserves, should these be established, and such use were prudent and sustainable.*

#### **8g General Reserve, Earmarked Reserves and Provisions**

This report recommended the use of funds, which were currently at the disposal of the Fire Authority, in a way to assist the prudent and effective management of future years' budgets.

**Resolved:** *that the Committee recommend that the Fire Authority establish the following new reserves and provisions:*

*Pensions liability reserve (£400,000)  
Equipment replacement provision (£100,000)  
Bad weather reserve (£250,000)  
Capital reserve (£520,000).*



Having considered reports 8b to 8g, the Committee then returned to deliberate upon the recommendations contained in report 8a. In the light of their discussion on report 8e regarding capping, Members agreed that the wording at recommendation c) within report 8a should be changed from 'as is compatible with the Government capping process' to 'bearing in mind the Government capping process'.

**Resolved:** *that the Committee recommend to the Fire Authority a strategy based on:*

- a) *The unavoidable elements of the budget, as set out in the reports on the 2005/06 base budget, committed variations and the effect of inflation (reports 8b and 8c);*
- b) *Achieving cashable efficiency savings of up to £420,000, as set out in report 8d;*
- c) *Including service developments, as set out in report 8e, with the aim of achieving the outcomes of the retained service review as quickly as possible, bearing in mind the Government capping process;*
- d) *Developing a capital programme, based on the projects set out in report 8f, subject to individual project appraisal and consideration within prudential guidelines; and*
- e) *Establish general reserves, earmarked reserves and provisions, as set out in report 8g.*

Following a discussion regarding the budget consultation process, Members

**Resolved:** *that*

- a) *The 2006/07 budget consultation process be conducted by Opinion Research Services in January 2006; and*
- b) *Officers consider other options for future years.*

## **9 Medium-Term Financial Plans**

This report set out the key elements of a plan, which was for discussion as to how to take it forward. It was required as a key element of Comprehensive Performance Assessment and could help long-term strategy.

Members agreed that, although there were still a number of uncertainties regarding funding, they did find the approach, set out in the report, helpful. The Treasurer confirmed that the figures would be reworked once details of the Revenue Support Grant were known.

Following discussion regarding Council Tax resources, Members agreed that the figure of 5%, given in Assumptions at ii under Resources in the Appendix, should be amended to 4.5%.

Subject to the foregoing

**Resolved:** *that:*

- a) *A medium-term financial plan be established on the lines of Appendix A to the report; and*
- b) *Financial projections be made after the provisional settlement for 2006/07 had been made.*



## 10 National Procurement Strategy, FiReBuy and the Integrated Clothing Project

This report advised of the publication of the final National Procurement Strategy, and outlined the changes from the draft strategy previously presented to the Fire Authority. The report also included an update on the Integrated Clothing Project.

Councillor Hartin declared a personal interest at this point: he had been approached to apply for a directorship of FireBuy Ltd.

Members agreed that there were a number of questions and concerns about the National Procurement Strategy and Integrated Clothing Project, which were still to be addressed.

**Resolved:** *that Committee note the provisions of the Strategy and the current position with FiReBuy and the Integrated Clothing Project.*

The meeting closed at 3.30 pm

CHAIR:.....

DATE:.....

