



Minutes of the Meeting
of the TYNE AND WEAR FIRE
AND RESCUE AUTHORITY
held remotely using **Microsoft
Teams** and **livestreamed on
YouTube** on MONDAY 15
FEBRUARY 2021 at 10.30am.

Present:

Councillor Taylor in the Chair

Councillors Burdis, Dodds, Duggan, Flynn, Forbes, Haley, Hunter, Kilgour, Pickard, Samuels, Stephenson and Woodwark together with Ms K. McGuinness, PCC.

Part I

Apologies for Absence

Apologies for absence were submitted to the meeting on behalf of Councillors Butler, Doyle and Purvis.

Declarations of Interest

There were no declarations of interest.

Minutes

56. RESOLVED that:-

- (i) The minutes of the Meeting of the Authority held on 25 January 2021, Part I be confirmed and signed as a correct record subject to the following amendment – Urgent Item (COVID Tripartite Update) – to reflect that ACFO McVay delivered this report and not DCFO Heath.
- (ii) The minutes of the Meeting of the Policy and Performance Committee held on 9 November 2020, Part I be noted for information.

Councillor Stephenson referred to the minutes of the Authority held on 14 December 2020 and commented that her apologies for absence had been submitted, however were not recorded within the minutes. The minutes would therefore be amended accordingly.

Capital Programme 2021/2022 to 2024/25 Including Prudential Indicators for 2021/2022 to 2024/2025

The Chief Fire Officer/Chief Executive (Clerk to the Authority) and the Finance Director submitted a joint report presenting to Members the proposed Capital Programme for 2021/2022 to 2024/2025, including the Prudential Indicators for the next four-year period from 2021/2022 to 2024/2025.

Members were reminded that progress on two of the three projects (upgrade works at the Barmston Mere Training Centre and the relocation of Safetyworks) had unfortunately been impacted by the COVID-19 pandemic and as a result £0.850m would now need to be carried forward in to the Capital Programme for 2021/2022.

The proposed Capital Programme and Vehicle Replacement Programme totalled an estimated £13,224,677, as detailed within Appendix A of the report.

The Finance Director explained that the Authority would also need to utilise a further £4.263m of its capital reserves to fund the projected costs of the proposed capital programme over the following three years to 2024/2025, in addition to the £10.139m already earmarked from reserves for 2021/2022.

The Authority's Capital Programme over the next four-year period, from 2021/2022 to 2024/2025 would cost an estimated £18.244m, with over half of the schemes expected to be expended in 2021/2022, at this stage. This was therefore a healthy and progressive capital programme.

The Finance Director referred to Appendix A of the report and highlighted that the bulk of the funding was coming from the Authority's own resources, therefore in 2021/22, £11.239m (85%) of the capital programme was funded by Authority through its Capital Development Reserve or contributions from the revenue budget. To put this in context, when considering the total Programme of £18.244m, the Authority was actually funding £16.252m (almost 90%) of the Capital Programme via its own resources.

Members were advised that the Authority now had 4 out of the 14 new appliances ordered already on the run from December of last year with the remaining 10 to be delivered in the Spring. A further 10 fire appliances would be replaced by the end of 2023 which would mean that all of the Authority's fire appliances would have been replaced by then. This showed that the capital programme was buoyant and that these initiatives were still possible due to the careful management of resources, despite the austerity the Authority had been faced with over the last 10 years.

The Finance Director then referred to the Prudential Indicators, detailed at Appendix B of the report and explained that Members were requested to specifically and separately approve the statutory Prudential Indicators, the Authorised Limit for

External Debt of £50.272m and the Operational Boundary for External Debt of £45.272m for 2021/2022, in accordance with the regulations.

The Authority was referred to section 2.9 of Appendix 1 which outlined the 4 options for calculating the Minimum Revenue Provision Statement and was recommended to continue with option 1 - Regulatory Method: applying the statutory formula set out in the 2003 Regulations before it was revoked in 2008.

