

**Minutes of the Meeting of
Shropshire and Wrekin Fire and Rescue Authority
Strategy and Resources Committee
held at Headquarters, Shrewsbury
on Thursday, 19 January 2012 at 2.00 pm**

Present

Members

Councillors Mrs Barrow (Vice-Chair), Hartin, Minnery (Chair), Roberts and Thompson

Officers

Chief Fire Officer, Assistant Chief Fire Officer (Corporate, Performance and Operations), Treasurer, Head of Finance, and Executive Support Officer

The Chair began the meeting by wishing the Members and officers present a Happy New Year.

1 Apologies for Absence

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

2 Declarations of Interest

There were no declarations of interest.

3 Non-Exempt Minutes

Members received the non-exempt minutes of the meeting of the Strategy and Resources Committee, held on 18 November 2011.

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

Resolved that the non-exempt minutes of the meeting of the Strategy and Resources Committee, held on 18 November 2011, be approved and signed by the Chair as a correct record

4 Public Questions

No public questions, statements or petitions had been received.

5 Financial Performance to December 2011, including the Mid-Year Treasury Review 2011/12

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

Councillor Hartin referred to page 2 of the report, which detailed the revenue budget, and asked for an explanation of the saving that had been made in relation to Vulnerable Persons Advocacy. The Head of Finance (HoF) explained that the saving had been made within the money set aside for advocacy by Retained Duty System (RDS) staff. Demand for advocacy has not met the estimated levels, therefore the Service has spent less on this than it predicted. There are still funds available and the money will not be removed from the budget.

Councillor Mrs Barrow referred to the fleet management overspend and asked what time period this covered. The HoF explained that the additional costs have arisen due to delays in finalising contracts for essential users, which has meant that additional vehicles have had to be hired to ensure that officers are mobile. The figure covers the whole of the financial year 2011/12 and will be reviewed at year end.

It was proposed by Councillor Mrs Barrow, seconded by Councillor Roberts, 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 2011/12; and
- e) Note the mid-year review of treasury activities for 2011/12.

6 Capital Update on Activity and Finance

This report provided an overview of all the capital schemes within the Brigade and their current status.

The Assistant Chief Fire Officer (Corporate, Performance and Operations) (ACFO) presented this report to the Committee and highlighted the additions that had been made to the capital programme since the last report was received by the Committee in November 2011. The ACFO also informed the meeting that two of the schemes, detailed in the appendix to the report, had now been completed: these were the Building Improvements at Minsterley Fire Station and the Local Area Network Hardware.

Councillor Hartin asked for an update on progress with station end equipment. The ACFO explained that the equipment has been developed and tested by the supplier. It will be tested in Shrewsbury station this month and should be rolled out across the Service by the end of March 2012.

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

7 Budget Consultation 2012

This report provided a summary of the public's views and opinions regarding Shropshire Fire and Rescue Service and matters it would be prudent to take into account, when setting future budgets by the Fire Authority.

The ACFO presented this paper to the Committee and explained the methodology that had been used with regards to the two elements – street surveys and focus groups – that made up the budget consultation.

The street surveys had been carried out in compliance with the Market Research Society's Code of Conduct to ensure that they were legitimate. The ACFO explained that the surveys are now being subjected to a quality control process, whereby a random sample of 10% of respondents will be contacted to confirm the responses that they gave to the questions asked.

Councillor Mrs Barrow commented that the surveys in Oswestry had been carried out in supermarkets and questioned whether this meant that a certain demographic had been targeted. The ACFO explained that the locations for carrying out the surveys had been left to the discretion of the crews. Given that surveys had been conducted at 23 locations across the County, it was highly probable that a reasonable cross-section of the community had been involved.

With regard to the focus groups, the ACFO explained that Councillors Carter and West had led the two sessions that had taken place. A further two sessions had been cancelled due poor attendance. The focus groups had been challenging and the three main issues that had caused concern were the Aerial Ladder Platform, the Rescue Tender and the proposed extended life of fire appliances from 12 to 15 years. The ACFO tabled a document to the meeting (copy to be attached to the signed minutes), containing the slides that were presented to the focus groups and a press cutting about the street surveys in Oswestry.

