

Minutes of the meeting of
the TYNE AND WEAR FIRE AND
RESCUE AUTHORITY held in the
Fire and Rescue Service
Headquarters, Barmston Mere on
MONDAY, 21ST DECEMBER,
2009 at 11.00 a.m.

Present:

Councillor T. Wright in the Chair

Councillors Ball, Boyes, Charlton, Clark, M. Forbes, N. Forbes, Haley, Mole,
Mortimer, Renton and Woodwark.

In Attendance:-

Lynn Hunt - Audit Commission
Steve Nicklin - District Auditor
Dave Morton Audit Commission

The Chairman welcomed Councillor P. Mole to his first meeting of the Authority.

Part I

Apologies for Absence

Apologies for absence were received from Councillors Bell, Jordan and Scaplehorn.

Declarations of Interest

There were no declarations of interest.

Minutes

58. RESOLVED that:-

- (i) the minutes of the meeting of the Authority held on 23rd November, 2009 – Part I (circulated) be confirmed and signed as a correct record, and
- (ii) the minutes of the meeting of the North East Fire and Rescue Regional Management Board held on 3rd November, 2009 (circulated) be received and noted.

Provisional Revenue Support Grant Settlement for 2010/2011

The Chief Fire Officer and the Finance Officer submitted a joint report (circulated) advising the Authority of the Provisional Revenue Support Grant Settlement for 2010/2011.

(For copy report – see original minutes).

The Finance Officer reminded Members that on 26th November, 2009 the Parliamentary Under Secretary of State for Local Government issued the provisional report for the 2010/2011 Revenue Support Grant Settlement.

Referring to the table detailed within the report, the only grant affecting Fire and Rescue Authorities, (the Fire Control Grant), had been reduced nationally by £6.8m in 2009/2010 but no changes had been made to the allocation in 2010/2011 of £36.3m.

The Government had re-emphasised that it would use capping powers if necessary and that it expected to see Council Tax increases fall further from this year's (2009/2010) average Council Tax increase of 3%.

As a result of the changes, the Authority's grant entitlement for 2010/2011 of £35.570 million had remained unchanged from the figures announced in late January 2009 and was welcomed. It was hoped that the settlement would remain unchanged once it was finally approved by Parliament.

The Authority's formula grant increase for 2010/2011 had not been affected by the settlement and consequently the increase set out in the consultation paper, remained unchanged at 1.10% for 2010/2011. The Authority's grant increase, although well below the national average increase of 2.65%, was above the minimum (floor) increases for all Fire and Rescue Authorities, of 0.50%.

Consideration having been given to the matter, it was:-

59. RESOLVED that the report be received and noted.

Fire and Rescue Organisational Assessment for Tyne and Wear Fire and Rescue Authority

The Chief Fire Officer, the Finance Officer and the Clerk to the Authority submitted a joint report (circulated) outlining, for the consideration of Members, the findings of the Audit Commission's auditors in respect of the new Organisational Assessment Framework that formed part of the overall Comprehensive Area Assessment process introduced in April 2009.

(For copy report – see original minutes).

Members were advised that with regard to the Authority's Use of Resources Audit, the Audit Commission was of the opinion that the Authority was 'Performing Well' with a score of three in each of the three subsets that comprised the UoR framework, namely:-

- Managing Finances
- Governing the Business
- Managing Resources (in particular, the management of people)

This was pleasing to note given that the new UoR framework now focused far more on outcomes rather than processes and as a result the standard required to achieve a level three performance had increased.

Lynn Hunt informed Members that there were a small number of recommended actions within the report relating to back office functions, sustainability and the diversity and equality agenda. Each of these issues was being addressed in detail.

With regards to managing performance and organisational assessment the score for managing performance had also been assessed at level three, 'Performing Well' and when this was combined with the score for the UoR audit it also provided an overall Organisational Assessment score of level three, 'Performing Well'. In summarising the performance of the Authority the Audit Commission had noted the following:-

- The Authority had a clear vision of what it wanted to achieve;
- The Authority's performance had consistently improved across all priorities in the past three years;
- Efficiency savings had exceeded Government targets;
- Real costs had reduced by 6% over the last five years;
- Leadership was strong and effective;
- Members and Officers work together to tackle difficult issues.

The report also noted that there was a strategy in place to maintain high levels of service, which was most easily illustrated by considering the very rapid response times to incidents that the Authority achieved. The auditors did note that high levels of service do involve a significant cost and that this was an area for more detailed consideration by Members and stakeholders in the context of the 'Rising to the Challenge' national report.

At this juncture, the Chairman on behalf of the Authority, thanked all staff for their hard work.

Councillor Haley referred to table 6 within the report and asked whether the findings of the audit at Northumberland were available. Representatives of the Audit Commission commented that although they had not conducted their audit, reports would be available and in the public domain.

It was:-

60. RESOLVED that:-

- (i) the content of the report be noted, and
- (ii) further reports be received as appropriate.

Annual Audit Letter 2008/2009

The Chief Fire Officer, the Clerk to the Authority and the Finance Officer submitted a joint report (circulated) to provide Members with an outline of the content of the Audit Commission's Annual Audit and Inspection Letter for 2008/2009.

