



MINUTES OF THE MEETING OF THE CHESHIRE FIRE AUTHORITY held on Wednesday 11 February 2015 at Fire Service Headquarters, Winsford at 10.30 a.m.

PRESENT: Councillors M Biggin, D Brickhill, P Carey, P Harris, J Houlbrook, E Johnson, J Joyce, B Livesley, G Merry, S Nelson, R Polhill, B Rudd, T Sherlock, M Simon, A Tate, C Thorley, D Topping, J Weatherill N Wright and S Wright.

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 were received from Councillors D Flude, L Jones and H Mundry.

C CHAIR'S ANNOUNCEMENTS

Blue Light Collaboration

The Chair explained that there would be regular updates to Members on the Blue Light Collaboration Programme. He added that a staff briefing document that was planned for distribution to staff in Cheshire Fire & Rescue Service, Cheshire Constabulary and North West Ambulance Service within the next week would be provided for Members at the end of the Fire Authority meeting.

C DECLARATION OF MEMBERS' INTERESTS

The Head of Legal and Democratic Services reminded Members that a dispensation had been granted to all Members in relation to the setting of the Council Tax precept and the approval of the Members Allowance Scheme, which was effective for four years. He also explained to Members that they would need to declare their interests in the relevant items at this point of the meeting.

Item 3 2015/16 Draft Budget, Council Tax and Medium Term Financial Plan
Members declared a Disclosable Pecuniary Interest in this item and indicated that they would rely upon the dispensation.

Item 9 Members' Allowance Scheme 2015-16
Members present declared a Disclosable Pecuniary Interest in this item and indicated that they would rely upon the dispensation.

D MINUTES

Members were asked to confirm the minutes of the Fire Authority meeting held on 10 December 2014 and receive, for information, minutes of the Policy Committee, Performance and Overview Committee, Governance and Constitution Committee, Staffing Committee, Joint Consultative Committee and the Brigade Managers Pay and Performance Committee.

RESOLVED: That

- [1] the Minutes of the meeting of the Cheshire Fire Authority held on 10 December 2014 be confirmed as a correct record; and**
- [2] the Minutes of the following meetings be received:
Policy Committee – 28 January 2015;
Performance and Overview Committee – 4 February 2015
Governance and Constitution Committee – 28 January 2015
Staffing Committee – 9 December 2014
Joint Consultative Committee – 12 December 2014; and
Brigade Managers' Pay & Performance Committee – 8 January 2015.**

2 PENSION BOARD – FIREFIGHTERS' PENSION SCHEMES

The Head of Legal and Democratic Services presented this item which provided information for Members in respect of the requirement for the Authority to establish a Pension Board. He explained that the Governance and Constitution Committee had considered this matter at its meeting held on 28 January 2015 and had made a number of recommendations to the Authority. These included delegating responsibility for the role of Scheme Manager, establishing a Pension Board and the creation of a Member Champion role concerned with pensions who would be the elected Member sitting on the Pension Board. The Fire Authority was also asked to consider the appointment of an elected Member to the Member Champion role.

The Head of Legal and Democratic Services provided an update on the requirement to have a Pension Board that was 'operational' by 1 April 2015. Further information had been received after the report was prepared indicating that the expectation now was that Pensions Boards would not have

to meet until July 2015. This would allow more time for those appointed to receive the appropriate training and development required to fulfil their roles.

A Member queried the timing of the appointment of the elected Member and expressed the view that the decision should be deferred until after the elections and appointments made at the Fire Authority Annual Meeting in June 2015. The Head of Legal and Democratic Services acknowledged the problem but confirmed that the Pension Board needed to be in place by 1st April 2015 even if it was not expected to meet. The appointment made could be reviewed as part of the annual review of Member Champion roles at the annual meeting in June 2015.

Two nominations were received to be appointed to the Member Champion role and Members decided that the best approach would be to appoint a deputy to this role.

