



**MINUTES OF THE MEETING OF THE CHESHIRE FIRE AUTHORITY held on Wednesday 13 February 2013 at Fire Service Headquarters, Winsford at 10.30 a.m.**

**PRESENT:** Councillors M Biggin, D Brickhill, P Carey, D Flude, P Harris, E Johnson, L Jones, J Joyce, J Kerr-Brown, J Leather, B Livesley, G Merry, H Mundry, S Nelson, R Polhill, B Rudd, T Sherlock, M Simon, A Tate, C Thorley, J Weatherill and N Wright.

**PART 1 – MATTERS CONSIDERED IN PUBLIC**

**1 PROCEDURAL MATTERS**

**A APOLOGIES FOR ABSENCE**

Apologies were received from Councillor D Topping.

**B CHAIR’S ANNOUNCEMENTS**

**Stonewall Top North West Employers 2013 Award – 29 January 2013**

The Chair and the DCFO had attended these awards which were held in Manchester. The Service has made it into Stonewall’s annual guide to the UK’s top 100 lesbian, gay, bisexual and transgender (LGBT) friendly employers and won an award for the North West’s Most Improved Employer after it climbed 101 places to claim the 45th slot in this year’s Workplace Equality Index.

The Chair thanked the Officers involved in achieving this award and the Deputy Chair also wished to place his thanks on record for this fantastic award which recognised the improvements that had been made.

**C DECLARATION OF MEMBERS’ INTERESTS**

The Monitoring Officer provided information on the updated Code of Conduct and the question of dispensations. He explained that whilst the position in relation to Statutory Disclosable Pecuniary Interests was not entirely clear he had taken the view that, given the criminal sanctions attached to a failure to disclose such interests, Members would wish to disclose interests in relation to the Council Tax precept and the Members’ Allowance Scheme.

Where Members disclose Pecuniary Interests, in order for them to take part in a debate and vote a dispensation is required. A dispensation was granted by the Governance and Constitution Committee on 8<sup>th</sup> February 2013 in relation to the setting of the Council Tax precept and the approval of the Members Allowance Scheme.

Item 3 2013/14 Draft Budget, Council Tax and Medium Term Financial Plan

All Members present declared a Disclosable Pecuniary Interest in this item and sought to rely upon the dispensation.

Item 4 Review of the Members' Allowance Scheme

All Members present declared a Disclosable Pecuniary Interest in this item and sought to rely upon the dispensation.

**D MINUTES**

Members were asked to confirm the minutes of the Fire Authority meeting held on 12 December 2012 and receive, for information, minutes of the Policy Committee, Performance and Overview Committee, Governance and Constitution Committee, Brigade Managers Pay & Performance Committee, Staffing Sub-Committee and notes of the Member Training and Development Group.

**RESOLVED: That**

- [1] the Minutes of the meeting of the Cheshire Fire Authority held on 12 December 2013 be confirmed as a correct record; and**
- [2] the Minutes of the following meetings be received:  
Policy Committee – 30 January 2013;  
Performance and Overview Committee – 6 February 2013;  
Governance and Constitution Committee – 8 February 2013;  
Brigade Managers Pay & Performance Committee – 10 January 2013;  
Staffing Sub-Committee – 30 January 2013; and  
Notes of the Member Training and Development Group – 20 December 2012.**

**E URGENT BUSINESS STANDING ORDER 3.84 TO 3.86  
RESPONSE TO CONSULTATION – A NEW GOVERNANCE MODEL FOR  
WEST CHESHIRE**

Members were asked to note the actions taken in respect of an Urgent Decision made to allow a response to be made to a consultation document 'A new governance model for West Cheshire'.

**F APPOINTMENT OF MEMBER CHAMPION – HEALTH AND SAFETY**

Members were invited to appoint a Member Champion for Cheshire Fire Authority with responsibility for Health and Safety, to replace Councillor Topping who was appointed at the Fire Authority's AGM in June 2012 and had now relinquished this role.