Councillor Haley referred to the capital of £2,308,255m in relation to the ESCMP as detailed within the appendix and asked for confirmation that this capital allocation was being funded by Government.

The Finance Director confirmed that yes, the scheme was to be funded by Central Government.

57. RESOLVED that:-

- (i) the Capital Programme and Vehicle Replacement Programme for 2021/2022 be approved, as set out in the report and detailed in Appendix A;
- (ii) the Prudential Indicators for the years 2021/2022 to 2024/2025 as set out in Appendix B be approved, and specifically the Authorised Limit for External Debt of £50.272m and the Operational Boundary for External Debt of £45.272m for 2021/2022; and
- (iii) the Annual Minimum Revenue Provision Statement as specified in Section 2.12 of Appendix 1 be approved.

Revenue Budget 2021-2022 and MTFs 2021-22 to 2024-25

The Chief Fire Officer/Chief Executive (Clerk to the Authority) and the Finance Director submitted a joint report to present for consideration and approval by Members:

- the Revenue Estimates for 2021/2022;
- the Authority's Council Tax Requirement for 2021/2022;
- the Council Tax Precept required to be levied on the District Councils in Tyne and Wear for 2021/2022, and
- an updated Medium Term Financial Strategy Statement for 2021/2022 to 2024/2025.

The Finance Director advised Members that the Final Local Government Finance Settlement for 2021/2022 at the time of writing the report had still not been announced and, as such, all figures included in the report assumed no changes from those figures set out in the Provisional Settlement reported to the Fire Authority in January. This had presented a difficulty when drafting the budget, however on receipt of the Final Settlement, no changes had been made. Members were advised that whilst this was positive given that the figures detailed within the report remained accurate, it also highlighted that Government had failed to recognise any of the

points raised by the Authority, during the consultation.

The Finance Director commented that following from the one-year settlement currently received, a further Comprehensive Spending Review was not anticipated until the summer of 2021, which added to further financial uncertainty, and that a longer term view would be helpful for future budget planning purposes.

The Government's Core Spending Power (CSP) for Tyne and Wear Fire and Rescue Authority would increase by £1.095m or 2.21% in 2021/2022. The government figures assumed a Council Tax increase of 3.50%, made up from the revised cap put in place last year which allowed an increase of below 2% (1.99%) for the fire service, and an assumption that the Authority's Tax Base would grow by 1.51%. This was the main reason for the increase in the Core Spending Power (CSP), although from actual information received this showed a 1.04% reduction in the Authority's Tax Base which reduced anticipated income by roughly £0.260m compared to that projected in October's MTFS.

The Government's figures therefore continued to include optimistic growth forecasts for Council Tax.

Members were advised that the Government continued to allocate the Authority Compensation for the under-indexing of Business Rates income, which provided funding to make up the gap between the capped business rates increase applied by the government over a number of years now and the statutory inflationary increases.

It was expected that government grant would be allocated to cover 75% of the 20/21 in year losses but, without this clarity as the full impact on the financial year could only be estimated at best, the Authority had not yet been made aware of the amount of grant it could expect for both Council Tax and Business Rates in year losses at this stage. It was therefore proposed that the revenue budget was set thus temporarily supported by the use of reserves (£1.178m) until further information was known. This was however, expected to be fully replenished when the in year 2020/21 losses on council tax and business rates grant funding, was provided by the government later in the 2021/22 financial year.

The Finance Director explained that the Authority would also receive a c£826,000 Local Council Tax subsidy grant to help fund Council Tax reductions expected in 2021/22. This was out of a budget of £670m nationally.

Having reviewed the treatment of this funding, this did not supplement the budget in 2021/22, as the Authority would not be aware of the impact of reductions to its council tax income until the effect on the collection fund for 2021/22 was known usually by the end of January 2022. As this then would become a budget pressure for 2022/23, a Collection Fund Resilience Reserve was proposed.