(For copy report – see original minutes).

Steve Nicklin advised that the Annual Audit Letter for the 2008/2009 year had now been received by the Chief Fire Officer.

The four sections in the main body of the Letter were as follows:-

- key messages;
- financial statements and annual governance statement;
- value for money and use of resources; and
- closing remarks.

An unqualified audit opinion on the Authority's 2008/2009 financial statements had been issued by the auditors, together with an unqualified Value for Money conclusion, confirming that adequate arrangements were in place for securing economy, efficiency and effectiveness in respect of use of resources. The Letter also stated that the Authority's financial statements and supporting working papers

were prepared to a very high standard which is a noteworthy achievement. At this juncture, the Finance Team were commended for their excellent standard of work.

The local risk based work that had been undertaken by the auditors with regard to the FiReControl project was also highlighted and, whilst it was acknowledged that at this stage of the project the identified risks were being managed appropriately, the need to keep this under review as part of the 2009/2010 audit work was also stated.

Members noted that the Letter had also identified some areas that could be improved. In particular, the Letter stated that the service needed to review the cost and quality of its back office functions and also needed to examine ways in which information could be made publicly available with regard to its approach to sustainability and the environmental footprint of the organisation.

Finally, whilst recognising the strong commitment to equality and diversity within the Authority, and noting that there had been an increase in female representation within the workforce, the auditors noted that the Authority employed a very low number of staff from ethnic minorities. This would be addressed in future.

At this juncture, the Chief Fire Officer recorded his appreciation to the Auditors for the manner in which the audit was undertaken and the assistance given in terms of the various projects carried out.

Consideration having been given to the matter, it was:-

61. RESOLVED that

- (i) the content of the Annual Audit and Inspection Letter for 2008/2009 be noted; and
- (ii) further reports be received as appropriate.

Transfer of Ownership of New Dimension Assets

The Chief Fire Officer, the Clerk to the Authority and the Finance Officer submitted a joint report (circulated) outlining, for the consideration of Members, the content of Fire Service Circular (FSC) 59/2009, published by the Department of Communities and Local Government (CLG).

(For copy report – see original minutes).

Members were pleased to note that CLG, in their recently circulated circular, stated that it was committed to the future funding of the New Dimension assets beyond the CSR07. CLG also reiterated their preference for channelling funding through the Revenue Support Grant at some stage in the future but had committed not to do so without examining the issue closely with the Fire and Rescue Authority. CLG had also confirmed that it was committed to paying the fixed costs of the long term contract covering the routine maintenance and servicing of the assets to ensure that

the equipment and vehicles were ready to respond to a national incident over the next 16 years.

The Chief Fire Officer drew the attention of Members to a specific issue to consider which was in relation to the long term New Dimension maintenance contract awarded to Vosper Thorneycroft Critical Services Ltd. A close examination of this contract had been undertaken by Sunderland City Council, with particular attention focussed on the Terms of Access agreement.

This agreement would require the Authority to use Vosper Thorneycroft Critical Services Ltd. for all maintenance work on the New Dimension vehicles and equipment and to recompense them accordingly. The additional cost of this to the Authority would be met by CLG through Section 31 grant, although the mechanism for reimbursing Authorities could change from 2011/2012 onwards. Furthermore, although the FRA was responsible for complying with its obligations under the terms of access, it did not have any right to enforce the terms against the prime contractor.

Members were advised that a more significant risk linked to the Terms of Access agreement was the fact that there was no facility for the Authority to withdraw from the agreement once it was signed.

The Chief Fire Officer also noted that, it was important to recognise the effort that CLG had made in order to provide as much clarity as possible with regard to ongoing funding, and, having consulted with the Finance Officer and the Clerk to the Authority, he was of the opinion that the transfer of ownership was the most appropriate course of action for the Authority to take.

Upon detailed discussion, it was:-

62. RESOLVED that:-

- (i) the explicit assurances from CLG and the Minister in respect of continuing to fund the ongoing costs of the New Dimension programme be noted;
- (ii) on the basis of the detailed assurances the Chairman responds to the CLG request on behalf of the Authority confirming that the agreement for the transfer of ownership of the New Dimension assets and the ongoing provision of operational services was agreed, subject to the ongoing availability of financial support and taking in account the explicit assurances outlined above;
- (iii) further reports be received as appropriate.

Local Government (Access to Information) (Variation) Order 2006

63. RESOLVED that in accordance with the Local Government (Access to Information) (Variation) Order 2006 the public be excluded during consideration of the remaining business as it contains exempt information relating to the financial or

business affairs of any particular person (including the Authority holding that information) or information relating to consultations/negotiations in connection with any labour matter arising between the Authority and employees of the Authority (Local Government Act 1972, Schedule 12A, Part I, Paragraphs 3 and 4).

(Signed) T. WRIGHT,
Chairman.

Note:

The above minutes comprise those relating to items of business during which the meeting was open to the public.

Additional minutes in respect of other items are included in Part II.