

### Item 3 (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 15 JANUARY 2018 at  
10.30am.

#### **Present:**

Councillor T Wright in the Chair

Councillors Dodds, Flynn, Forbes, I. Galbraith, Haley, Harrison, Maughan, Perry, Pickard, Renton and Stephenson together with Dame Vera Baird DBE.

#### **Part I**

##### **Apologies for Absence**

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

##### **Announcements**

The Chairman reminded those Members who had not already done so, to complete the Corporate Governance Questionnaire.

Members were reminded that a training session would be held for all Councillors on the Integrated Risk Management Plan (IRMP) at the conclusion of the meeting.

The Chairman proudly announced that Watch Manager Karen Soady had received the Queen's Fire Service Medal. The Chairman, on behalf of all Members of the Authority congratulated Karen on this achievement and thanked her for her outstanding work in the community.

##### **Declarations of Interest**

Councillor Forbes declared an interest in relation to Item 11 (The Authority's Relationship with the Impeller Group).

ACFO Baines declared an interest in relation to Item 11 (The Authority's Relationship with the Impeller Group) and withdrew from the meeting during consideration of this item of business.

## **Minutes**

66. RESOLVED that:-

- (i) The minutes of the Authority, Part I held on 11 December 2017 be confirmed and signed as a correct record;
- (ii) The Minutes of the Policy and Performance Committee held on 13 November, 2017, Part I, be noted for information; and
- (iii) The Minutes of the Human Resources Committee held on 9 October, 2017 Part I, be noted for information.

### **Review of Members' Allowances Scheme for Financial Year 2017-2018 and 2018-2019**

The Deputy Clerk to the Authority and the Strategic Finance Manager submitted a joint report to consider the Members' Allowances Scheme for the Financial Year 2017/2018 and 2018/2019.

The Deputy Clerk reminded Members that in March 2017, it was agreed that the terms of the Scheme should continue to apply, pending the outcome of a Panel review.

In undertaking this review, the Panel received written submissions from two Members of the Authority and also met with the Chairman and the former Chief Fire Officer, Tom Capeling.

Members were advised that none of the schemes of the constituent Authorities contained a special responsibility for Members who sat on the Fire Authority, The current basic allowance paid by the constituent Authorities were Gateshead £10,550, Newcastle £8,775, North Tyneside £9,956, South Tyneside £7,370 and Sunderland £8,369.

Members were referred to the report of the Independent Remuneration Panel and noted that it had recommended an increase in the basic allowance from £1,848 per annum to £2,500 and the Vice-Chairman allowance from £6,399 to £10,000, together with some minor changes to the terms and conditions of the Scheme.

67. RESOLVED that:-

- (i) The recommendations of the Independent Remuneration Panel be noted;
- (ii) No amendments be made to the recommended Allowances Scheme for 2017/18;
- (iii) The amendments be implemented from the 1<sup>st</sup> April 2018 and that the provisions of the Scheme, as amended be applied as the adopted Scheme for the financial year 2018/2019; and
- (iv) Authorisation be given to the Deputy Clerk to make changes to the terms and conditions of the Scheme referred to in the Panel's report and any other consequential amendments as necessary, to achieve consistency and reflect any changes in legislation.

## **Capital Programme 2017-2018 – Third Quarterly Review**

The Chief Fire Officer and Chief Executive (Clerk to the Authority) and the Strategic Finance Manager submitted a joint report to review the current year's Programme and reflect further changes to those that were presented to the Authority as a consequence of the Second Capital Programme Review on 13<sup>th</sup> November 2017.

The Strategic Finance Manager advised the Authority that the Capital Programme was showing a reduction in total of £4,279,957, from £7,200,865 at the Second Review Stage, to £2,920,908.

In addition, the Authority was in the process of selling the former community fire station at Fulwell. The sale was subject to and conditional upon planning approval and a site survey. Subsequently, site investigations had established that there was an issue with the water and other utility and communications supplies to the dwellings to the rear of the site. Some work was required before the sale could proceed and was estimated to cost no more than £45,000. The sale was dependent on these works being completed and would generate a one-off capital receipt in the region of £640,000, part of which could be used to finance these essential on site works. This cost had been added to the Capital Programme for 2017/2018.

The Strategic Finance Manager briefed members on the main details of the report and explained further, that the main reason for the variation of £4,279,957 to the Capital Programme was the fact that £4,250,000 in respect of the proposed replacement Hebburn Community Fire station was to be 'slipped' into 2018/19 as feasibility work continued to assess the most appropriate and optimum site.

The Strategic Finance Manager then advised members that all Prudential Indicators were regularly reviewed and that all were within the agreed limits that had been approved by Authority on 13<sup>th</sup> February 2017.

68. RESOLVED that the reported variations since the Second Quarterly Review, the addition of the new project and the significant slippage of the proposed replacement Hebburn Station in to 2018/2019 be noted, and the revised Capital Programme for 2017/2018, detailed at Appendix A be approved.

