

**Non-exempt Minutes of the Meeting of
Shropshire and Wrekin Fire and Rescue Authority
Strategy and Resources Committee
held at Headquarters, Shrewsbury
on Thursday, 20 January 2011 at 2.00 pm**

Present

Members

Councillors Mrs Barrow (Vice-Chair), Hartin (Chair), Hurst-Knight and Roberts

Officers

Chief Fire Officer, Deputy Chief Fire Officer, Treasurer, Principal Accountant, Planning and Performance Manager and Management Support Officer

1 Apologies for Absence

Apologies for absence had been received from Councillors Minnery, Picken and West.

2 Declarations of Interest

The Chair reminded Members that they should declare any personal and/or prejudicial interests at this point and that they should leave the meeting room before any item, in which they had a prejudicial interest, was discussed.

There were no declarations of interest.

3 Minutes

Members received the minutes of the Strategy and Resources Committee meeting, held on 24 November 2010.

It was proposed by Councillor Barrow, seconded by Councillor Roberts, and

Resolved that the minutes of the Strategy and Resources Committee meeting, held on 24 November 2010, 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 Financial Performance to December 2010

This report provided information on the financial performance of the Service, and sought approval for action, where necessary.

The Principal Accountant talked through the paper and highlighted the following to the Committee:

- The underspends in the pay budgets, as detailed on page 2 of the report, are due to the ongoing recruitment freeze.
- The growth items, as set out on page 2 of the report, are to be contained as 'one-off' schemes.
- There is a error on page 3 of the report, where the total below the contingency balances should read **£266,000**, not £158,000

Councillor Mrs Barrow referred to the debtors item on page 4 of the report and asked if there were any debtors at present. The Principal Accountant explained that there were debtors but there were no significant issues, which needed to be brought to the Committee's attention.

Councillor Roberts referred to the growth items on page 2 of the report and asked for clarification of what the building legislation awareness training was. The Principal Accountant explained that this was a Fire Safety Team training need to ensure that officers were up-to-date with current legislation. Councillor Hurst-Knight, as a member of Shropshire Council's planning Committee, asked what input the Fire Service had into planning applications. The Chief Fire Officer (CFO) explained that all applications are submitted to the Fire Safety Team for comment. Fire Safety then talk to local fire stations and Incident Command for operational comments, for example relating to access etc.

It was proposed by Councillor Hurst-Knight, seconded by Councillor Mrs Barrow, and

Resolved that the Committee recommend that the Fire Authority:

- a) Note the position of the revenue budget;
- b) Approve virements to the revenue budget, where requested;
- c) Note the position on the capital programme;
- d) Note performance against prudential indicators to date in 2010/11; and
- e) Note the information provided on balance sheet items.

6 Capital Update on Activity and Finance

The purpose of this report was to provide an overview of all the capital schemes within the Brigade and their current status.

The Planning and Performance Manager presented this report and talked through the schemes that are currently being monitored. With regard to the Training Improvements scheme, detailed in the 2009/10 carried forward schemes, it is believed that planning permission for the drill tower at Craven Arms, which concerned moving the tower by 30 degrees and adjustments to its height, has now been granted. With regard to the 2010/11 schemes, work on the refurbishment of Minsterley Fire Station is due to start on 24 January 2011.

Certain elements of the appendix to this report were considered in the closed part of the meeting, as they were exempt from publication under paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

Resolved that the Committee note the progress so far on current schemes

7 Adequacy of Provisions and Reserves and Robustness of Budget

This report undertook a full analysis of Reserves and Provisions; provided an assurance on the adequacy of reserves and provisions; and gave an assurance on the robustness of the budget.

The Treasurer reported that he believes the budget to be robust in terms of capping / excessiveness tests by Government, particularly as we are eligible for council tax freeze grant. He also advised that the Fire Authority's reserves could be used to offset budget shortfall in the future, however this would need to be done as part of a considered strategy.

It was proposed by Councillor Roberts, seconded by Councillor Hurst-Knight and

Resolved that the Committee:

- a) Recommend to the Fire Authority:
 - i) The reserves and provisions, as set out in the appendix to the report; and
 - ii) The Treasurer's assurances covering the robustness of the 2011/12 budget and adequacy of the reserves and provisions; and
- b) Note the material uncertainties from 2013/14 onwards.

8 Revisions to the 2011/12 Budget and Medium Term Financial Planning

This report developed a final revenue budget package for 2011/12 for consideration by the Fire Authority, taking into account latest information. The report also addressed the options for dealing with planning for later years.

The Treasurer reported that there are no expenditure changes to the budget. Any vacancies identified in 2010/11 have already been absorbed by Public Value reductions and the Regional Control Centre (RCC) changes can be funded from existing budgets. The CFO reported that Shropshire Fire and Rescue Service (SFRS) is better placed to deal with the cancellation of the RCC than other fire and rescue services, however the Service will still fight for any grant funding that is available.

The Treasurer reported that there is likely to be a £17,000 increase to the Collection Fund, which will now be made up of £30,000 from Shropshire Council and £87,000 from Telford & Wrekin Council. Therefore, the balance to the Capital Reserve is likely to be £536,000, rather than £519,000, as stated in the report.

With regard to consultation on the budget, the Treasurer reported that there has only been one response received via the website. However, it was clear from the Public Value consultations that the public accept the budget implications. The current year's Council Tax leaflet was tabled to the Committee, a copy of which is attached to the signed minutes. The leaflet for 2011/12 will be based on that for the current year, subject to amendments to reflect changed requirements.

Councillor Mrs Barrow asked whether it was wise to include information about smoke alarms on the leaflet for the coming year. The CFO explained that the smoke alarm budget will be reduced in years 3 and 4 of the current budget, which allows for a gradual re-education of the public, and the public should not at this stage be discouraged from asking about smoke alarms.

