



**MINUTES OF THE POLICY COMMITTEE held on Wednesday 28 January 2015 at Fire Service Headquarters, Winsford at 10 a.m.**

**PRESENT:** Councillors J Joyce (Chair), M Biggin, E Johnson, L Jones, G Merry, S Nelson, B Rudd, C Thorley and D Topping.

**PART 1 – MATTERS CONSIDERED IN PUBLIC**

**1 PROCEDURAL MATTERS**

**A RECORDING OF MEETING**

Members were reminded that the meeting would be audio-recorded.

**B APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Carey.

**C DECLARATION OF MEMBERS INTERESTS**

There were no declarations of Members interests.

**D MINUTES OF THE POLICY COMMITTEE MEETING**

**RESOLVED:** That

**the Minutes of the meeting of the Policy Committee held on 18 November 2014 be confirmed as a correct record.**

**E NOTES OF THE RISK MANAGEMENT BOARD**

**RESOLVED:** That

**the notes of the Risk Management Board meeting held on 13 January 2015 be received, for information.**

**ITEMS FOR INFORMATION**

**2 2015-16 DRAFT BUDGET, COUNCIL TAX AND MEDIUM TERM FINANCIAL PLAN**

The Head of Finance presented this report and explained that Members of the Fire Authority were required to approve a budget and set the Council Tax precept for the year commencing 1<sup>st</sup> April 2015. The report set out the relevant factors that the Authority must have regard to, which included the likely impact of policy options on the Fire and Rescue Service, the prevailing economic

climate and the impact of future grant reductions during the current Comprehensive Spending Review (CSR) period (2011-12 to 2014-15, extended to 2015-16) and beyond.

The report was the second of three budget reports with the final report being presented to the Authority on 11<sup>th</sup> February 2015. The Head of Finance explained that the report provided an update on the position that was reported to the Fire Authority on 16<sup>th</sup> December 2014 and at the recent Members Planning Day on 16<sup>th</sup> January 2015.

The Head of Finance explained that the Government had made the Council Tax Freeze Grant available for 2015-16 and this was only available to those Authorities who opted to freeze or reduce their Council Tax. The indicative amount available to the Authority for 2015-16 was £265k which was slightly more than 1% of the Authority's current Council Tax income. The Government had indicated that the grant would be included in the base funding but it was not clear whether this meant beyond the current Comprehensive Spending Review period. Members were reminded that they would be required to undertake a referendum if they chose to increase Council Tax above 2% in 2015-16.

The Head of Finance updated Members on the current position in relation to the council tax and business rates figures from the four constituent authorities. He explained that there had been a significant increase in the indicative tax bases which resulted in an additional amount of Council Tax income of around £380k. An estimated increase of .05% had been built into the Medium Term Financial Plan (MTFP) from 2016-17 to reflect the increase in the tax bases. He added that it was also anticipated that the arrangement whereby the Authority 'passports' Council Tax to three of the constituent authorities (Cheshire East, Cheshire West and Chester and Warrington) to part fund PCSOs would continue in 2015-16, at a cost of approximately £42k to the Authority.

He also explained that the amount shown in the MTFP in relation to the Settlement Funding Assessment included the latest estimate from the government of the Business Rates baseline. It was possible that the amounts shown would vary slightly from the amounts declared to the Government once the authorities that raise business rates submitted their final figures. Finance would ensure that the most up to date figures were included in the budget reported to the Authority in February.

The report presented two MTFP scenarios to Members which had been modelled on existing assumptions and illustrated how the Authority would produce a balanced budget in 2015/16. The Head of Finance explained that Appendix 1 showed the MTFP if the council tax freeze grant was rejected and the precept increased by 1.99% and Appendix 2 showed the MTFP if the council tax freeze grant was accepted. He also outlined the assumptions which had been made within the plans and were detailed in the report.

The report also contained a number of appendices which provided details of revenue growth items, savings, capital programme 2015-17 and details of the Authority's earmarked reserves as at December 2014.

