

## REPORT OF THE TREASURER

# REVENUE BUDGET AND CAPITAL PROGRAMME – BUDGET RECOMMENDATIONS

### 1 Purpose of Report

This report brings together the recommendations of the Strategy and Resources Committee of 19 January 2006, which have been incorporated into the report on the precept, later on this agenda. In addition, the outcome of the consultation process is reported and summarised.

### 2 Recommendations

The Fire Authority is asked to:

- a) Accept the recommendation of its Committee, as adjusted by later information, in order to set its budgets, projections and precept for 2006/07; and
- b) Approve the budgets for the reserves and provisions, set out at Appendix B.

### 3 Background

The Fire Authority, on 14 December 2005, agreed the following budget requirements as a basis for proceeding with final budget planning, including consultation:

<b>2006/07</b>	£18,162,000	+1.2%	(+4.7% after adjustment for pension changes)
<b>2007/08</b>	£19,109,000	+5.2	

Both budgets included the full financial implications of the Integrated Risk Management Planning (IRMP) and Retained Review processes. The Fire Authority anticipated that this might lead to a precept increase in the order of 4.5% in 2006/07, and 4% in 2007/08, if any developments in the latter year could be matched by efficiencies. This was the basis on which the public were consulted.

### 4 Recent Developments

Since then there have been a few changes and collection fund balances and Council Tax bases have been notified to the Fire Authority.



These can be summarised as follows:

- a) Expenditure has increased by £9,000 to reflect decisions taken by the Fire Authority and by £170,000 as previous years' grant adjustments have been added to expenditure but then offset by an equal and opposite addition to grant (this is a Government requirement). The revenue consequences of the Capital Programme have also increased by £33,000 as a result of making provision for replacing assets purchased from the capital fund.
- b) The collection fund surplus has been confirmed as £111,000, i.e. £61,000 greater than anticipated.
- c) The Council Tax base has been confirmed as 154,908 compared to our estimate of 154,800.

The Strategy and Resources Committee agreed to incorporate these changes into the budget, with the exception of the increased collection fund. The collection fund surplus (or deficit) is a one-off source of revenue and, whilst it was considered wise to take into account £69,000, i.e. the amount received in 2005/06, the balance of £42,000 might be treated as a one-off receipt and added to the capital reserve.

Since the meeting, monitoring of 2005/06 expenditure has continued and variations in pension payments are currently expected to show an increase of about £150,000 as a result of unbudgeted retirements and transfers out to other authorities. Details will be presented to the Strategy and Resources Committee in March. The net affect is to reduce the amount available in the capital reserve, but will not affect the budget for 2006/07. Monitoring pay and price increases since November indicates that there will be an underspend of about £10,000, which will reflect also in later year budgets.

The final grant settlement was announced on 31 January and showed that the Authority had a reduced entitlement in 2006/07 of £20,000 and a reduction in 2007/08 of £61,000. The reasons for this have not yet been released. This leaves a potential shortfall in the 2006/07 budget of £10,000 after taking into account the savings in pay and prices.

It is recommended that this be found on a one-off basis by using a further £10,000 of the collection fund surplus and, therefore, reducing the addition to the capital fund from £42,000 to £32,000.

It should be noted that the announcement of grant was rounded to the nearest £000' and a small technical adjustment will need to be made to report 10c when the full details are released. This will not, however, affect the precept or the amounts required of the billing authorities.

## 5 Summary for 2006/07

The consequences of these changes can be summarised as follows:

	Budget at December £000	Latest Position £000	Difference £000
a) Expenditure	18,162	18,396	234
b) Transitional Funding Reserve	86-	100-	14-
c) <b>Budget Requirement</b>	<b>18,076</b>	<b>18,296*</b>	<b>220</b>



d)	Grant and Share of National Non-Domestic Rates	6,786-	6,936-	150-
e)	Collection fund	50-	111-	61-
f)	<b>Balance from Council Tax</b>	<b>11,240</b>	<b>11,249</b>	<b>9</b>
g)	Council Tax Base	154,800	154,908	
h)	Precept increase of £69.48 in 2005/06	£72.61	£72.62	
i)	Precept increase on £69.48	4.5%	4.5%	

\*Represents a 5.5% increase over the adjusted Notional Amount (£17,347,000).

