

CONSULTATION WITH INDUSTRIAL AND COMMERCIAL INTERESTS

Notes of the meeting held in the Chief Fire Officer's Suite at Barmston Mere Fire and Rescue Service Headquarters on TUESDAY, 3RD FEBRUARY, 2009 at 2.30 p.m.

Present:-

Representing Tyne and Wear Fire and Rescue Authority

Councillor T. Wright	-	Chairman of the Authority
Mr. I. Bathgate	-	Chief Fire Officer
Mr. K. Beardmore	-	Finance Officer
Miss K. Cuthbert	-	Senior Democratic Services Officer

Representing the North Eastern Chamber of Commerce, Trade and Industry

Miss Rachel Spence	-	NECC
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Budget Consultations 2009/2010

Councillor Wright welcomed the representative of the Chamber to the consultation meeting, the purpose of which was to provide industrial and commercial interests with the formal opportunity to comment on the budget and the proposed precept level of the Authority for the coming financial year in accordance with provisions of Section 134 of the Local Government Act 1988. To this end, the representative of the Chamber had been supplied with copies of the Authority's various papers in relation to the:

- (i) Provisional Revenue Support Grant Settlement for 2009/2010 and Indicative Settlement for 2010/2011; and
- (ii) Draft Revenue Budget 2009/2010.

Mr. Beardmore and Mr Bathgate highlighted the main points detailed in the above reports for the benefit of the representatives of the Chamber, in particular indicating the following:

- The Authority's indicative formula Grant increases for both years had not been affected by the settlement and consequently the increase set out in the consultation papers remained unchanged at 1.26% for 2009/2010 being well below the national average increase of 2.84%.
- On 15th December, 2008, CLG announced its proposals for distributing the Fire Capital Grant, which totalled £78 million nationally. The Grant had been allocated on the basis of a fixed element of £0.5 million for each authority for each of the two years with the balance being distributed according to population. As a consequence the Authority will receive a capital Grant allocation of £745,323 in 2009/2010 and £959,579 in 2010/2011.
- A base budget review of all delegated budgets had recently been undertaken. Efficiency savings equivalent to 3% had been identified which had been built into the Medium Term Financial Strategy.
- An extension in timescales on the Regional Control Centre has resulted in a new proposed 'Go-live' date of July 2010. In the North East there is a funding shortfall of £602,000 to be met by a resilience payment from Central Government. North East FRA's continue to pursue an assurance that no net costs be incurred within the region and therefore CLG meet all of the additional costs.

At this juncture Miss Spence asked how this increase had occurred and was advised that this was, largely, as a result of building costs associated with the building.

- An Estates Development Plan 2007-2012 presented a number of proposals for future development of the Authority's estate portfolio. It was proposed to fund this building programme for the Development Reserve on a phased basis.
- In relation to Tyne and Wear Emergency Planning Unit (TWEPU) a standstill annual budget of £535,289 was agreed (in October 2006) up to the end of 2009/2010.

Miss Spence took the opportunity to ask about future initiatives in Emergency Planning and Mr. Bathgate advised that a consultation was due to end in Spring which included the latest ideas.

- The Revenue Budget 2008/2009 provided for a Revenue Contribution to Capital Outlay (RCCO) of £1.3 million which had introduced additional flexibility into the funding arrangements from the Capital Programme. This resulting in reduced requirement for external borrowing.
- The Audit Commission National Review of the Fire and Rescue Service – "Rising to the Challenge, Improving Fire Service Efficiency" had outlined a number of findings, including that the service "could save up to £200 million a year if all fire services adopted good practice".

Given the current economic climate and the efficiency savings which needed to be realised, Miss Spence commented that it was the efficiencies which could be made year on year which were important.

- With regard to Council Tax levels, Government had retained its 'Capping and Reserve Powers' and expected to see average council tax increases in each of the next three years of substantially below 5%. The draft budget showed a budget requirement of £58.98 m, which represented an overall increase in spending of 1.57%.

A discussion then ensued with the NECC Representative on the increased involvement in RTA (Road Traffic Accident) call-outs and the Chief Fire Officer advised that although an increase in attendance at these scenes had occurred, the main area of business for the brigade were still fire related.

With regards to the recent economic downturn, the brigade acknowledged that there may be increased 'levels of activity'. Due to this preventative measures would be taken, where possible. Miss Spence commented that she both welcomed the early steps being taken and that joint working arrangements/Partnerships with other Services may be a useful approach to take.

At this juncture, Miss Spence advised that she had no further questions and the Chairman took the opportunity to thank Miss Spence for her attendance and the Chamber's continued support which the Authority believed was most valuable.