The ACFO explained that, with regard to the lessons learnt, it is clear that the focus groups need a larger draw from the community in future. Councillor Minnery suggested that the timing of the consultation may also need to be looked at in future years. The ACFO explained that the timing is dependent on Department for Communities and Local Government's setting the grant formula and the narrow window of opportunity that exists prior to the setting of the precept.

All of the Committee agreed that it had been an excellent public consultation exercise and a good public relations opportunity. Councillor Minnery thanked all the crews and officers that had been involved and commented that this is the first time that budget consultation has been carried out to this degree and that it appears to have made a real difference. Councillor Mrs Barrow suggested, and the Committee agreed, that Fire Authority Members should take an active part in the street survey exercise, if there is a requirement to run one next year.

Councillor Roberts asked why the response had been so low for the focus groups. The ACFO explained that invitations for the focus groups had gone out in the last week of December and many of the attendees were familiar faces, who had attended budget consultation sessions previously. The Chief Fire Officer (CFO) suggested that it may be better to try to link with Local Joint Committees in future. Councillor Mrs Barrow suggested that the stakeholder lists be reviewed, as it is possible that these may be out of date.

The CFO tabled a document to the meeting (copy to be attached to signed minutes), which summarised the key findings of the public budget consultation and set them into the context of Band D properties, which is the Government comparator that is applied across England.

Councillor Minnery asked if the surplus / deficit would balance itself out, if the increase of 6p per household for Band D properties were continued, instead of falling to 5p. The CFO confirmed that this was the case. Councillor Hartin asked what effect this would have on the percentage increase per household. Officers estimated that the percentage increase would be reduced and would be below the current capping threshold. Councillor Minnery asked that the final report to the Fire Authority meeting include an indication of the impact of maintaining a 6p increase on Band D into the future. Officers undertook to do this.

Councillor Mrs Barrow commented that, as Shropshire Council had set a zero increase and some parishes were increasing their precepts, the Service would need to ensure that it clearly communicates the reasons behind its increase in precept.

Resolved that the Committee noted the contents of the report

8 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 HoF talked through the report and highlighted the major risks and uncertainties, as set out on page 2 of the report. The HoF advised that recommendations regarding possible borrowing to fund the St Michael's Street scheme will be brought to the Fire Authority for decision.

Councillor Minnery asked when the reserves will be reviewed. The HoF said that this will be done after the 2011/12 closedown. The CFO advised that the money for the St Michael's Street scheme is already earmarked and, therefore, there will be no impact on the taxpayer, as long as funding is received for fire control from Government.

Councillor Mrs Barrow asked who would be required to pay for a referendum, as referred to on page 6 of the report, should one be necessary. The HoF explained that the Fire Authority would have to pay for it. The CFO explained that the estimated cost is £400,000 plus any rebilling costs, arising from the outcome of the referendum. It would, therefore, be advisable to try and avoid this situation.

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

Resolved that the Committee:

- a) Recommend to the Fire Authority:
 - i) The reserves and provisions, as set out in the report; and
 - ii) The Treasurer's assurances covering the robustness of the 2012/13 budget and adequacy of the reserves and provisions; and
- b) Note the material uncertainties from 2013/14 onwards.

9 Revisions to the 2012/13 Budget and Medium Term Financial Planning

This report developed a final revenue budget package for 2012/13 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 ACFO explained that the Gantt chart, attached at the appendix to the report, identifies 78 projects, split into 10 programmes of work, which are necessary for steady-state progress within the Service. The chart covers a five-year period and sets out the projects in the sequence in which they need to be managed and funded.

Councillor Mrs Barrow asked what the Corporate Gazetteer is. The ACFO explained that it is a national gazetteer that holds all the addresses etc for each fire service area. Hereford and Worcester use a similar gazetteer, which is updated on a yearly basis.

The CFO referred to page 3 of the report and, in particular, the road traffic collision (RTC) equipment on station vehicles. Delays related to the eventual cessation of permanent crewing of the rescue tender (circa 2013/14) mean that it is necessary to upgrade the RTC equipment on all appliances in order to mitigate risks and reduce costs.