## 6 Projections for 2007/08 and 2008/09

The implications of this for future years are as follows:

	2006/07 £000	2007/08 £000	2008/09 £000
a) Budget Requirements	18,296	18,960	19,975
b) Grant and Share of National Non-Domestic Rates	6,936-	7,195-	7,477-
c) Collection Fund Surplus	111-	69-	69-
d) Balance from Council Tax	11,249	11,696	12,429
e) Increase in amount met from Council Tax	+5.5%	+4.0%	+6.3%

The percentage increases in the amounts raised from Council Tax in 2007/08 and 2008/09 do **not** represent the increase in the precept, which will depend on changes to the Council Tax base, i.e. Band D properties. In addition, the figure for 2008/09 is very much a guess, which depends on the new grant settlement. Currently it is assumed that grant will rise by £100,000 (as transition funding recovery will have ceased) plus a basic 2.5% annual growth.

Appendix A shows the build-up of growth in expenditure over the three years and also analyses the growth in the 2006/07 precept.

## 7 Reserves, Provisions and Balances

The Fire Authority has carefully examined its need for a general reserve and particularly the assumptions on which the need has been assessed.

It has also established a number of reserves and provisions, which have helped quantify and clarify the need for a general reserve, and will also help reduce the financial pressure on services in future years. The statement of reserves and provisions is set out in Appendix B and Members are asked to approve this as a basis for budgeting in 2006/07.

The approach to establishing reserves and provisions, together with the assumptions about pay and prices, will ensure a robust budget has been set for 2006/07. The key question, as always, is the risk of capping.



## 8 Capping

The Fire Authority decided in December that, in the light of the letter from the Minister and the provisional grant announcement, a precept increase of less than 5% should be set to avoid capping.

The Committee was concerned, however, that, as the Government does not spell out its full capping criteria in advance, attention might be given to the increase in budget requirement from the adjusted notional amount (£17,347,000) for 2005/06 to the 2006/07 figure of £18,296,000, i.e. 5.5%.

After careful consideration the Committee decided to leave the Fire Authority's spending proposals unchanged, because:

- a) Capping would seem to be based on the precept increase, and there is no mention of a notional expenditure test;
- b) To reduce the growth in the budget requirement would need a budget reduction of £100,000 and would require either service reductions or funding of capital expenditure from borrowing, rather than from the capital reserve. This latter course was regarded as imprudent and would also raise potential budget increases in 2007/08;
- c) The problem of the increase being above 5% is caused by the technicality of the prescribed method for presenting grant amending orders. This had increased the budget requirement by £170,000. Without this, growth would be 4.6%. It was felt, therefore, that there is a common sense argument that the 5.5% increase is artificially high; and
- d) Finally, there is a prospect of achieving a long-term strategy of delivering services with a reducing level of precept increase. This will, however, be dependent on Government grant increasing as floor damping is removed to give the Fire Authority its full entitlement.

## 9 Consultation

The Fire Authority places the highest significance on the need to consult with the public and stakeholders. It does this through:

- a) Publishing its budget meetings, decisions and reports on its website;
- b) Commissioning public meetings and meetings with non-domestic rate payers through Opinion Research Services Ltd, whose written report is attached at Appendix C to this report (its initial views were reported to the Strategy and Resources Committee on 19 January 2006); and
- c) Meetings with the Shropshire Association of Local Councils and other public bodies, as requested.

These consultations have shaped the budget process throughout and, whilst there are no fundamental issues that have arisen, the Fire Authority is asked to consider the points raised in Appendix C, in setting its final budget and precept.



## **10 Legal Comment**

There are no legal implications arising from this report.

## **11 Financial Implications**

There are no financial implications arising directly from this report other than those discussed within the report.

## **12 Equality and Diversity Implications**

There are no equality and diversity implications arising directly from this report.