The Principal Accountant reported that the Prevention Team is looking at changing the wording on the leaflet. The Deputy Chief Fire Officer commented that the intention is to reinforce householder responsibility in relation to smoke alarms. Fire Safety will still fit alarms for vulnerable people and will still provide home fire safety checks and give advice on fire safety to all sections of the public. The Committee then agreed that it was happy with the proposed Council Tax leaflet for 2011/12.

The Treasurer reported that the Medium Term Financial Plan (MTFP) is being updated in line with the budget decisions made at the Fire Authority meeting in December 2010. There are concerns over the next settlement but the factors affecting this are outside of the Fire Authority's control. The MTFP will be concluded and badged as 2011/12. Work will start on the next Service and Medium Term Financial Plan after the February 2011 meeting of the Fire Authority.

Councillor Hartin asked the CFO if his meeting with Bob Neill MP, Fire Minister, had provided any clarity regarding the changes to the grant settlement. The CFO reported that there are unlikely to be any changes to the settlement. There would appear to be no apparent errors with the calculation of the settlement and it would, therefore, appear that some of the factors considered in the settlement have changed. Members and officers will need to lobby the Government for years 3 and 4 of the settlement, as the method of calculation is being changed.

Councillor Hartin commented that he was under the impression that the Fire Minister was supportive of our case. The CFO reported that the Minister was surprised at the position that the Fire Authority was in and was clear that this was not a political decision. The CFO also commented that the grant changes could go beyond a single Parliament.

It was proposed by Councillor Mrs Barrow, seconded by Councillor Roberts, and

Resolved that the Committee:

- a) Propose to the Fire Authority a revenue budget of £20,837,000 for 2011/12, which together with a transfer to reserves gives a budget requirement of £21,356,000;
- b) Set its current Medium Term Financial Plan on the assumptions considered by the Fire Authority in December; and
- c) Start to develop service and financial planning for the next Service and Medium Term Financial Plan, so that it can fully respond to any consultation by government on changes to the grant system from 2013/14 onward.

9 Capital Programmes 2011/12 to 2015/16 and Prudential Guidelines

This report presented the capital programmes for 2011/12 to 2015/16, for consideration by the Committee in the context of Prudential Guidelines.

The CFO explained that with regard to capital schemes, officers are asked to assess the costs of the scheme and then to submit a bid for the scheme to the CFO and/or Fire Authority. Information about the total costs of all schemes will be brought to the open session of the Strategy and Resources Committee meeting but specific details about individual items will be placed into closed session for consideration. The Committee agreed with this approach.

The appendix to the report was considered in the closed part of the meeting, as it was exempt from publication under paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

It was proposed by Councillor Mrs Barrow, seconded by Councillor Roberts, and

Resolved that the Committee recommend that the Fire Authority:

- a) Confirm the 2011/12 onward programmes, as set out in the appendix to the report, as part of its final precept deliberations;
- b) Approve the Prudential Indicators and the Treasury Strategy for 2011/12; and
- c) Approve the Minimum Revenue Provision Policy 2011/12.

10 Corporate Risk Management Summary

This was the latest of the regular Risk Summary Reports to the Strategy and Resources Committee. As previously, this report is intended to enable Members to meet the requirement of this Committee's Terms of Reference as it relates to the Fire Authority's management of corporate risk. The progress reported related to that achieved since the last Summary Report, which was received by this Committee at its meeting on 23 September 2010.

The Planning and Performance Manager presented this report and highlighted the two new risks, which had been added to the Risk Register since the last summary report.

Risk 66, as detailed on page 8 of the report, which relates to the FiReControl project, will be removed from the Risk Register, as the RCC project has now been abandoned. A consultation document has been released about this issue, which outlines the options for taking the project forward. The CFO reported that there is a meeting in London on 24 January 2011 to discuss the issues surrounding the abandonment of the project. The CFO also reported that there is a need for SFRS to look at establishing a partnership with another fire and rescue service to ensure that there is capacity to deal with large scale incidents. There should be Government funding available for this. Hereford and Worcester Fire and Rescue Service is currently tendering for its command and control system. The tender includes the provision of compatibility with SFRS. Other possible options for partnering at the moment include Cleveland, Manchester or Lancashire Fire and Rescue Services.

Resolved that the Committee note the contents of the report

11 Local Government Act 1972

Resolved that, under section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involved the likely disclosure of exempt information, as defined by the provisions of Part I of Schedule 12(A) to the Act, by virtue of Paragraphs 3 and 4

12 Capital Update on Activity and Finance (Paragraph 3)

The Committee received the second part of the Appendix to Report 6 – Capital Update on Activity and Finance, which contained exempt information.

Resolved that the Committee note the Appendix to Report 6 – Capital Update on Activity and Finance

13 Capital Programmes 2011/12 to 2015/16 and Prudential Guidelines (Paragraph 3)

The Committee received the Appendix to Report 9 – Capital Programmes 2011/12 to 2015/16 and Prudential Guidelines, which contained exempt information.

It was proposed by Councillor Mrs Barrow, seconded by Councillor Roberts, and

Resolved that the Committee recommend that the Fire Authority confirm the 2011/12 onward programmes, as set out in the appendix to the report, as part of its final precept deliberations

14 Corporate Risk Management Summary – Exempt Information (Paragraphs 3 and 4)

The Committee had received an open session report (Item 10), which summarised its current exposure to corporate risk. This report supplemented that one, as it contained information that was exempt from publication by virtue of the Local Government Act 1972, Schedule 12A.

Resolved that the Committee note the contents of this report, in conjunction with the Corporate Risk Management Summary discussed in open session (Item 10)

The meeting closed at 3.00 pm.

Chair.....

Date.....