

**Minutes of the Meeting of
Shropshire and Wrekin Fire Authority
Strategy and Resources Committee
held at Brigade Headquarters, Shrewsbury,
on Thursday, 24 January 2008 at 2.00 pm**

Present

Councillors Box, Eade (Chair), Hartin, Holyoak (Vice-Chair), Minnery and West

1 Apologies for Absence

Apologies for absence had been received from Councillor Picken.

2 Declarations of Interest

There were no declarations of interest.

3 Minutes

Members received the minutes of the Strategy and Resources Committee meeting, held on 15 November 2007.

Resolved that the minutes of the Strategy and Resources Committee meeting, held on 15 November 2007, 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 Budget Strategy 2008/09 to 2011/12 Consultation Presentation and Feedback from Public Scrutiny Panels

5a Budget Strategy 2008/09 to 2011/12 Consultation Presentation

The Chief Fire Officer gave a presentation on the Budget Strategy 2008/09 to 2011/12 Consultation.

He advised that, although the results had not yet been published, indications were that the Authority's performance had improved in the Audit Commission's 2007/08 Use of Resources and Direction of Travel assessments. Furthermore, it would appear that the Authority had maintained its position of 'performing strongly' (the highest level) in the Service



Assessment. The Chief Fire Officer referred to the Government's proposed Equality and Diversity Strategy, which stated that authorities, which did not attain a level 3 in the Equality Standard, were unlikely to achieve a level 4 'improving strongly' in the Direction of Travel Assessment.

The Committee noted that, in accordance with the request from Members, the budget strategy consultation had asked for comment on a 3.75% and a 3.9% increase in the Authority's 2008/09 precept.

The Chair thanked officers, and particularly the Principal Accountant, for the work, which they and she had done in order to improve the Authority's performance in the 2007/08 Use of Resources and Direction of Travel assessments.

Resolved that Members note the contents of the presentation

5b Feedback from Public Scrutiny Panels

The Chief Fire Officer presented feedback on the budget strategy 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 and is attached to the signed minutes.

The Committee noted that a full report from ORS on the feedback would be presented at the meeting of the Fire Authority to be held on 13 February 2008.

Resolved that Members note the contents of the presentation

The Chair advised that the Treasurer would present the following three reports together before the Committee considered the individual recommendations.

6 Capital Programmes 2007/08 to 2010/11 and Prudential Guidelines

This report monitored capital spending in the current year and presented the capital programmes for 2008/09 to 2010/11, for consideration by the Committee in the context of Prudential Guidelines.

The Treasurer referred to the requirements of the Local Government Act 2003 regarding borrowing and drew Members' attention to paragraph c) on page 3 of his report. He emphasised the need for the Authority to focus on the St Michael's Street scheme to ensure that it could sustain its investment without jeopardising other aspects of the Service.

Appendix A to the report set out a summary of the various capital schemes and detailed appraisals for individual projects were available, should Members wish to see them.

The Treasurer then moved on to report 7.



7 Revisions to the Budget and Final Budget Plan

This report developed a final revenue budget package for consideration by the Fire Authority, taking into account latest information and public consultation.

The Treasurer advised that he had estimated the collection fund receipts at £50,000 but the figure had now been confirmed at £38,000, i.e. £12,000 less. He recommended, therefore, that the 2008/09 collection figure be reduced to £38,000 but left at £50,000 for the following two years. This would in turn reduce the 2008/09 surplus to £214,000.

Members noted that the Government had now confirmed the 2008/09 settlement grant (resulting in a loss of only £38 to the Authority). The settlements for 2009/10 and 2010/11 were, however, described as 'provisional'.

The Treasurer emphasised that the projected deficit of £210,000 for 2010/11 was manageable but Members needed to decide whether this was a risk, which they were prepared to accept.

Paragraph 6 of the report provided a summary of the budget strategy, which, if agreed, would be included in the Authority's Medium Term Financial Plan. The Treasurer stated that it was important for work on the Plan to start as soon as possible.

The Treasurer then moved on to report 8.

8 Robustness of Budget and Adequacy of Financial Reserves

This report addressed the issue of the robustness of the budget package, set out in the previous report, and examined the adequacy of reserves and provisions.