## **13 Appendices**

**Appendix A** Analysis of Expenditure Growth 2006/07 to 2007/08

**Appendix B** Statement of Reserves and Provisions

**Appendix C** Opinion Research Services Ltd Report of Consultation on the Precept 2006/07

## **14 Background Papers**

### **Shropshire and Wrekin Fire Authority**

Strategy and Resources Committee, 19 January 2006, Report 6 – Revenue Budget 2006/07 and Projections for Later Years, and Minutes

For further information about this report please contact Keith Dixon, Treasurer, on 01743 260202.



## 1 Analysis of Expenditure Growth 2006/07 to 2007/08

	2006/07 £000	2007/08 £000	2008/09 £000
i. 2005/06 Budget Requirement	17,948	17,948	17,948
ii. Less reserves set aside in 2005/06	329-	329-	329-
iii. Changes to Firefighters' Pension arrangements	322-	167-	18
iv. Other committed changes	186-	219-	269-
	17,111	17,233	17,368
v. Pay and Price Increases	400	900	1,400
vi. Cashable efficiencies	336-	336-	336-
vii. Retained Review, IRMP, etc.	923	1,018	1,116
viii. Capital Programme	96	245	427
ix. Reserves and Provisions - Transitional Payment Reserve offset by addition to Capital Reserve	68-	100-	-
x. Grant amending orders	170	-	-
	<b>18,296</b>	<b>18,960</b>	<b>19,975</b>

## 2 Analysis of Precept Change

	£000	Precept	
		£	%
i. 2005/06 Base less Grant and Collection Fund (adjusted for pension changes)	17,347 6,687	£	%
	10,660	69.48	
Reserves and other committed change	583-	3.80-	5.47-
ii. Pension Changes (adjusted for the new scheme)	279	1.82	2.62
iii. Pay and Prices	400	2.61	3.76
iv. Cashable Efficiencies	336-	2.19-	3.15-
v. Retained Review and Other Developments	923	6.02	8.66
vi. Capital Programme	96	0.62	.89
vii. Grant Amending Orders	170	1.11	1.60
viii. Grant and Collection Fund	360-	2.35-	3.38-
	11,249	73.32	5.53
ix. Increase in Tax Base		0.70-	1.01-
		72.62	4.52

## STATEMENT OF RESERVES AND PROVISIONS

Provision or Reserve	Balance 1 April 2006 £000	Expenditure 2006/07 £000	Income 2006/07 £000	Balance at 1 April 2007 £000
<b>Provisions</b>				
Transitional Funding	201	100-	-	101
Equipment Replacement	100	15-	15	100
<b>Reserves</b>				
Retained Service	-	-	-	-
Efficiency	100	50-	-	50
Pensions Liabilities	400	50-	-	350
Bad Weather	250	-	-	250
Capital Reserve	550	340-	72	282
General Balance	791	-	-	791

# **SHROPSHIRE & WREKIN FIRE AUTHORITY**

## **Report of Consultation on the Precept 2006/07**



**Opinion Research Services**

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# **SHROPSHIRE & WREKIN FIRE AUTHORITY**

## **Precept Budget 2006/07**

### **Report of Public and Stakeholder Consultation**

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# ACKNOWLEDGEMENTS

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*ORS* is once again pleased to have worked with Shropshire & Wrekin Fire Authority to undertake a form of consultation that we hope will offer long-term benefits to all parties.

We particularly thank those involved in preparing, presenting and clarifying information during the sessions, namely Alan Taylor, Chief Fire Officer; Keith Dixon, Fire Authority Treasurer; Councillor Dave Morgan, Chair of the Fire Authority and Joanne Codey, Principal Accountant. Their input was essential to achieving an informed debate.

We are grateful to all of the participants who returned to take part in their fourth Scrutiny Panel; they again actively participated and enjoyed the experience.

We hope that *ORS* has been instrumental in forging a link between the Scrutiny Panel members and their Fire and Rescue Service, and that the information in this report accurately reflects participants' views and priorities.