RESOLVED: That

- [1] responsibility for fulfilling the role of Scheme Manager be delegated to the Head of People and Development;**
- [2] a Pension Board be established to assist the Scheme Manager in securing compliance with the Firefighters' Pension Schemes' Regulations and associated legislation and guidance comprised of an elected Member and officer to represent the employer and two additional people to represent the pension members;**
- [3] a new Member Champion role responsible for pensions who will sit on the Pension Board as an employer representative be created;**
- [4] Councillor H Mundry be appointed as the Member Champion responsible for pensions and Councillor M Simon be appointed as his deputy.**

3 2015-16 DRAFT BUDGET, COUNCIL TAX AND MEDIUM TERM FINANCIAL PLAN

Cheshire Fire Authority was required to approve its budget and set the Council Tax precept for the year commencing 1 April 2015. In determining a budget that it considered reasonable, the Authority was required to have regard to all relevant factors, including the likely impact of policy options on the achievement of the Service's objectives and the uncertainty associated with the economic scenario.

The Head of Finance presented the report which sought Members approval for the Authority's budget for 2015-16, the Council Tax precept level for 2015-16 and its Medium Term Financial Plan (MTFP) for 2015-16 to 2018-19. This

was the final budget report of three; the first was considered by the Fire Authority on 10 December 2014 and the second by Policy Committee on 28 January 2015. Members had also met to develop the Authority's financial plans during Planning Days in July and October 2014 and most recently in January 2015.

The report asked Members to consider two budget options, based on:

- a) Increasing the precept by 1.99%; or
- b) Accepting Council Tax Freeze Grant.

The two budget proposals were detailed in Tables 1 and 2 of the report. Appendices 1 and 2 of the report presented the MTFP modelled on the effect of existing assumptions and showed how the Authority would produce a balanced budget in 2015-16 based on the two budget options; if it rejected the Council Tax Freeze Grant and increased the precept by 1.99% (Appendix 1) or if it accepted Council Tax Freeze Grant and the precept remained the same as in 2014-15 (Appendix 2).

The Head of Finance presented the report and provided an overview of the main areas of the report as follows:

- Cheshire Fire Authority Budget for 2014-2015;
- The Comprehensive Spending Review and National Context;
- Medium Term Financial Plan covering the period up to and including 2018-19;
- Revenue Growth proposals;
- Savings;
- Funding of Cheshire Fire Authority;
- Capital Programme;
- Budget Consultation;
- Robustness of Estimates and Adequacy of Reserves;
- Financial Health Targets;
- Prudential Code;
- Summary Budget Proposals 2015-16 (and precepts on Collection Funds);
- Impact Assessments;
- Conclusion.

Members discussed the information provided in respect of the budget proposals for 2015-16 and a number of comments/queries were made.

Councillor Carey, Member Champion for Finance thanked the Head of Finance for his comprehensive report and stated that the financial information was just a snapshot in time and there were a lot of variables that would become clearer over time which would affect the assumptions made. He commented that there had been a number of detailed discussions on the budget proposals and there had been overall agreement in respect of the

majority of the budget recommendations. He stated that it was important for the Authority to continue to have a consistent, prudent approach and also ensure it was investing in a safer Cheshire. He added that there was support from the public for an increase in Council Tax by 1.99%. He proposed that, in respect of recommendation [1] Proposal 1 - Increase the Council Tax precept by 1.99% be approved and supported the approval of recommendations [2] to [8].

A Member seconded Councillor Carey's proposal and added that the Authority needed to invest in its future to ensure the high standards were maintained for the residents of Cheshire. A Member commented that he agreed that the Authority was well run and that the Authority should take the opportunity to increase the precept as, if it was not taken, this could store up problems for future budgets.

Councillor Merry, Member Champion for Finance informed Members that the Authority should consider the option to take up the Council Tax Freeze Grant, particularly as this grant would now be baselined and taking account of other increases in funding. She stated that, although there was public support for a Council Tax increase, this was a matter of principle. The Authority was well managed and, as there had been some increases in funding and the Service was proposing to spend on its capital programme, an increase at this time would send out the wrong message. Therefore she proposed that, in respect of recommendation [1], the Authority agree to accept the Council Tax Freeze Grant for 2015-16.