The Treasurer referred to the outstanding decision of the Employment Tribunal regarding retained firefighters' pensions. This potentially involved large sums of money but was virtually impossible to calculate. The Authority did, however, have reserves of 5% and specific reserves and provisions set against specific risks, which would be deployed, if the worst-case scenario materialised.

Members then debated the recommendations within the three reports.

Having considered whether the precept increase should be set at 3.75% or 3.9%, the Committee came out in favour of the latter, particularly as feedback from the budget consultation showed that this was the approach preferred by both Public Scrutiny Panels. A 3.9% increase would provide an additional £17,000 per year, which would make up for the loss of £12,000 in the 2008/09 collection fund and provide an additional buffer for future years. All Members agreed with this approach.



The Chair referred to the additional service development items highlighted in report 7. He asked whether the Committee should keep to the figure of £403,000 previously agreed and prioritise the items with a view to phasing some of them in at a later date. Members felt that, before considering this issue, it would be useful for the Programme Manager to talk through the prioritisation process.

A Précis of Potential Service Developments for 2008/09 was tabled at this stage (a copy of which is attached to the signed minutes). The Programme Manager advised that officers had completed an outline business case for each development and he had then used the following methodology to prioritise and score each one:

- Whether it linked to the Authority's aims
- Whether it supported the Authority's obligations under Integrated Risk Management Planning, the National Framework, audit requirements and other potential emerging issues

He had also set out the cost associated with each item and whether it was one-off or recurring. Members noted that, following this process, developments relating to equality and diversity and flooding had achieved high scores and improved cleaning standards and administrative support for Technical Services low scores.

Members discussed phasing in various developments but felt that, before they could make a decision, officers needed to carry out further work in this area. The Chief Fire Officer added that officers supported a phased approach, particularly as they had not anticipated that the grant settlement from the Government would be as high as it had been. It was, therefore, agreed that officers would carry out further work on the service developments listed in the tabled document. The Chief Fire Officer would then consult with the Chair and Vice-Chair of the Authority, before bringing a recommendation to the full Fire Authority at its meeting in February 2008.

The Treasurer advised that South Shropshire Housing Association had written, asking whether the Authority would consider investing the money it received from second homes in affordable housing. Whilst sympathetic to the request, Members agreed that it was more appropriate for the Fire Authority, as a single-purpose authority, to invest in its own services. This was the view taken by both the Police Authority and the Fire Authority in the past and, furthermore, affordable housing was already within the remit of local councils.

The Chair asked officers to bring a regular report on efficiencies to the Committee, so that it could monitor what work was being done in this area. He also asked whether it would be possible to sell off any capital assets to assist with the cost of future developments. The Head of Resources replied that there were some small parcels of land attached to stations, which could be sold. Their value was, however, so minimal that it would not be worth the disruption to dispose of them. Officers did, however, regularly review the situation under the Asset Management Plan. He agreed that he would revisit the Plan and bring a report to the Committee.

Having debated the recommendations within the three reports (6, 7 and 8), Members made the resolutions shown on the following page.



6 Capital Programmes 2007/08 to 2010/11 and Prudential Guidelines

Resolved unanimously that the Committee:

- a) Note the current monitoring of the 2007/08 capital programme; and
- b) Forward the 2008/09 onward programmes for consideration by the Fire Authority as part of its final precept deliberations

7 Revisions to the Budget and Final Budget Plan

It was proposed by Councillor Mrs Holyoak, seconded by Councillor West and, on a vote,

Resolved unanimously that:

- a) The Committee propose to the Fire Authority a revenue budget, based on the principles set out in paragraph 6 of the report, with the exception that the precept increases be limited (subject to major unknown changes in circumstances) to 3.9% (rather than 3.75%) per year for the next three years;
- b) Officers carry out further work on service developments and, following consultation with the Chair and Vice-Chair of the Authority, bring recommendations to the full Fire Authority at its meeting in February 2008; and
- c) Officers bring regular monitoring reports to the Committee regarding efficiencies

8 Robustness of Budget and Adequacy of Financial Reserves

Resolved that the Committee:

- a) Accept the Treasurer's assurance that the estimates made for budget calculation purposes are robust;
- b) Accept the Treasurer's assurance that the proposed financial reserves are adequate; and
- c) Note the risks that have been taken into account in making these assurances

9 Consultation Responses

9a Fire and Rescue Service National Framework 2008-11 Consultation Document – Draft Response

This report set out a proposed response on behalf of the Fire Authority to the recently issued Fire and Rescue Service National Framework 2008 – 11.