## EXECUTIVE SUMMARY

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### 1.1 Introduction

This is not a particularly long report and the detail is important in expressing the tone of the discussions – so readers are invited to examine the main body of the report for an in-depth discussion. However, it is probably also helpful to include a summary of the main outcomes – though such a concise account inevitably over-simplifies and risks accentuating the negative at the expense of the positive.

### 1.2 Methodology

The following report details the outcomes from the following:

- Two Scrutiny Panels with members of the public and stakeholders in Shrewsbury and Ludlow

Broadly, the issues discussed were:

- Shropshire and Wrekin Fire Authority's Budget for 2006/07
- Efficiency Savings and Investment
- Capital Expenditure
- Future Budgets

The two meetings were qualitative forms of consultation. While the findings cannot be certified as statistically representative of all people in Shropshire, the meetings included a wide range of people and allowed them to think as well as talk. While summarising the main themes and highlighting the key points, this report seeks to be faithful to what was said. The opinions expressed were not always unanimous, but we have endeavoured to reflect both the majority view and, where useful, the diversity of views.

### 1.3 Main Findings

#### Revenue budget 2005-06

- All groups were of the view that the rise in Council Tax to fund Shropshire and Wrekin Fire Authority's budget increase is satisfactory and justified.
- Participants were satisfied that the budget incorporates efficiency savings, and were particularly pleased that the

main intention of the increase appears to be the development of a vastly improved retained service.

- Participants expressed general disconcertion that, until now, the funding situation has led to Shropshire and Wrekin Fire Authority (SWFA) having the 2nd highest precept of all combined Fire Authorities.
  - Given this, the vast majority though it reasonable that SWFA charges what it does in order to provide a necessary service.
- Panellists were, on the whole, satisfied that Government has acknowledged the need to increase SWFA's share of the Revenue Support Grant (RSG).
  - There was recognition that SWFA is not yet receiving its full RSG allocation of 6.2%, which has led to the need for a rise in Council Tax; most called for this situation to be rectified.
- Encouragingly, all groups were of the view that the Fire Authority represents excellent value for money, particularly in light of forthcoming investment in the retained service and in community fire safety (CFS) which will, it was felt, result in service improvements.
- It was believed that SWFA should publicise the value for money they offer. Participants suggested greater use of the media to disseminate information on the RSG and the reasons for the Council Tax increase.

### **Efficiencies and Investment**

- The proposal to reduce Shropshire's aerial appliances to only one available at any one time was generally accepted as the most efficient way forward.
- The loss of eight whole-time firefighter posts was, on the whole, supported, providing the posts are lost through 'natural wastage'; there is no detrimental effect on service provision and there is no reduction in the overall number of operational staff.
  - It was suggested that the eight trained and experienced wholtime firefighters be appointed as Retained Support Officers.
- The proposed investment in the retained service was fully and wholeheartedly supported. The service was judged to be vitally important to Shropshire; it was believed that any improvements designed to improve the morale of firefighters should be welcomed.
- The breakdown of costs for improvements to the retained service was deemed well thought-out and

balanced; all aspects were generally believed to offer value for money.

- Participants particularly praised the following:
  - The ideas for improvement were derived from retained firefighters themselves
  - The proposals for improvement are being piloted to ensure they are feasible and successful
  - The additional three hours training per month
  - The recompense for cleaning, maintenance and administrative duties
  - The recruitment drive which, it is hoped, will lead to an increase in retained firefighter numbers and, subsequently, scheduled time off for staff
  - Expenditure on 8-seater fire appliances, which will afford firefighters' more opportunities to attend incidents
  - Greater opportunity for retained crews to undertake CFS in local communities.
- A minority believed that that retained firefighting could be made more attractive for women and ethnic minorities.
  - They advocated a more flexible system whereby, if women are only available when their children are at school, SWFA could employ them during that time only. This system would not only encourage women to join the service, but would also address the issue of staff shortages during this time of day.