A Member seconded this proposal and commented that the time was not right for an increase in the precept as this was a well managed Authority with healthy reserves. A Member added that she wished to re-iterate the point that the Authority was sending out mixed messages if it increased the precept during a period of austerity.

A Member asked for some clarity on the baselining of Council Tax Freeze Grant beyond the current Comprehensive Spending Review period. The Head of Finance explained that when the report was published there had still been uncertainty regarding the baselining of the grant. However there had been a ministerial statement within the last week which said that the grant would be included in the settlement. He also confirmed that the current CSR period would end in 2015/16.

The Chair concluded that Members had expressed their views and that two alternatives had been proposed and seconded in respect of the 2015-16 budget. Members were asked to vote on the two proposals. The proposal to increase the Council Tax precept by 1.99% was carried with 12 Members voting in support of the increase. 8 Members voted in support of accepting the Council Tax Freeze Grant.

RESOLVED: That

- [1] a) the 2015-16 budget, as set out as Proposal 1 (Increase in precept of 1.99%) in Table 1 of the report, be approved;
b) the precepts on the collection funds for 2015-16 as set out in Proposal 1 in Table 2 of the report be agreed (Council Tax for 2015-16 for a Band D equivalent property be set at £70.46);
c) the Medium Term Financial Plan, as set out in Appendix 1, covering the period up to and including 2018-19 be approved;
- [2] the Revenue Growth proposals for 2015-16, as set out in Appendix 3, be approved;
- [3] the Savings proposals for 2015-16, as set out in Appendix 4, be approved;
- [4] the 2015-16 Capital Programme, as set out in Appendix 5, and the items shown as part of the Capital Programme for 2016-17, also set out in Appendix 5, be approved;
- [5] the Strategy for Managing Reserves, as set out in Appendix 6, be approved;
- [6] the Reserves Risk Assessment, as set out in Appendix 7, and the Robustness of Estimates and Adequacy of Reserves (paragraphs 32-50 of the report) be noted;
- [7] the Financial Health Targets, as set out in paragraph 51 of the report, be adopted for 2015-16; and
- [8] the Prudential Indicators for the years 2015-16 to 2017-18, as set out in Appendix 9, be approved and the Head of Finance be authorised to alter the mix of borrowing and other long term liabilities within the authorised limit and operational boundary.

4 INTEGRATED RISK MANAGEMENT PLAN 2015-16 (IRMP 12)

The Head of Planning, Performance and Communications presented the report which sought Members' approval to publish the Authority's annual action plan for 2015-16 (IRMP12) following the conclusion of a formal 12 week consultation programme.

The Head of Planning, Performance and Communications presented an overview of the consultation programme and a summary of the key issues highlighted in the full consultation report. He explained that the programme focused on a standard consultation survey highlighting key proposals in the

draft IRMP with residents encouraged to respond using the printed forms distributed at the community roadshows or via the website. Staff and partners were able to respond via the online survey available on both the intranet and website. A total of 566 members of the public responded which meant that the Authority could be confident that the responses were an accurate reflection of public opinion, producing a confidence interval of +/- 4%.

The quantitative survey comprised 11 questions about the Service in general and the proposals for 2015-16. The headline results included:

- **Satisfaction** - The vast majority of residents (96.5%) valued Cheshire Fire and Rescue Service as a local service provider;
- **IRMP 12** - 71.4% of residents and 59.2% of staff supported the overall plans set out in the draft annual action plan for 2015-16;
- **Council Tax** – 54.6% of residents would support the Fire Authority increasing its council tax level by 1.99% compared to 45.8% last year. Staff support was 64.1%;
- **Firefighter Apprenticeship** – 94% of residents would support the introduction of a firefighter apprenticeship programme, however, there was less support from staff with 64.1% in favour, 17.9% unsure and 17.9% against;
- **Contact** – 50.8% of public respondents have had no contact with the Service in the last three years, 23.5% had come into contact through a Home Safety Assessment (HAS) and 10.9% had visited a station open day. Only 3.7% were as a result of a fire or road traffic collision.

