

**Minutes of the Meeting of
Shropshire and Wrekin Fire Authority
Strategy and Resources Committee
held at Brigade Headquarters, Shrewsbury,
on Thursday, 13 November 2008 at 2.00 pm**

Present

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

1 Apologies for Absence

Apologies for absence had been received from Councillors Eade and Minnery.

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 18 September 2008.

Resolved that the minutes of the Strategy and Resources Committee meeting, held on 18 September 2008, 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 September 2008

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

The Principal Accountant explained that there had been some slippage on the payment schedule and that payments would be aligned for the 2009/10 budget.

Councillor Box referred to the table on page 2 and asked if the underspend for the Retained Duty System was due to Community Fire Safety work and if so was this worth investing in. The Principal Accountant explained that this issue would be addressed in a later paper on the agenda.

Resolved that the Committee

- a) note the position of the revenue budget;
- b) approve the virements to the revenue budget where requested;
- c) note virements approved under delegated powers;
- d) note the position on the capital programme;
- e) note performance against prudential indicators; and
- f) note the information provided on balance sheet items.

6 2009/10 and Later Years Revenue and Capital Budgets

This paper brought together the elements of the budget as set out in the papers that followed, and sought the Committee's approval for a budget outline to be recommended to the Authority in December.

The Treasurer briefly talked through the report. Councillor Box asked if the assumption in the report was based on not taking anything out of the budget and maintaining the precept level at 3.9%. The Treasurer confirmed that this was correct.

The meeting then agreed to receive and consider papers 6a to 6g before returning to agenda item 6 to consider the recommendations.

6a Base Budget plus Committed Change

This report showed the latest position on the base budget plus committed change, following budget reviews by heads of department.

The Principal Accountant highlighted the savings that had been identified in relation to pay and prices and the phasing out of bounty payments to retained firefighters. Councillor Box asked if the bounty payments were to be replaced by anything. The Principal Accountant explained that the Continual Professional Development (CPD) payments were replacing the bounty payments. Some CPD payments have already been made so the budget does not currently need to be increased. The Chief Fire Officer also reported that some Retained Duty System firefighters are not completing the forms for CPD payments.

Resolved that the Committee note the contents of the report, for inclusion in the budget summary shown in report 6.

6b Pay and Prices Assumptions

The report set out the possible provision to be made for pay and price inflation in 2009/10 and later years.

The Treasurer explained that the Authority had taken some 'big hits' on prices but these had all been balanced out therefore the assumptions would be maintained for coming years. This allows concentration on the other elements of the budget as it removes one of the main issues.

Councillor Box accepted the advice of the Treasurer as contained in the report but commented that he felt that the Authority should not differentiate between firefighters and support staff in terms of pay.

Resolved that the Committee recommend that the Authority base its future budget plans on pay assumptions of 3½% and 3% a year and 2½% for prices.

6c Efficiencies 2009/10 and Forward Budgets

This report looked at the implications for setting efficiency budgets in 2009/10 to 2013/14.

Resolved that the Committee confirm the efficiencies of £150,000 a year as set out in paragraph 4 of the report for inclusion in future budget planning.

6d Service Developments 2009/10

This report informed members of service developments (growth) that had been identified by officers for inclusion within the 2009/10 budget.

Councillor Box asked for an explanation of the cost indicated, in the appendix, for the Image Library. The Programme Manager explained that the £6,000 for the Image Library was an indicative cost that had been identified by the previous Web Officer. This is the cost for a particular product which appears to be the best product at this stage. Councillor Box also asked if the software licensing was being done directly or through a supplier. The Programme Manager believes that the licensing is being done directly and that the IT Manager is addressing the issue.

Resolved that the Committee

- a) note the service developments identified by officers to date;
- b) note the suggested actions to fund service developments in 2009/10;
- c) note that further potential growth was identified at a recent strategic planning workshop on 28 and 29 October 2008 which requires further analysis; and
- d) agree to the Fire Authority receiving a report at its December meeting for a final decision on 2009/10 service developments.

6e “What If” and Integrated Risk Management Plan Update

The Chief Fire Officer gave a presentation updating the current “what if” plan as described in the Medium Term Financial Plan. The presentation also included early proposals for improving service delivery, which will be considered by the Integrated Risk Management Planning (IRMP) Members’ Working Group.

Copies of the presentation slides were tabled to the meeting (copy attached to signed minutes).

The meeting discussed the implications of reducing the wholetime ridership factor and the Chief Fire Officer gave various examples of what effects this would have if it becomes necessary to do this.

Councillor Box asked if the possible savings related to the Headquarters project took into account any necessary repairs etc. The Chief Fire Officer explained that the figure given in the presentation was an estimate and should it become necessary to cancel the scheme then more detailed and accurate costings would be needed.

Resolved that the Committee approve the “What If” and IRMP updates outlined in the presentation and that they be taken forward to the IRMP Members’ Working Group.

6f Capital Programme 2009/10 to 2013/14

This report set out the current schemes put forward for inclusion in the next five years’ budgets. It then set out the potential revenue consequences, subject to project appraisals and a review of financing possibilities.

The Treasurer explained that the Shrewsbury is being looked at and a report will be brought to the Strategy and Resources Committee in January 2009. Efforts will be made to try to identify if the solution will affect the running costs of the project. The Authority needs to be realistic about payments particularly if the project slips and the payments become a “commitment”.