### **Capital Expenditure**

- The proposed capital expenditure was thought to represent good value for money; participants generally agreed that the items of expenditure appear to have been well-chosen and well thought out.
- It was deemed essential to expend money on the following:
  - Improvement of retained stations
  - Improvement of training facilities
  - Building maintenance
  - Replacement fire engines and rescue tender
  - Replacement of radio communications
- It is encouraging to note that participants have implicit trust in SWFA to spend wisely on the capital programme.

- The building improvements at Shrewsbury were thought to be expensive. Although participants understood the reasons behind the maintenance of Headquarters, they described it as *wasted money* in light of the advent of regional control in 2009. As such, they suggested that SWFA should expend on essential repairs only in the meantime.

### **Future Budgets**

- The scale of future budget increases was, on the whole, thought to be acceptable, providing figures for injuries and deaths continue on a downward curve.
- Percentages were deemed well-chosen – below the 5% capping rate and allowing 1% flexibility for 2007/8 if needed - and proposed investment in the future thought appropriate.
- The downward trend in precept increases was praised; participants stated that they would like to see them diminish further in future years, although there was concern that this would not be the case due to the need for future expenditure on the new Headquarters at Shrewsbury.
- Stakeholders in particular questioned whether a gradual reduction in the precept is realistic, because of the need to continually modernise the service.
- The overwhelming majority believed that the Fire Authority's RSG allocation should increase further in future years.
- It was certainly felt that there should be a balance between an increased RSG and local responsibility for local services as, to an extent, responsibility for local issues should remain in the locality through Council Tax and Business Rates.
- However, if an increased RSG allows a Council Tax reduction, this would be welcomed by all!



## CONSULTATION PROCESS

### 2.1 CONSULTATION PROGRAMME IN OUTLINE

This study was completed wholly using qualitative methods, namely two **Scrutiny Panels** (with the public and stakeholders) as follows:

Panel	Attendees	Constituents
Shrewsbury	19	10 women, 9 men
Ludlow	12	5 women, 7 men

All participants who attended the IRMP 2006/07 Scrutiny Panel in October 2005 were invited to attend a follow-up consultation session on Shropshire and Wrekin Fire Authority's Precept 2006/07. Although a couple could not attend due to other commitments, the vast majority returned to take part in this, their fourth Scrutiny Panel.

Shropshire and Wrekin Fire Authority (SWFA) also extended invitations to a number of their stakeholders. Although the response was somewhat disappointing, those who attended fully engaged with the issues and actively participated in the Panel.

### 2.2 SCRUTINY PANELS

#### Methodological Rationale

The Scrutiny Panel methodology was first adopted by SWFA in October 2004 for public consultation on the Integrated Risk Management Plan 2005/6, a decision informed in the main by the experience of the previous year's consultation. In Shropshire, as in many other Fire and Rescue Service areas, focus group discussions had been the primary method employed to consult with the general public. During this process it became apparent that a substantial amount of information had to be given to participants, and this was inevitably constrained by the time available (one-and-a-half hours) and the limited technical knowledge of the facilitators. In an attempt to address these issues, a different format was deemed to be advisable.

A Scrutiny Panel offers three distinct benefits:

- Technical expertise is available both to explain the issues and to respond to any queries
- Meetings last for about three hours, giving much more time for questions, responses, and for people to consider the issues in some detail
- A Scrutiny Panel is not normally a one-off event; people are asked to commit themselves to an ongoing relationship which may last for two or more years, hence they built a level of knowledge that leads to more informed debate

However, the other side to the story is that a much higher degree of involvement is needed on the part of the Fire and Rescue Service. Similarly, participants are asked to make a far greater commitment than is required from focus group attendees.

One of the major benefits in using the Scrutiny Panel methodology is that participants will, over time, develop a good knowledge of the Fire and Rescue Service. There is however the issue of over-identification of the Service to be considered, which can be a side-effect of gaining more knowledge and understanding. This can be overcome by ensuring that the panel is 'refreshed', with 1/3<sup>rd</sup> being replaced annually. It is advisable that the first 'refreshing' takes place after two years to allow time for the Panel to become established.