Resolved that the Committee:

- a) Note the contents of the new Framework document (attached at Appendix A to the report); and
- b) Approve the consultation response, attached at Appendix B

9b Response to the Fire and Rescue Service Equality and Diversity Strategy 2008-2018 Consultation Document

This report provided a brief summary of the content of the draft Equality and Diversity Strategy for the Fire and Rescue Service, which was attached as an appendix, and detailed the proposed response from Shropshire and Wrekin Fire Authority to the questions set out within the consultation.

The Assistant Chief Officer brought Members' attention to section 5 on page 3 of the report, which set out the proposed responses to the consultation. She highlighted the second paragraph of the response shown on page 4, which was a concern voiced by Members at the last meeting of the Fire Authority. The Committee reiterated that concern and felt that the wording in that paragraph should be strengthened to put greater emphasis on the difficulty, which brigades with a large proportion of retained duty staff would encounter, if anything other than option 1 were adopted.

The Chief Fire Officer referred to paragraph 6.5 of the consultation document. It stated that any authority, which did not achieve level 3 of the Equality Standard, would be unlikely to be assessed at level 4 'improving strongly' in its Direction of Travel assessment. The Fire Authority was currently on level 2 of the Standard and officers were considering what needed to be done to reach level 3. He added that this could present a risk to the reputation of the Authority but it was a decision, which Members must make.

Resolved that the Committee approve the response to the consultation questions, as set out at section 5 of the report, subject to the strengthening of the paragraph referred to above

9c A Centre of Excellence for the Fire and Rescue Service in England – Consultation

This report informed Members of a consultation exercise being undertaken by the Government concerning the development of a Centre of Excellence (CoE) for the Fire and Rescue Service in England. The report sought approval for a response to the consultation and asked Members to consider various issues related to funding of the proposed CoE and interim arrangements.

Members agreed to fund the CoE, but only if the cost apportionment was based on population. This was the approach adopted by the Fire Authority on a number of occasions and should be maintained for the sake of consistency.



It was, therefore, proposed by Councillor Minnery, seconded by Councillor West and

Resolved that the Committee:

- a) Note the consultation proposals for the development of a CoE;
- b) Agree in principle to support the development of a CoE but only if funding were based upon cost apportionment by population;
- c) Task the Chief Fire Officer with responding to the consultation accordingly; and
- d) Note the correspondence from the Director of Fire and Resilience at Communities and Local Government and agree to make a contribution of £6,879 to the interim arrangements for 2008/09

10 Corporate Risk Management Summary

This was the latest of the regular Risk Summary Reports to the Strategy and Resources Committee. As previously, these reports were 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. The progress reported related to that achieved since the last Summary Report, considered by the Committee at its meeting in October 2007.

The Head of Performance and Risk explained the differences in reporting, which he had introduced as a result of feedback from the Committee, and he brought Members' attention to the two new threats, which had been added to the Risk Register.

It was noted that, following confirmation of the grant settlement, threat 58 relating to the uncertainty of Government funding, would now be deleted from the Register. The rating for threat 70, relating to equality and diversity, would increase from 2 to 9, because of the risk to reputation.

Members considered new threat 71 and discussed whether this information would be made available to crews via the mobile data terminals. It was noted that there were improvements to be made in this area but this Service is still ahead of many others.

In response to a question from Councillor Minnery concerning threat 69 and the impact of Comprehensive Area Assessments on fire authorities the Chief Fire Officer advised that he would be attending a meeting in London the following week with the Audit Commission to consider this issue.

Resolved that the Committee note the contents of the report



11 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 12 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 paragraph 4

12 Corporate Risk Management Summary Exempt Information

The Committee had received an open session report (at item 10 on the agenda), which summarised the Fire Authority’s current exposure to corporate risk. Report 12 supplemented report 10 but was considered in closed session, as it contained information, which was exempt from publication by virtue of paragraph 4 of Schedule 12(A) of the Local Government Act 1972.

Having considered the contents of the report in conjunction with the Corporate Risk Management Summary contained within Report 10, Members

Resolved that the exempt report be noted

The meeting closed at 3.55 pm.

Chair.....

Date.....