## **Revenue Budget 2017-2018 – Third Quarterly Review**

The Chief Fire Officer and Chief Executive (Clerk to the Authority) and the Strategic Finance Manager submitted a joint report advising Members of issues relating to the 2017/2018 Revenue Budget position at the third quarterly review stage.

Members were advised that there was now an underspend of £0.354m projected at outturn.

Members were advised of the following main variations:-

- Employee Costs – At this stage in the financial year there was now a projected net underspend on the overall Employee's budget of £217,000.
- Premises – there remained a small underspend of £6,000 due to savings of utility bills.
- Transport – the transport was now expected to have a small underspend of £9,000.
- Supplies and Services – there was a projected overspend of £8,000. Despite savings on the subsistence budget, the tender for professional legal court representation was higher than budgeted for.
- Income – There was a projected net overachievement of income of £130,000.

The Strategic Finance Manager referred to the statement of balances and explained that the general fund balance of £3.943m may possibly need to change in the year depending on the outcome of the pensions issues.

69. RESOLVED that the position with regard to the Revenue Budget for 2017/2018 as set out in the report and summarised at Appendix A, be noted.

### **Schedule of Precept Instalments 2018-2019**

The Chief Fire Officer and Chief Executive (Clerk to the Authority) and the Strategic Finance Manager submitted a joint report requiring Members to review and approve the precept instalments for the financial year 2018/2019.

The schedule of precept instalments was detailed within the report.

70. RESOLVED that the schedule of instalments proposed under paragraph 4(4) of the Local Authorities (Funds) (England) Regulation 1992, as set out in paragraph 2.1 of the report, be approved.

### **Provisional Local Government Finance Settlement 2018-2019**

The Chief Fire Officer and Chief Executive (Clerk to the Authority) and the Strategic Finance Manager submitted a joint report to provide Members with information on the key aspects of the Provisional Local Government Finance Settlement for 2018/2019 announced on 19<sup>th</sup> December 2017 and the financial implications to the Authority.

The Strategic Finance Manager referred Members to the main headlines from the settlement which was received on 19<sup>th</sup> December 2017, which were detailed at section 2 of the report.

The Strategic Finance Manager explained that the Authority would see an increase to its Core Spending Power (CSP) of £0.458m (0.8%) in 2018/2019 taking into account the revised revenue funding resources used by the government. The government had not properly adjusted the CSP measure for 2017/2018 to reflect the fact the Authority was already receiving part of the grant for under-indexation of Business Rates in previous years. Once this had been taken into account the real increase reduced to £0.371m.

Members were then advised that the CSP over the 4 Year Settlement (2016/2017 to 2019/2020) also showed that the Authority continued to receive one of the poorest Finance Settlement's within the local government sector. The CSP revised position (using the government's revised criteria in 2018/2019) indicated an overall CSP reduction of -1.99% over the 4 year term compared to a national position where there was an average increase of 2.1%. This indicated a significant funding disparity across local government and for individual authorities. The gap between the Authority was more than 4% adrift from the national average settlement across the local government sector.

The Strategic Finance Manager then went on to say that SFA for the Authority was expected to reduce by £0.841m (-3.31%) in 2018/2019 compared to 2017/2018. This was predominantly due to the reduction in the Authority's Revenue Support Grant reduction of £1.277m. The cut in this funding element in cash terms was much higher for TWFRAs compared to other more affluent Authorities. The cut in SFA in percentage terms was actually higher in other fire authorities because of the revised methodology introduced by the government in last year's Settlement, but in cash terms the reduction to funding was actually significantly lower than this Authority's cut because of over reliance on grant funding.

Members were then asked to note that the government had increased the referendum limit for council tax for the Fire service from 2% to 3% for both 2018/2019 and 2019/2020, this being worth additional income of almost £0.450m in total up to 2019/2020 based upon current tax base projections of 1% growth in each year. This added flexibility was welcomed, however fell significantly short of the Authority's £10 flat rate Band D increase request, which it needed to address its revenue budget gap issues and could have generated income totalling approximately £4m and would have helped to balance the revenue budget for the next 3 years.

The Strategic Finance Manager explained that the revised position before the Provisional Finance Settlement 2018/2019 was announced and taking the revised IRMP savings position into account from the meeting held on 11<sup>th</sup> December, meant that the Revenue Budget Gap for 2019/2020 increased by approximately £1m from £1.8m to £2.8m and the 2020/2021 position increased from £2.8m to £3.7m. However when the Provisional Settlement 2018/2019 helped to reduce the gap, which the Table at 4.3 refers, to £2.1m at 2019/2020 and to £2.9m at 2020/21.

The Authority was advised that IRMP actions which would not be achieved had been removed from the MTFS and that at this point in time, there was a real prospect of having to use reserves temporarily in 2018/2019 to balance the revenue budget until more IRMP actions were implemented. Clearly the constant use of reserves was not sustainable in meeting a continuous and unaddressed revenue budget gap.

