

Item No. 5(i)

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 18 MARCH 2019 at
10.30am.

Present:

Councillor Curran in the Chair

Councillors Bell, Duggan, Forbes, Flynn, Haley, Oliver, Perry, Pickard, Stephenson, Taylor and Woodwark.

Part I

Apologies for Absence

Apologies for absence were submitted to the meeting on behalf of Councillors Burdis, Dodds and Kilgour.

Declarations of Interest

There were no declarations of interest.

Minutes

66. RESOLVED that the minutes of the Authority, Part I held on 18th February 2019 be confirmed and signed as a correct record subject to the following amendment:

Page 12 – Paragraph 4 to read ‘ACFO Baines responded by advising that attendance at the Newcastle and Sunderland Pride events reached between 80,000-90,000 people.

Members’ Allowances Scheme for the Financial Year 2019/2020

The Deputy Clerk to the Authority and the Strategic Finance Manager submitted a joint report advising Members that the Authority was required to adopt a Members’ Allowances Scheme for each financial year. The practice of the Authority had been to use the Independent Remuneration Panel (IRP) appointed by the lead authority, Sunderland City Council, to make recommendations regarding its Scheme.

The Deputy Clerk to the Authority advised Members that a detailed review was undertaken by the Panel during 2017. The Authority agreed the Panel's recommendations as to the level of allowances, which were set out in the Appendix, to apply during the financial year 2018/2019. As this detailed review was undertaken only recently, it was suggested that the Authority may wish to consider continuing to apply the terms of the current Scheme during the financial year 2019/2020.

Councillor Woodward expressed his concerns that a review of the Authority had not been undertaken last year and felt that this should be carried out every year.

The Deputy Clerk to the Authority explained that it was a legal requirement of the Authority to approve a Members' Allowances Scheme prior to the 1st April, in each year, however it was not a requirement for a review to be undertaken every year.

Councillor Forbes commented that views of the Independent Remuneration Panel should be sought and recommendations made to the Authority for consideration.

Councillor Forbes, seconded by Councillor Pickard, moved the following amendment to the recommendations:

- (i) To apply the terms of the current Scheme for the financial year 2019/2020; and
- (ii) the Chief Fire Officer undertake a review of the current process and arrangements of the Independent Remuneration Panel.

Councillor Duggan welcomed this, and expressed his concerns regarding the existing scheme being rolled forward into the next financial year, when cuts could be considered, given the financial difficulties the Authority was faced with.

67. RESOLVED that: -

- (i) the terms of the current Scheme for the financial year 2019/2020 be applied; and
- (ii) the Chief Fire Officer undertake a review of the current process and arrangements of the Independent Remuneration Panel.

Pay Policy 2019/2020

The Chief Fire Officer/Chief Executive (Clerk to the Authority), the Strategic Finance Manager and the Personnel Advisor to the Authority submitted a joint report to inform members of the Pay Policy Statement for 2019/2020 of the Authority and to seek approval to publish this information in accordance with the statutory requirements.

Members were reminded that Section 38 of the Act required English and Welsh local authorities and fire and rescue authorities to produce an annual pay policy statement, setting out authorities' policies for the financial year in relation to the remuneration of their senior staff/chief officers, the remuneration of their lowest paid

employees, and the relationship between the pay of chief officers and that of other employees.

Members were then advised that the current pay multiples for the Chief Fire Officer and lowest paid employee was 8.60:1. This was well within the Government expectation that the pay multiple relationship should be below 20:1 in local government. In addition, this was below the national average of 15:1 in the public sector and 232:1 in the private sector.

Members were referred to trade unions facilities time and noted that the Basic Estimate of Spending on Unions totalled £34,439 which was 0.130% of the Total Pay Bill and commented that this was not excessive, given the value for money received in return.

68. RESOLVED that: -

- (i) the Pay Policy Statement for 2019/2020 be approved; and
- (ii) Further reports be received as necessary.

Treasury Management Policy and Strategy 2019/2020, including the Prudential 'Treasury Management' Indicators for 2019/2020 to 2022/2023

The Strategic Finance Manager submitted a report to provide the Authority with the proposed Treasury Management Policy and Strategy (including both borrowing and investment strategies) for 2019/2020 and the associated Prudential 'Treasury Management' Indicators for 2019/2020 to 2022/2023 for approval.

The Strategic Finance Manager advised Members that the Local Government Act 2003 required the Authority to:

- 'have regard to' the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice to set Prudential Indicators (including specific Treasury Management Indicators) for a minimum period of three years to ensure that the Authority's capital investment plans are affordable, prudent and sustainable. (Appendix 1).
- adopt a Treasury Management Policy Statement (detailed in Appendix 2),
- to set out its Treasury Management Strategy Statement comprising the Authority's strategy for borrowing and the Authority's policies for managing its investments and giving priority to the security and liquidity of those investments (set out in Appendix 3).