Previous Scrutiny Panels have worked very successfully and all parties have enjoyed the experience. The positive feedback received from participants indicated that the meetings have not only left people with a much better understanding of the Fire and Rescue Service, but have also left them wanting to continue as Panel members. As such, it has been decided to adopt the same methodology, and invite the same people to discuss Shropshire and Wrekin Fire Authority's budgetary plans for 2006/07 and beyond.

## **Agenda**

The Scrutiny Panel programme fell into four parts. Firstly, a presentation was given to the panel by Chief Fire Officer Alan Taylor, together with the Treasurer and Chair of the Fire Authority. This gave panel members detailed information about the 2006/07 Precept and proposed future budgets. The panel were then given the opportunity to ask questions and seek points of clarification, before dividing into small groups and considering the budget in some detail. The groups were asked to consider proposals relating to:

- SWFA's proposed Revenue Budget 2006/07
- Efficiencies and Investment
- Capital Expenditure

- Future Budgets

Finally, there was a plenary session where the facilitator fed back the groups' findings and views.

### **2.3 THE REPORT**

The next section of this report has been structured so as to address each of the above areas in some detail. The views of both panels have been amalgamated under the four headings.

## CONSULTATION FINDINGS

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### 3.1 INTRODUCTION

Using qualitative consultation in the form of the Scrutiny Panel enabled ORS to encourage the open-ended exchange of ideas and understand the meaning and intensity of people's views. Whilst summarising the main themes and highlighting the key points, this report seeks to be faithful to what participants said. The opinions expressed were not always unanimous, but we have endeavoured to reflect both the majority view and, where useful, the diversity of views.

Each group was asked to address a series of questions, which were intended to focus their thinking but not necessarily constrain them. The 'worksheets' outlined some of the most relevant information to aid the panel in their thinking. Approximately 15-20 minutes was spent on each topic so the sessions needed to be very focused.

### 3.2 REVENUE BUDGET 2005-06

#### The Council Tax Rise

All groups in both Shrewsbury and Ludlow were of the view that the rise in Council Tax to fund Shropshire and Wrekin Fire Authority's budget increase is satisfactory and justified; they were particularly encouraged that the proposed budget appears to meet the needs of the Fire and Rescue Service, whilst avoiding capping and being reasonably close to inflation levels:

*Allows for an increase in service provision whilst Council Tax increase has been kept low*

*It sounded as if the increases will lead to a better service...it sounds as if we'll get value for money*

Several even stated that they would be prepared to accept a larger increase in order to reduce the shortfall/deficit; they gave 4.8% as an example of what they would be willing to pay.

Participants were satisfied that the budget incorporates efficiency savings, and were particularly pleased that the main intention of the increase appears to be the development of a vastly improved retained service:

*Investment is needed now to prevent future problems*

*It's prudent to address the loss and retention of retained staff*

*It's justified because of the size of the retained service across the county*

### **The Precept**

Participants expressed general disconcertion that, until now, the funding situation has led to Shropshire and Wrekin Fire Authority (SWFA) having the second highest precept of all Combined Fire Authorities. They emphasised the unfairness of this in light of the fact that Shropshire is a large, mainly rural county that presents greater fire risk than somewhere predominantly urban such as the West Midlands:

*Government has not contributed a reasonable share of funds to SWFA*

*Does not reflect the problems of servicing a mainly rural area*

*It's unfortunate that circumstances make it this way at present*

Given this, the vast majority though it reasonable that SWFA charges what it does in order to provide a necessary service:

*It's not within their control*

*Really, they're at the mercy of the Government*

Panellists were, on the whole, satisfied that Government has acknowledged the need to increase SWFA's share of the Revenue Support Grant (RSG), although the stakeholders in particular felt that *there is a long way to go*. All anticipated that SWFA's precept – or at least the rate of precept increase - will ultimately decrease because of this grant increase.

There was, however, recognition that SWFA is not yet receiving its full RSG allocation of 6.2%, which has led to the need for a local rise (through Council Tax). Most called for this situation to be rectified, although others felt the 3.6% increase is about right as *a small shortfall concentrates the mind*. Indeed, the latter believed that value for money is essential and that the increased RSG should not be seen as an excuse to spend money!