The Head of Planning, Performance and Communications informed Members that the local impact of the Authority's ongoing emergency response programme was the key theme. The changes at Congleton, Knutsford, Chester, Runcorn and Widnes fire stations were highlighted as well as the increased reliance on on-call staff. The four parish councils who responded to the consultation were generally in support of the proposals but did highlight the need for the Service to keep them updated on the progress of local changes. The Head of Planning, Performance and Communications explained that, to ensure there was involvement of Parish Councils in new build plans within their local area, a similar approach to that adopted for Alsager would be extended. He also explained that the sustainability of the increase in on-call staff would be factored into the next phase of the emergency response review programme.

Consultation with representative bodies had also been held. There had been no formal responses received, however the Fire Brigade's Union (FBU) representative gave a presentation to the Members Planning Day in January 2015 and re-iterated that the FBU's main concerns were around issues which had been proposed in earlier IRMPs, particularly riding with four firefighters and the introduction of 12 hour shifts on wholetime stations.

The Head of Planning, Performance and Communications informed Members that the latest copy of the IRMP, which had been distributed with the agenda, had been updated in a number of areas to reflect the outcomes from the consultation and recent changes to national and sub-regional policies and programmes. It was noted that all the performance and financial information would be updated with the latest available information just prior to publication in March and would be signed off by the Chief Fire Officer.

The draft timetable for the implementation of the emergency response programme on page 26 of IRMP12 may also need to be updated prior to publication, to reflect any changes to the timelines for the completion of the Authority's programme to build new fire stations.

The Chair informed Members that he had requested that regular reports be provided on the draft timetable to keep Members informed of any changes as the programme would be regularly reviewed and updated.

RESOLVED: That

- [1] the feedback received from the consultation on the Integrated Risk Management Plan 2015-16 (IRMP 12) be noted;**
- [2] the Integrated Risk Management Plan 2015-16 (IRMP 12) be approved for publication by 31st March 2015; and**
- [3] the Chief Fire Officer be authorised to make any final drafting changes to the publication, including updated performance and financial information and timescales for new station builds.**

5 TREASURY MANAGEMENT STRATEGY AND PRACTICES 2015-16

The report of the Head of Finance sought Members approval for the Fire Authority's Treasury Management Strategy and Practices for the year 2015-16. This was a requirement of guidance issued by the Department of Communities and Local Government in April 2010 and the 2009 CIPFA Treasury Management Code. It also assisted the Authority in demonstrating its compliance with requirements contained in the Local Government Act 2003.

The Treasury Management Strategy comprised of two main elements; Treasury Management – Borrowing and Minimum Revenue Provision Strategy and the Treasury Management - Annual Investment Strategy. These two documents were attached as appendices to the report. It was proposed that the Authority continued to set the Minimum Revenue Provision at 6.7% of the opening Capital Financing Requirement, which was considered to be a prudent and sustainable approach. The Authority's approach to Treasury risk management and its Treasury management practices, which had been

published on the Authority's website with the agenda, were also detailed in the report.

Members thanked the Head of Finance and his team for their hard work in producing two very comprehensive reports, which had been considered at today's meeting, in relation to the budget proposals and the Treasury Management Strategy.

RESOLVED: That

- [1] the Authority's Treasury Management Strategy for the year 2015-2016 be approved; and**
- [2] the Authority's approach to Treasury Risk Management and its Treasury Management Practices be approved.**

6 PAY POLICY STATEMENT

The Head of People and Development introduced this report which sought Member approval to publish the Authority's Pay Policy Statement for 2015-16. As a result of the Localism Act 2011 all local authorities were mandated to publish an annual Pay Policy Statement which set out the Authority's policies for the financial year relating to the remuneration of its Chief Officers, its lowest paid employees and the relationship between the pay of Chief Officers and that of other employees. The publication of a Pay Policy Statement was an annual requirement that must take place by 31st March immediately preceding the financial year to which it related.