The Strategic Finance Manager went on to say that there were no major changes being proposed to the overall Treasury Management Strategy in 2019/2020 which maintained the prudent approach adopted by the Authority in previous years.

The Authority's performance for 2018/2019 using the prudent treasury management strategy adopted showed that the current average rate of borrowing at 3.13% was low in comparison with other local authorities whilst the current rate earned on investments

at 0.62% was higher than the benchmark rate of 0.49%. Market conditions were under constant review so that the Lead Authority on behalf of this Authority could take a view on the optimum time to carry out borrowing and / or debt rescheduling.

The Strategic Finance Manager explained that the Authority's current rate earned on investments had generated a net additional interest amounting to approximately £36,000, which had a resultant positive impact on the revenue budget.

Members were referred to Appendix 1 of the report and advised that the Authorised Limit for External Debt totalled £48.352m with the Operational Boundary for External Debt amounting to £43.352m, which the Authority had already approved as part of the Capital Programme 2019/20 report at its February meeting.

Members were assured that should Brexit have a huge impact on the financial market, the Treasury Management Policy and Strategy was adaptable and could be amended, as appropriate.

In response to a question from Councillor Pickard asking whether relevant training was delivered to Members, the Strategic Finance Manager confirm that yes, Members of the Governance Committee received training as they had delegated responsibility for financial scrutiny.

The Vice-Chairman questioned why loans were not refinanced given the benchmark rate of 3.5% and was advised that this was a decision to be taken by the lender and out of the Authority's control. Previous attempts had been made to renegotiate a better deal, however it was not in the best interests of the lenders to do so.

Councillor Forbes then referred to the non-UK Country limit of £50m and asked if the Authority was exposed. The Strategic Finance Manager advised that the Authority did not currently have any investments with non-UK financial institutions. All investments were held in UK banks which had been stress tested to ensure that they could withstand another financial crisis.

Councillor Haley questioned the long-term liabilities totalling £20m and was advised that these were PFI schemes. PFI liabilities form part of the Authority's long-term liabilities in accordance with financial accounting requirements until the PFI contract ends and they then become the assets of the Authority. The PFI Smoothing Reserve held approximately £8m of reserves which were earmarked to offset the higher revenue budget impact of the PFI revenue contract costs in its latter years.

69. RESOLVED that: -

- (i) The Annual Treasury Management Policy and Strategy for 2019/2020 (including specifically the Annual Borrowing and Investment Strategies) and be approved; and
- (ii) The Prudential 'Treasury Management' Indicators 2019/2020 to 2022/2023 be approved.

Proposal to Expand the Risk Based Attendance Policy to Include Education Premises

The Chief Fire Officer submitted a report informing Members of the proposal to expand the Risk Based Attendance Policy to include Educational Premises.

ACFO Robson reminded Members that since June 2015, attendance at automatic fire alarm (AFA) calls to non-residential premises between 0800-1759 hours had been when a backup call was received confirming a fire or physical signs of fire existed. Any call received reporting a confirmed fire or signs of fire, received the pre-determined attendance (PDA).

Fire safety and operational crews had engaged with education premises to educate and inform, in efforts to drive down unwanted fire signals (UwFS) from these premises. However due to the large number of premises with small numbers of UwFS, the current approach made it difficult to reduce these.

ACFO explained that it was proposed to remove the exemption for education premises from the RBAP; during the periods the service would expect them to be occupied, namely Monday to Friday between 0800 – 1759 hours, excluding bank holidays and school holidays. ACFO Robson reassured Members that schools still had the opportunity to evacuate the premises.

The key benefit of this proposed policy change was an anticipated reduction of up to 250 mobilisations annually to UwFS that would increase appliance availability to respond to life risk incidents.

In 2017/18 during the proposed times of 0800 – 1759 hours from mobilisations to 'fire alarms' activating there were four fires in education premises. Of these four fires, the maximum fire damage was up to five metres. Firefighting action was as follows; no action on three occasions and on the remaining incident the fuel supply was disconnected. Education premises would always receive a full PDA response when confirming a fire or signs of fire via the 999/ 112 system.

Members were advised that a letter would be circulated from TWFRS encouraging Members to engage with schools within their ward area.

70. RESOLVED that: -

- (i) The contents of the report be noted and endorsed; and
- (ii) Further reports be received as appropriate.

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

71. 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 was considered to involve a likely disclosure of information relating to the financial or business affairs of any particular person (including the Authority holding that information) (Local Government Act 1972, Schedule 12A, Part I, Paragraph 3).

(Signed) B. Curran
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.