### **Value for Money**

Encouragingly, all groups were of the view that the Fire Authority represents excellent value for money, particularly in light of forthcoming investment in the retained service and community fire safety (CFS) which, it was believed, will result in service improvements. It was also noted that *all other precepting services are much more expensive*:

*It's very good value for money when you compare it to other things in the Council Tax*

SWFA was also highly praised as an Authority:

*I think they are recognised as a good Fire Authority*

*I have a gut reaction that it's run well and they know what they're doing...the right issues are tackled and the right resources are allocated*

It was believed, particularly by stakeholders, that SWFA should publicise the value for money they offer. They suggested greater use of the media to disseminate information on the RSG and the reasons for the Council Tax increase:

*The problem is getting people to understand why the Council Tax is going up*

*They will have to explain long-term gains to members of the public through the local press*

### **3.3 EFFICIENCIES AND INVESTMENT**

#### **Aerial Appliances**

The proposal to reduce Shropshire's aerial appliances to only one available at any one time was generally accepted as the most efficient way forward; participants were gratified that the savings made can be re-invested in the retained service. Indeed, it was agreed that only one manned ALP seems to be needed on most occasions and that the second can be drafted in from an adjoining service if needed.

The loss of eight whole-time firefighter posts was, on the whole, supported, providing the posts are lost through 'natural wastage' rather than compulsory redundancy. Further, the proposal should not, it was felt, have a detrimental effect on service provision and there should be no reduction in the overall number of operational staff - that is, the retained establishment should increase by (at least) eight personnel in order to compensate for losses in the wholetime service. Indeed, it was suggested that the eight trained and experienced wholetime firefighters be appointed as Retained Support Officers.

#### **Full Investment in the Retained Service**

The proposed investment in the retained service was fully and wholeheartedly supported. The service was thought to offer excellent value for money and it was acknowledged that *most people in Shropshire benefit from the service provided by retained firefighters*. As such, the retained service was judged to be vitally important to Shropshire; it was believed that any improvements that improve morale and performance should be welcomed:

*If they don't do it now...it'll cause more trouble in the future*

*You'll have fire engines all over the county but no staff*

*Need to give them what they want to keep them happy*

It was certainly deemed prudent to address staff shortages within the retained service. Indeed, participants were of the view that it would not occur to most members of the public that a fire appliance could be unavailable due to insufficient personnel being available to crew it. As they noted, people assume there will be an appliance available to respond from their local station at all times.

The breakdown of costs for improvements to the retained service was deemed well thought-out and balanced; all aspects were generally believed to offer value for money. Participants particularly praised the following:

- The ideas for improvement were derived from retained firefighters themselves
  - *Sense that they are participating in all this and not being 'done to'*
- The proposals for improvement are being piloted to ensure they are feasible and successful
  - *Good results coming out of Wem so in a sense it's a properly tried out thing*
- The additional three hours training per month
  - *Pretty appalling that [they] are only given two hours a week and they have to do everything like clean their appliances, get all their kit ready, train and so on*
- The recompense for cleaning, maintenance and administrative duties
  - *They've been asked to do pretty much everything for nothing and it's not on!*
  - *None of us would go into work for nothing and they're expected to do it*
- The recruitment drive which, it is hoped, will lead to an increase in retained firefighter numbers and, subsequently, scheduled time off for staff
  - *In this day and age to require people to be on call 24 hours a day 7 days a week is not on*
- Expenditure on 8-seater fire appliances, which will afford firefighters more opportunities to attend incidents
  - *More opportunity to go out to incidents...they will be more likely to stay*

- *Feel sorry for them if they go through all the training and then don't get to go out to incidents*
- *When you're a firefighter you want to go out and fight fires*
- More opportunity for Retained crews to undertake CFS in local communities
  - *It's an important part of their role*
  - *Improved staff involvement with the community and community safety*

In respect of the final bullet point above, positive examples were noted of CFS being undertaken in local communities. For example, retained firefighters at Bishop's Castle have given lectures to the WI on fire safety, as well as offered to fit detectors in people's homes. Indeed, those who have had first hand experience of such CFS activity felt that Retained firefighters *love coming out into the community*. This was thought to be particularly true of those working in the quieter stations that receive few calls; undertaking the preventive and educative work, it was felt, makes them feel that they are offering a service to the community, even if they are not fighting fires on a regular basis.