The combined impact of taking all of the changes to the resources position of the Authority together for 2021/2022, both positive and negative, allowed the Authority to propose a revenue budget for 2021/2022 of £49.720m before use of balances of £1.178m which then produced a net budget requirement of £48.542m and a Council Tax Requirement of £24.751m assuming members approved the implied 1.99%

increase to the precept.

Spending plans would therefore be addressed, with the use of £1.178m of reserves to temporarily balance the budget, pending the in-year losses grant.

Members were advised that in relation to the precept, the Council Tax Base for 2021/2022 was £289,014, a 1.04% decrease from 2020/2021, which alone decreased Council Tax precept income by £0.260m. In addition, there was also a one-off net deficit on the Council Tax Collection Fund for 2020/2021 of £0.047m, which was an additional cost pressure on the 2021/2022 budget.

The Finance Director explained that the Authority's local share of business rates income, totalled £3.842m. This compared unfavourably to the Government assessed business rates income total of £4.088m included in the settlement. Fortunately, the Authority had planned for a more realistic income collection of £3.929m but the reported share was still £0.087m less than anticipated. In addition to this, the Authority's share of the net deficit position on the business rates element of the Collection Fund for 2020/2021 was £2.086m. In effect, therefore, the actual Business Rates income was £2.173m less than that estimated in the MTFs, and £2.332m below the Government's estimate.

The proposed increase in Council Tax in 2021/2022 (1.99%) would result in a 'basic' Band D Council Tax of £85.64, an increase of £1.67 from the previous years' precept of £83.97. This was adjusted accordingly, for different bands of Council Tax, however for Band D, represented an increase of 3p per week.

Members were referred to Appendix D of the report and asked to note that in relation to the Capital Development Reserve, the opening balance totalled £10,669,000 with a total reserves position of £30,782,000. As approximately c£12.5m was being used, this left c£18m, and following a recent exercise, was likely to deplete to around £11m due to the Authority funding its own Capital Programme.

The Medium Term Financial Strategy was detailed at Appendix E of the report, and Members were advised that government funding had remained the same, therefore a position whereby specific grants were 'flat cash backed' had been assumed, with no increase due to inflation.

A marginal increase in resources for the MTFs had also been assumed with full recovery of Council Tax and Business Rates in 2024/25 however over the medium term a planned net use of reserves of £302,930, was assumed providing the estimates in the MTFs came to fruition.

Members were advised that whilst a pessimistic view had been taken, consideration needed to be given to the impact of the Pandemic and also Brexit.

Councillor Woodwark commented that a one-year settlement was completely unfair and also unrealistic in that it assumed an increase in CSP. In addition, concerns were raised that in year losses grant funding would not be received until February 2022 and also in relation to Government's attitude regarding reserves which he believed were counterproductive.

The Vice-Chairman commented that the Authority was operating in unprecedented circumstances and that a one-year settlement was not helpful especially given the COVID-19 crisis, which had not only impacted on service delivery, but also collection funds. The Collection Fund Resilience Reserve was therefore welcomed.

Councillor Forbes went on to say that the Authority had undertaken a lot of lobbying with Government around the pension fund, and that whilst the inclusion of pension funds costs within the grant was welcomed, if it was to be wrapped up as part of the general fund grant, the Authority would lose this at a faster rate than other authorities, given that CSP reductions for Tyne and Wear were three times greater than the national average.

In addition to this, the cash revenue budget had seen around a 20% reduction over last 10 years, which had had a profound impact on staffing and all areas of expenditure.

The Vice-Chairman commented that the continued reduction in resources was therefore disappointing, with no understanding of the increased cost pressures being given and also felt it deceitful that Government were saying that further monies were available through the Council Tax Precept, which was shifting the burden of responsibility to the electorate at the expense of revenue grants.