The report provided details of the Authority's Pay Policy Statement for 2015-16 and the draft Statement was attached to the report for Member approval. The Head of People and Development explained that this was the fourth statement that had been produced and there were no significant changes in this year's statement. She drew Members attention to the information on the Authority's policy in relation to re-engagement and explained this had been revised to provide more clarity.

RESOLVED: That

- [1] the Annual Pay Policy Statement 2015/16, attached as Appendix A to the report, be approved.**

7 FIREFIGHTER FITNESS – ADDENDUM TO THE FIRE AND RESCUE NATIONAL FRAMEWORK FOR ENGLAND

The Chief Fire Officer introduced this report which informed Members about the 'Addendum to the fire and rescue national framework for England' which related to firefighter fitness and also provided Members with reassurance about the Authority's approach to firefighter fitness.

The Chief Fire Officer explained to Members that the Addendum, which was attached as an appendix to the report, concerned with firefighter fitness became part of the framework when it came into effect on 12th January 2015. He drew Members attention to the relevant paragraphs in the report which provided details of how firefighter fitness had been a key issue in the long running dispute over pension reform between the Government and the Fire Brigades Union (FBU). The FBU was seeking a guarantee that firefighters (55 years of age and over) who, through no fault of their own, failed to maintain the necessary level of fitness should be entitled to an unreduced pension and specifically called for this guarantee to be included in the 2015 Scheme itself.

The Chief Fire Officer informed Members that, in response to the FBU's position, the Fire Minister had indicated that the Government intended to intrude a statement on firefighter fitness into the Framework instead of including a provision in the 2015 Scheme. The Addendum specified a number of requirements that fire and rescue authorities must address in relation to firefighter fitness and included further commentary about ill-health retirement and authority initiated early retirement (AIER). Members attention was drawn to the final paragraph of the addendum which stated that the fire authority would, in the case of an employee aged at least 55 and if there were no opportunities for reasonable adjustments or suitable alternative employment, consider commencement of the authority initiated early retirement process. The Chief Fire Officer added that this consideration would have to take account of the specific criteria outlined in the 2015 scheme.

The Chief Fire Officer stated that the Authority's current policies, procedures and practices appeared to put it in a good position to comply with the requirements introduced by the Addendum. He added that Officers were reviewing these to ensure that the Authority fully supported firefighters to maintain their fitness. It was anticipated that there would be future costs for enhancing the Service's current fitness and individual support arrangements with the appointment of a PT advisor at a cost of approx £40k to support any enhancements.

The Chair informed Members that the Authority would not be able to guarantee AIER with an unreduced but would help and assist firefighters to maintain their fitness wherever possible and consider AIER on a case by case basis, if necessary.

RESOLVED: That

- [1] the matters contained in the Addendum be noted;**
- [2] the Service's current position in relation to firefighter fitness be noted; and**

- [3] Officers be authorised to take such actions as are necessary to ensure compliance with the requirements contained in the Addendum.**

9 MEMBERS' ALLOWANCE SCHEME 2015-16

The Head of Legal and Democratic Services introduced this report which provided information for Members to consider to enable them to determine the level of Members' Allowances for 2015-16 and whether to apply an increase to the Members' Allowances for 2014-15 from 1st January 2015, in line with the National Joint Council for Local Government Services (NJC) pay award.

In February 2013 the Authority decided that the index to be used to calculate any annual increase to the Basic, Special Responsibility and independent (non-elected) members allowances should be that published by the NJC (applicable to support staff). In November 2014 the NJC published the agreed rates of support staff which would mean an increase of 2.2% from 1st January 2015.

Two Members opposed the proposal to increase Members' Allowances in the current economic climate. A Member commented that this was the index that had been agreed and that the increase would bring Members' in line with staff.

Members voted on the recommendations contained within the report to agree the level of allowances for 2015-16 and to apply the increase from 1st January 2015 and the recommendations were carried.

RESOLVED: That

- [1] the level of Members' Allowances for 2015-16, attached as Appendix 2, be approved; and**
- [2] the increase be applied to Members' Allowances from 1st January 2015 (amending the current scheme).**