A minority believed that that retained firefighting could be made more attractive for women and ethnic minorities (although it was acknowledged that Shropshire doesn't have a huge ethnic population):

*Can't see anything about attracting women or ethnic people in the proposals*

The belief was that it is more difficult for women to commit to the retained service, especially if they have children, and that the proposals have not made it any easier. They thus advocated a more flexible system whereby, if women are only available when their children are at school, SWFA could employ them during that time only. This system would not only encourage women to join the service, but would also address the issue of shortages during this time of day.

The only other issue regarding investment in the Retained Service was that some initially questioned the cost of the Project Manager and the Support Officers. However, their concerns were alleviated by further explanations of their roles.

### **3.4 CAPITAL EXPENDITURE 2005/06**

The proposed capital expenditure was thought to represent good value for money; participants generally agreed that the items of expenditure appear to have been well-chosen and well thought out:



*These are the right things to spend money on as far as we can tell*

The Asset Tracking System was judged particularly good value for money, as was the £30,000 for four Retained Support Officer vehicles. Further, it was deemed essential to expend money on the following:

- Improvement of retained stations
- Improvement of training facilities
- Building maintenance
  - *Need to ensure adequate resources are made available to properly maintain buildings in short and medium term*
- Replacement fire engines and rescue tender
  - Although some questioned whether there is national funding available for such expenditure
- Replacement of radio communications

It is encouraging to note that participants have implicit trust in SWFA to spend wisely on the capital programme:

*Assuming (and hoping!) that the Authority has looked at each area of expenditure carefully*

*I'd like to think that, whenever they spend on a capital project, they've really assessed what the benefits will be...you've got to trust that they have*

However, there were concerns. Firstly, some questioned the necessity of replacing the boat rather than simply mending it, whereas others wondered if it could be rented rather than purchased:

*It's a tremendous amount of money for a boat!*

Further, the building improvements at Shrewsbury were thought to be expensive. Although participants understood the reasons behind the maintenance of Headquarters, they described it as *wasted money* in light of the advent of regional control in 2009. As such, they suggested that SWFA should expend on essential repairs only in the meantime. Stakeholders decreed that they would prefer a newly built HQ at Shrewsbury, - although they recognised that funds are not available for this at the present time. They thus suggested looking at Private Finance Initiatives or borrowing, or even sharing facilities (and hence costs) with other public services.

### **3.5 FUTURE BUDGETS**

The scale of future budget increases was, on the whole, thought to be acceptable, providing figures for injuries and deaths continue on a downward curve. Also, the percentage

increases were deemed well-chosen – below the 5% capping rate and allowing 1% flexibility for 2007/8 if needed - and proposed investment in the future thought appropriate.

The downward trend in precept increases was praised; participants stated that they would like to see them diminish further in future years, although there was concern that this would not be the case due to the need for future expenditure on the new Headquarters at Shrewsbury. Stakeholders in particular questioned whether a gradual reduction in the precept is realistic, because of the need to continually modernise the service:

*Don't think that, come 2007/08, 4% will still be feasible...there are bound to be things that come up that they need to buy and they won't have the funds for*

In terms of the nature of future funding, the overwhelming majority believed that the Fire Authority's RSG allocation should increase further in future years:

*SWFA has been under-resourced by Government so this should be balanced by increased RSG in coming years*

*RSG should increase to cover non-local issues that are not necessarily fire-related e.g. RTCs, terrorism*

It was certainly felt that there should be a balance between an increased RSG and local responsibility for local services as, to an extent, responsibility for local issues should remain in the locality through Council Tax and Business Rates:

*Government should fund more although local people don't mind subsidising local services*

However, if an increased RSG allows a Council Tax reduction, this would be welcomed by all!