Members discussed the information provided which updated them on the current position in relation to the Authority's financial position and draft 2014/15 budget proposals. A number of queries and comments were made.

Members queried the criteria for transformation funding bids and whether bids could be made for the ICT and blue light collaboration work being undertaken. The Head of Finance informed Members that bids had to be made for specific projects and the ICT funding was based around the Authority's core activities. However the Authority would always try to access funding where possible. The Chief Fire Officer added that the Police Innovation Funds were another source of funding available specifically for blue light collaboration projects.

A query was also raised on the sufficiency of the information that would be available from the Government and constituent authorities for the February budget meeting. The Head of Finance responded that the information was sufficient but added that the late receipt of all the relevant information had caused issues in relation to budget reporting for the last two years.

A Member queried why Halton Borough Council were not included in the arrangement to part fund PCSOs. The Head of Finance explained that these decisions had been made by the local authorities and Halton had not been involved in this project.

Members sought clarification on when the Authority would know whether the Council Tax Freeze Grant would be included in base funding beyond the current CSR period. The Head of Finance explained that the public finance sector had sought more clarity from the Government on this issue but further guidance had not been received to date.

A Member asked how the Authority's financial relationship with North West Fire Control was shown in the budget and the Head of Finance informed Members that the payments made to NWFC each year were included within the overall budget. The Head of Finance confirmed that the savings were included in the 'other savings' figure shown in the MTFP for 2014-15 and therefore removed from the base budget.

**RESOLVED: That**

**[1] the report and information relevant to the setting of the 2015-16 budget and precept be noted.**

**3 DRAFT INTEGRATED RISK MANAGEMENT PLAN 2015-16 (IRMP12) – CONSULTATION FEEDBACK**

The Head of Planning, Performance and Communications introduced this report which provided Members with feedback on the consultation programme that was carried out in relation to 'Making Cheshire Safer', the Authority's draft

annual action plan for 2015-16 (IRMP 12). The report also set out the areas that would require updating prior to publication.

The Head of Planning, Performance and Communications explained that Members had received an informal presentation confirming the final outcomes of the consultation and highlighting a number of issues for consideration at their recent planning day.

The Head of Planning, Performance and Communications summarised the content of the report and commented that the feedback from the 12 week consultation programme provided similar responses to previous years. He explained that the response rate from members of the public was 13% and, while this was below last year's figure of 18%, it was still sufficient to provide reassurance that the survey results were within a margin of error of +/- 4%. However staff responses remained considerably lower than previous years with only 78 responses compared to 133 last year. This was mainly attributed to the impact of the industrial dispute and the fact that views had previously been given on headline issues such as 12 hour shifts.

The initial feedback continued to show the high regard with which the Service was held by residents, with 97% saying they valued the organisation as a provider of local services. The views expressed continue to be shaped largely by perception with 51% of respondents saying that they had not had any contact with the Service in the past 3 years. The Head of Planning, Performance and Communications outlined the headline results which included that 55% of residents were in support of the proposal to raise the Authority's precept by 1.99% and 71% of residents supported the plans in the IRMP. Among staff overall support for IRMP was 59% with 64% in favour of a 1.99% Council Tax increase.

The report included information on areas of the IRMP which required updating in relation to the Service's involvement in a new £5m sub-regional Complex Dependencies programme, development of business cases for delivering joint back office services with Cheshire Police and the timetable for the completion of the Authority's new build programme.

Members discussed the impact of the constant change and perceived threats to job security on staff morale. The Chief Fire Officer informed Members that senior officers engaged with staff on a regular basis and ensured that the message to staff that the Fire Authority had agreed that there would be no compulsory redundancies for firefighters was relayed.

**RESOLVED: That**

- [1] the proposed updates to the draft 2015-16 Annual Action Plan (IRMP12) be confirmed.**

**PART 2 – BUSINESS TO BE DISCUSSED IN PRIVATE**

**NONE**