Councillor Forbes commended the Finance Director and his team for presenting a budget that made the most of difficult circumstances, attempted to predict the future, and also address collection fund issues.

Councillor Haley commented that the budget was being presented with an assumption of an increase in Council Tax and Business Rates, which suggested that there was an expectation from Government to increase the Council Tax and that Council Tax payers would be expected to pay more.

Referring to Appendix E, Councillor Haley highlighted that there was an increased reliance on locally collected taxes totalling 50% and commented that COVID had highlighted the risk in the financial system in that failure to collect charges, due to unforeseen circumstances, had placed the Authority at risk in relation to collection funds. In addition to this, the impact on the North East, not only due to COVID but also Brexit, had been higher than that of other regions.

Councillor Haley also expressed his concerns in relation to the reserves position, given that the Authority was now funding its own Capital Programme, resulting in a depleted reserves balance. Given that the minimum revenue provision of 4% was required to service any borrowing and future capital allocations, unless Government was forthcoming with funding, further reductions would be seen.

58. RESOLVED that:-

- (i) the revised estimate for 2020/2021, as summarised at Appendix A be noted;
- (ii) the establishment of a Collection Fund Resilience Reserve using the LCTS grant of £0.826m as set out in the report be approved;

- (iii) the proposed Revenue Estimates for 2021/2022, as summarised at Appendix A be approved and the planned temporary use of balances of £1.178m as set out in the report be confirmed;
- (iv) the Projected Pensions Account 2021/2022 detailed at Appendix B be noted;
- (v) the associated risks and their mitigation as set out in Appendix C be noted;
- (vi) the updated position on the General Reserves and Earmarked Reserves as set out in Appendix D be approved;
- (vii) the updated Medium Term Financial Strategy Statement for 2021/2022 to 2024/2025 detailed at Appendix E be noted;
- (viii) the Council Tax base of 289,014 (known as Item T) for the year 2021/2022, as notified by the billing authorities within Tyne and Wear under the new regulations be noted;
- (ix) the following amounts for the Authority for the year 2021/2022 which represents a Council Tax increase of 1.99% for 2021/2022, in accordance with Sections 42A to 47 of the Local Government Finance Act 1992 as amended be approved:
 - (i) £57,930,178 - being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(2)(a) to (d) of the Act;
 - (ii) £33,179,019 - being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(3)(a) to (b) adjusted for item of the Act;
 - (iii) £24,751,159 - being the amount by which the aggregate at (i) above exceeds the aggregate at (ii) above, calculated by the Authority in accordance with Section 42A(4) of the Act, as its Council Tax Requirement for the year, Item R in the formula in Section 42B of the Act;
 - (iv) £85.64 - being the amount at (iii) (Item R) above divided by the Council Tax Base (Item T), calculated by the Authority in accordance with Section 42B(1) of the Act, as the basic amount of its Council Tax for the year.

(v) **Valuation Bands**

	£	
A	57.09	being the amount given by multiplying the
B	66.61	amount at (iv) above by the number which, in
C	76.12	the proportion set out in Section 5(1) of the Act,
D	85.64	is applicable to dwellings listed in a particular
E	104.67	valuation and divided by the number which that
F	123.70	proportion is applicable to dwellings listed in
G	142.73	valuation band D, calculated by the Authority in
H	171.28	accordance with Section 47(1) of the Act, as
		the amounts to be taken into account for the
		year in respect of categories of dwellings listed
		in different valuation bands.

- (x) It be noted that under Section 52ZB of the Local Government Finance Act, the increase in the Authority's relevant basic amount of council tax for 2021/2022 was not excessive in accordance with the principles determined under Section 52ZC(1) of the Act (i.e. no referendum was required).
- (xi) It be approved that in accordance with Section 40 of the Local Government Finance Act 1992, the billing authorities within the area of this authority be issued with precepts in the amount of £24,751,159 for the financial year beginning 1st April 2021, the amount of the respective precepts to be issued to each billing authority's area in accordance with Sections 42A to 48 of the 1992 Act.