Councillor Mrs Barrow asked about the installation of the heating system at Tweedale. The ACFO explained that Tweedale used to be a retained station and that the existing electric heating system is suitable for short duration heating. This is costly to use on a more permanent basis, as when used by the wholtime crews that are now based there. Councillor Mrs Barrow asked if it was wise to be investing money in stations that may, theoretically, be subject to closure in the future. The ACFO responded that any station closures would be dictated by the Service's Integrated Risk Management Plan and that the investment makes sense, as it is less than the current heating bill expenditure at Tweedale. The CFO stressed that there were no plans to close Tweedale Fire Station.

The HoF assured the Committee that the expenditure outlined in the report includes sufficient monies for the items identified and for their completion. The HoF drew Members' attention to the table on page 5 of the report, which summarised the changes made to the budget. The CFO clarified that, where there has been the opportunity, savings, such as retirements, have been used to improve service provision.

Councillor Hartin suggested that the report's recommendations should include a rider to reflect that the Fire Authority should consider a precept increase greater than that assumed in the report.

Councillor Minnery, therefore, proposed that recommendations a) and c) should stand, as set out in the report; recommendation b) should be changed to read 'Propose to the Fire Authority a revenue budget of £20.570m for 2012/13'; and a recommendation d) 'Recommend that the Fire Authority increase the precept for 2012/13 by 6p per week on a Band D property, which equates to 4p or 5p per week for the majority of households' should be added. These proposals were seconded by Councillor Hartin, and it was

Resolved that the Committee:

- a) Note the Service Transformation Programme;
- b) Propose to the Fire Authority a revenue budget of £20.570m for 2012/13;
- c) Task officers to update the Medium Term Corporate Plan, with assumptions considered by the Fire Authority, when the revenue budget for 2012/13 is agreed; and
- d) Recommend that the Fire Authority increase the precept for 2012/13 by 6p per week on a Band D property, which equates to 4p or 5p per week for the majority of households.

At this point the Chair proposed that the order of the agenda be varied in order to allow item 10 to be considered in conjunction with exempt item 15, as the two were directly related. This would mean that item 11 would be considered next, and then item 10, after which the meeting would move into exempt session to consider items 13, 14 and 15, before returning to open session to consider the recommendations in report 10. The proposal was agreed unanimously by the meeting.

11 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 this 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, received by the Committee at its meeting on 18 November 2011.

The ACFO presented the report to the Committee and highlighted the two new risks that had been added to the Risk Register since the last report was received by this Committee.

Resolved that the Committee note the contents of the report

10 Capital Programme 2012/13 to 2016/17 and Prudential Guidelines

This report presented the capital programmes for 2012/13 to 2016/17, for consideration by the Committee in the context of Prudential Guidelines.

The HoF explained that the amendments, outlined on page 2 of the report, had been covered in report 9 on this agenda.

The CFO explained that the appendix to the report was being considered in closed session, as it contained information that may affect future procurement exercises.

12 Local Government Act 1972

It was proposed by Councillor Minnery, seconded by Councillor Hartin, and

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

13 Exempt Minutes (Paragraphs 3 and 4)

Members received the exempt minutes of the meeting of the Strategy and Resources Committee, held on 18 November 2011.

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

Resolved that the exempt minutes of the meeting of the Strategy and Resources Committee, held on 18 November 2011, be approved and signed by the Chair as a correct record

14 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

15 Capital Programmes 2012/13 to 2016/17 and Prudential Guidelines (Paragraph 3)

The Committee received the Appendix to Report 10 – Capital Programmes 2012/13 to 2016/17 and Prudential Guidelines, which contained exempt information.

Resolved that the Committee note the exempt appendix for consideration in conjunction with open session report 10 – Capital Programmes 2012/13 to 2016/17 and Prudential Guidelines

The meeting reverted to open session at this point. (3.15 pm).

10 Capital Programmes 2012/13 to 2016/17 and Prudential Guidelines

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

Resolved that the Committee recommend that the Fire Authority:

- a) Confirm the 2012/13 onward programmes, as set out in the Appendix, as part of its final precept deliberations;
- b) Approve the Prudential Indicators and the Treasury Strategy for 2012/13; and
- c) Approve the Minimum Revenue Provision 2012/13.

The meeting closed at 3.20 pm.

Chair.....

Date.....