Resolved that the Committee propose to the Authority for inclusion in its five year budget planning:-

- a) the schemes set out in the appendix, subject to reports on the “Shrewsbury Scheme”;
- b) the potential funding of these schemes and the maximisation of the capital reserve if possible; and
- c) the revenue consequences that would flow from these schemes.

6g Provisions, Reserves and Funds

This report set out the issues which the Fire Authority will need to consider as part of its annual review of provisions, reserves and funds.

The Treasurer explained that the risk information contained within the report had been taken from the Service's Risk Register and that the Authority needs to ensure that correct and appropriate levels of reserve are established in relation to these risks.

Resolved that the Committee

- a) confirm the existing policy and Equipment Replacement Provision;
- b) Agree to review the level of the capital reserve as the current budget position becomes clearer;
- c) Agree to switch part of the General Reserve to a renamed Pensions Reserve; and
- d) Confirm the other earmarked reserves.

At this point the meeting revisited item 6 on the agenda.

6 2009/10 and Later Years Revenue and Capital Budgets

The Treasurer confirmed that the Committee were happy with the information reported in papers 6a to 6g, and as summarised in paragraph 4 of report 6. He explained that £200,000 had been added for growth each year and that there was £161,000 uncommitted from last year's budget. This means that there is scope for extra money to be used, which may enable bigger issues to be addressed, however this should not pre-empt any recommendations that may be made through IRMP.

Resolved that the Committee approve the revised figures as a basis for budget consideration by the Fire Authority in December 2008.

Councillor Picken left the meeting at this point (3.15 pm)

7 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 Programme Manager highlighted the amendments to the Landrover Pump schemes as approved by the Fire Authority in October 2008.

Councillor Hartin asked if there was any further information about the training facilities scheme. The Chief Fire Officer explained that planning permission had been received for the tower at Bishops Castle which would be built first. Councillor Box asked about the possibility of bringing the tower building forward. The Chief Fire Officer explained that this had been taken into account. The Treasurer explained that £120,000 will enable three towers to

be built, however it has been decided to build one tower and review this before building any more. It should also be remembered that the towers will not be built at every station.

Resolved that the Committee note the progress on Capital Schemes.

8 Fire and Rescue Service National Framework 2008-11

This report advised Members of the Fire and Rescue Service National Framework 2008-11 and the actions / plans being undertaken by officers to address the Framework's requirements.

The Chief Fire Officer explained that the Audit Commission is increasingly using the National Framework in its assessments.

Councillor Hartin asked if there was any update in relation to FireLink. The Chief Fire Officer explained that this, currently, does not seem to be too much of a problem. It is hoped that the software upgrade will be issued next year and it appears that the issues related to FireLink have been resolved. It has however been officially confirmed that there will be a delay, of possibly between 9 months and 2 years duration on the FiReControl project which may cause a funding issue.

Councillor Box referred to page 5 of the appendix and in particular item 1.23 and the issue of cover. The Chief Fire Officer explained that FireGuard had been judged to be unsuitable for Shropshire Fire and Rescue Service and is now a 'non-starter' as many fire and rescue services have dropped out of it. A programme of actions / improvements is being developed through business continuity planning.

Councillor Box asked if item 4.5 on page 15 of the appendix, which relates to joint working at the regional level was now complete. The Chief Fire Officer confirmed that the five Chief Fire Officers in the West Midlands region had met but there was a great reluctance to share "back office" functions across the region. It has however been identified that there is scope to share training functions and work is underway to appoint a regional co-ordinator for peer assessors with the West Midlands Regional Management Board area.

Councillor Box also queried if the evidence stated in relation to item 4.16 on page 16 of the appendix was correct. The Chief Fire Officer undertook to check this.

Resolved that the Committee note the contents of the report

9 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 relates to that achieved since the last Annual Summary Report, received by the Fire Authority at its meeting in July 2008.

The Head of Risk Management highlighted the new risk, in relation to the Shrewsbury project which has been added to the Corporate Risk Register. He also pointed out that the learning outcomes from the closed risk relating to paper records held within the Service will be used in other departments.

The Head of Risk Management then gave a brief overview of risks 17, 66 and 72 which had been identified as significant risks in the report.

Councillor Box referred Graph 1 in the report which showed that the risk level without controls in place for Risk ID 48 was lower than the risk level with controls in place and asked how this was possible. The Head of Risk Management explained that this was because Risk ID 48 is an opportunity therefore the Service is looking for positive impacts which will increase with controls in place.

Resolved that the Committee note the contents of the report.

10 Local Government Act 1972

Resolved that, under section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for items 15 and 16 on the grounds that they involved the likely disclosure of exempt information, as defined by the provisions of Part I of Schedule 12A to the Act, by virtue of paragraphs 1, 2, 3 and 4 and on the grounds that they involve the likely disclosure of confidential information.

11 Corporate Risk Management Summary – Exempted Information

The Committee had received an open session report, which summarised its current exposure to corporate risk. This report supplemented that one as it contained information that is exempt from publication by virtue of the Local Government Act

Resolved that Members note the contents of this report, in conjunction with the Corporate Risk Management Summary report discussed in open session.

The meeting closed at 3.40 pm.

Chair.....

Date.....