Update on Coronavirus and Associated Activities Within TWFRS

The Chief Fire Officer/Chief Executive (Clerk to the Authority), the Finance Director and the Personnel Advisor to the Authority submitted a joint report to provide an update and overview of matters and work being undertaken within Tyne and Wear Fire and Rescue Service and the (TWFRS) volunteering activity in support of Health partners and the communities being carried out by staff.

DCFO Heath advised Members that a recent inspection by Her Majesty's Inspectorate of Constabularies and Fire and Rescue Services (HMICFRS) into the Services planning arrangements, response, and ability to demonstrate effective service during the coronavirus pandemic had resulted in an overwhelming positive outcome with the letter of outcome clearly highlighting the excellent work being done by TWFRS.

Members were referred to section 3 of the report and advised that Lateral Flow Tests (LFTs) were self-administered tests for use by asymptomatic members of staff.

Introducing LFTs across the Service initially for essential/ critical workers who in the main had continued to attend work in some capacity was an enhanced health surveillance step and consistent with the National and Local government agendas for wide area community testing for coronavirus.

DCFO Heath explained that in relation to TWFRS, the operating model made it challenging for all on duty firefighters to attend a centralised location in communities for routine testing and for that reason TWFRS had worked to register its own fire stations, Headquarters and Technical Support Centre as testing locations for staff. Members were advised approval had been granted for the use of Service Headquarters (Barmston Mere), the previous week.

Whilst the Service had spent a small sum of money for the initial supply of LFT kits, as the service was now under the National Clinical Governance Model, kits were being supplied at no cost to the Authority.

This would support plans to gradually bring in routine testing twice a week for key staff. Additionally, the Service would use this for staff who may not come under the key / critical worker category but who were volunteering to support testing centres, vaccination centres or other such work.

In addition to the outstanding work already being done by staff from TWFRS over the previous year, around 140 members of staff had now volunteered with numbers constantly increasing.

Since the opening of the Nightingale mass vaccination centre at the Nightingale Hospital Sunderland on 25 January 2021, TWFRS staff volunteers had been working alongside health partners in the centre ensuring that members of the public attending for vaccinations were efficiently supported and volunteers had also been working alongside colleagues from the GP Services in the Newcastle area supporting the coordination of resources for the vaccination centre at Newcastle race course and Eagles stadium.

Members were advised that TWFRS was also working to progress training for some of its staff volunteers to undertake the role of vaccinator if required, and DCFO Heath was pleased to report that 10 Members of staff had now been trained to deliver the vaccines, which would increase further, that day. Across the country there were examples of this also happening and TWFRS was working both regionally and locally to identify any potential demand gaps that they may be able to support.

Councillor Stephenson advised that this was critical piece of work and commended all those involved, commenting that it demonstrated the diversity, flexibility and commitment of staff across the Service. Councillor Stephenson went on to say that progress had now been made in relation to delivering the vaccine, thanks to partnership working and thanked all volunteers for their work to help save lives.

Councillor Flynn questioned what systems were in place for feeding information back at a national level, especially in relation to partnership working and was advised that information was submitted to, and monitored by the Fire Chief's Council, which was in turn, submitted to the Home Office.

Kim McGuinness added to the commendation for the Service, commenting that TWFRS was proactive in its approach and thanked all those who were volunteering for a step in a completely different direction, to help with the Pandemic. In addition, Ms McGuinness felt that the 'call' to include the Police in the consideration of priority for COVID vaccination, should also include the Fire Service as they were front line members of the community on many levels.

DCFO Heath welcomed the comments made by Members and explained that a key principal of this partnership working was that staff would have parity of protection and would become vaccinated.

59. RESOLVED that:

- (i) the contents of this report be noted and endorsed together with the ongoing contribution of staff; and
- (ii) further reports be received as appropriate.