The Strategic Finance Manager referred Members to section 5 of the report which detailed a proposed response to the Settlement and asked Members for comments. The response must be forwarded by 5pm the following day.

The Vice-Chairman expressed his disappointment in the Settlement and commented that the late stage in which it is received each year was very unhelpful.

Councillor Forbes went on to say that once again, it was the responsibility of the tax payer to take on the additional burden created by a lack of funding from the government and that once again, TWFRAs had been disproportionately affected as in previous years. Councillor Forbes explained that the settlement itself and placing an extra tax burden on the people of Tyne and Wear when they had seen their living standards being significantly eroded since the austerity measures were introduced was deeply unfair.. With resources constantly diminishing, a case should be made explaining that it was becoming increasingly difficult to deliver the same level of services. The Policy and Performance Committee had already seen the increased number of incidents, due to a reduction in prevention work as a result of cost pressures which was now having a detrimental impact on the fire service.

71. RESOLVED that:-

- (i) the implications of the provisional local government finance settlement for 2018/2019 on the Revenue Budget be noted;
- (ii) the comments be approved as the basis for the Authority's formal response to the Settlement. The response must be lodged with government by 5pm on 16<sup>th</sup> January 2018; and
- (iii) the final Revenue Budget for 2018/2019 would be presented to the Authority at its meeting in February together with an updated and finalised Medium Term Financial Strategy (2018/2019 to 2021/2022) once all financial data has been received.

### **Integrated Risk Management Action Plan 2017-2018**

The Chief Fire Officer and Chief Executive (Clerk to the Authority), the Strategic Finance Manager and the Personnel Advisor to the Authority submitted a joint report to update Members regarding progress against the Authority's Integrated Risk Management Plan (IRMP) 2017-2020.

ACFO Robson provided Members with a progress update in relation to each of the 3 actions as detailed below:-

## **Action 1      Review how we respond relative to risk.**

The main areas of focus had been data analysis, new technology or approaches, crewing levels, crewing patterns, mobilising, horizon scanning, and consultation and comparison.

Members were advised that the review team were currently focused on developing the following options:-

- Flexibility in operational response and staffing arrangements:
  - Review incidents attended and staffing arrangements for TRV's;
  - Distribution of category 02 appliances based on risk/demand;
  - Review shift times based on risk/demand;
  - Examine opportunities for wider use of the 'On Call' duty system based on risk and demand;
  - Review staffing arrangements.
- Review Control staffing arrangements;
- Review Flexible Duty Officer system.

Councillor Dodds referred to the review of shift times and commented upon the importance of any changes being family friendly.

ACFO Robson provided assurances that this would be a key consideration and that staff consultations would take prior to any changes being implemented.

## **Action 2      Explore further opportunities for collaborative working with emergency services and other partners.**

The review intended to drive forward the collaborative agenda where it improved effectiveness and efficiency, strengthening services, increasing innovation, delivering significant savings and better protecting our communities.

The review team were currently focussed around developing options in areas including:

- Funding for resources and staff time for wider health initiatives
- Joint procurement of goods through a National Framework.
- Working in closer partnership on arson prevention activities.
- Changes to diversionary activity programmes.
- Sharing of training with other FRS and non-fire service related companies
- Joint recruitment where more effective and efficient.
- Strategic review of our current Estate to identify potential for income generation.
- Collaboration opportunities with health in each of the local authority areas.

**Action 3      Examine our ways of working and consider opportunities for further efficiency and effectiveness.**

The review was making progress and the main areas of focus were:-

**Technology** – The review was considering the use of devices to capture information with a view to consolidate the number of devices currently utilised whilst minimising double keying of information. It was also considering the systems that sat behind the technology in the aspiration of achieving efficiencies from the development of a more technologically supported workforce.

**Estates** – This area of the review was looking at the identification of assets and land that may achieve a capital receipt or on-going revenue income whilst also looking at opportunities for efficiencies in the current estate through investing to save such things as station design.

**Organisational Structures** – This work stream provided an opportunity to consider the structures following OMR and the revised ways of working needed to deliver effectiveness in the service going forward.

**Finance** – The finance element of this review sought to create efficiencies both in-year and for future years by considering current and future capital and revenue budgets. In addition the procurement team were working closely with all departments to maximise the amount of spend attributed to contracts.

72.      RESOLVED that:-

- (i)      The contents of the report be noted; and
- (ii)     Further reports be received regarding the findings of the reviews and associated consultation exercises prior to final approval and implementation of any outcomes.

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

73.      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 any individual or which was likely to reveal the identity of an individual or information relating to the financial or business affairs of any particular person (including the Authority holding that information) or information in respect of which a claim to legal professional privilege could be maintained in legal proceedings (Local Government Act 1972, Schedule 12A, Part I, Paragraphs 1, 2, 3 and 5).



(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.