Emergency Services Mobile Communications Programme Update

The Chief Fire Officer/Chief Executive (Clerk to the Authority) submitted a report to update Members on the current progress of the National Emergency Services Mobile Communication Programme (ESMCP).

Members were advised that the Emergency Services Network (ESN) was scheduled to be progressed through Government departments in late summer 2020 however this had been further delayed with no clear indication of when the final version would be available.

ACFO McVay explained that preparation work continued across all emergency services and within TWFRS against evolving national deployment plans. Further detailed upgrade works would be required once full ESN connectivity was made available resulting in expected TWFRS transition from communicating with Airwave to ESN during 2023.

TWFRS continued to support the programme with a temporary project co-ordinator role for continuance until December 2022 and this post was fully funded via a Section 31 Local Transition Resource (LTR) Grant. In addition, a wider service Project Team had been established with key resources identified within stakeholder departments to assist in preparatory works and eventual transition.

Full transition was initially expected to be completed prior to the planned Airwave shutdown still currently scheduled for December 2022 however, national project delays beyond the control of the Authority had resulted in an extended project delivery transition schedule.

Whilst some essential Airwave equipment reached 'end of life' in December 2022 and would need to be replaced or remain in place unsupported, Airwave were responsible for the replacement of this equipment at their cost however integration with other elements of the Mobilising System would be required, currently at a cost attributed to the FRS.

Members were advised that TWFRS awaited confirmation of a proposal and quotation from its prime Mobilising System contractor, however initial discussion suggested a cost burden in the region of £100k to £200k, which was a cost that the Authority did not expect.

Had FRSs migrated to ESN in the original project timescales there would be no need for this equipment replacement and the associated operational and cost burden. As FRS's were liable for the costs with no central government funding being available, the Service had written a letter of concern to the Home Office and via the National Fire Chiefs Council (NFCC) in relation to this potential additional cost burden.

ACFO McVay explained that the longer-term financial impact of transition to the Emergency Services Network continued to be monitored by the Service as presently the Service benefited from a Section 31 Firelink Grant amounting to £275,000 per annum. The Home Office had confirmed that the Service would cease to receive this grant after transition.

Furthermore, the Service was aware that the new communications devices required for ESN would be more expensive to procure and would also require replacement more regularly. It was expected that a Cost Estimation tool would be provided by the Programme.

Councillor Haley commented that the transition to ESN, by the time the Programme was rolled out, was anticipated to be around 10 years later from initial discussions having had taken place. In addition, he also expressed his concerns that costs were now to become a burden on the Authority, which would have a resultant impact on the Capital Programme.

Councillor Haley supported the Chief Fire Officer in writing to the Home Office on behalf of the Authority, and proposed that contact also be made with the local MP and also the MP who served on the Accounts Committee, given that this was tax payers money which was being spent on a programme currently delivering nothing.

Kim McGuinness also supported the Chief writing to the Home Office and added that the delays were completely unacceptable and that that it was also unacceptable that costs were being passed down locally. In addition, this was the emergency services ability to communicate with one another, which was vital to the safety of communities and therefore needed greater prioritisation.

Councillor Woodwark commented that this had gone on for so long and would now result in financial implications in the medium term, which was not acceptable. In addition to this, the equipment would also be more expensive and yet would not last as long.

Councillor Dodds agreed with the comments made and referred to 911 with one of the main failings being the inability of emergency services to communicate with one another, which alone, reiterated that it was essential that this project be delivered as soon as possible.

60. RESOLVED that:-

- (i) the contents of the report be noted;
- (ii) the Chief Fire Officer be directed to write to the Home Office on behalf of the Authority, to reiterate the Authorities position that the ESN

programme delays and the transition from Airwave to the ESN should present no additional cost to the Authority; and

- (iii) further reports be received as necessary

It was confirmed that the livestream of the meeting had ended.

(Signed) T. TAYLOR
Chair