**RESOLVED:**

**That Councillor B Rudd be appointed as Member Champion with responsibility for Health and Safety, until the Annual Fire Authority meeting in June 2013.**

**G APPOINTMENT TO HEALTHY HEARTS RUNCORN TRAINING GYM BOARD**

Members were invited to appoint a representative from Cheshire Fire Authority to sit on the Healthy Hearts Runcorn Training Gym Board.

**RESOLVED:**

**That Councillor S Nelson be appointed to represent Cheshire Fire Authority on the Healthy Hearts Runcorn Training Gym Board.**

**2 INTEGRATED RISK MANAGEMENT PLAN 2013-14 (IRMP 10)**

The Chair introduced this item and explained that IRMP10 proposed comprehensive changes for the Service over the next few years. He stated that the plan was well conceived and provided a more innovative approach than had been used before. The Chief Fire Officer added that Officers and Members had explored the options in great detail and the plan was bold and exciting. Delivery of the plan would be challenging, however there were no proposals to close fire stations or to make compulsory redundancies.

The Head of Planning, Performance and Communications presented the report which sought Members' approval to publish the Authority's annual action plan for 2013-14 (IRMP10) following the conclusion of a formal 12 week consultation programme.

The report included an overview of the consultation programme and a summary of key issues highlighted in the full consultation report. A final draft of IRMP10 was distributed with the agenda which had been updated to reflect a number of issues raised during the consultation and by Members during debate at the Policy Committee on 30 January 2013 and at the Members planning day on 1 February.

The report contained details of the consultation programme and Members attention was drawn to the increase in the number of responses and the fact that the programme had been successful in obtaining substantial quantitative and qualitative feedback from residents, partners and staff.

The Head of Planning, Performance and Communications provided an overview of the consultation results. He explained that the quantitative survey comprised of two sections; the first related to questions about the Service in general and the second part focused on the draft proposals for each unitary area.

Key issues from the general section highlighted that overall the public would support an increase in Council Tax. However the results indicated that there was a general lack of awareness about the difference between capital and revenue spending. It was proposed that the Council Tax leaflet would be used to detail the proposals and would include a financial section to provide further information.

The second part of the survey covered the emergency response review proposals for each unitary council area and asked for responses on a number of options which were detailed in the report.

Consultation with representative bodies had also been held. Members had received a copy of the formal response from the Fire Brigade's Union who had also attended the Members planning day to present their response to Members. No formal responses had been received from Unison or the Fire Officers' Association.

The full consultation report, which had been published on-line and made available to Members prior to the meeting, contained details of all the responses received and also had a specific section which reviewed the effectiveness of the programme. Officers had continued to liaise with the Consultation Institute who had formally recognised that the Service remained on track to satisfy its compliance criteria.

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 from the draft version that had been approved for consultation. The information had been updated and amended to reflect the outcomes of discussions at senior management and Member planning days and to balance the outcomes of consultation feedback against the Authority's future budget challenges. Financial information and the Medium Term Financial Plan had now been included although this might need to be updated to reflect the decisions made on the budget which was the next item on the agenda. Corporate and unitary performance information had also been added and would be updated with the latest available information prior to final publication and would be signed off by the Chief Fire Officer.

The Chair thanked Officers involved for delivering such a comprehensive consultation programme. He also thanked the FBU representatives for their comprehensive responses and for attending the Members' planning day to speak directly to Members.

Following the presentation of the results of the consultation programme Members discussed the specific Emergency Response Review proposals and preferred options and dealt with the proposals for each Unitary Area.

A number of issues were discussed and Members requested that the following issues be recorded:

Halton – support for all of the proposals dependent on the location of the new fire station at Penketh and any changes to cover on the border with Merseyside Fire and Rescue Services.

Cheshire East – support for all of the proposals subject to the changes to the crewing of the second fire engine at Crewe being reviewed as part of the Authority's annual integrated risk management planning (IRMP) process.

A Member had stated that he felt that moving from wholetime to on-call was a big step to take and felt that the Authority should look at the option to move to nucleus crewing. The option to move to on-call should not be 'set in stone'.

Members also discussed the location of the fire station at Crewe and a number of views were expressed. The Chief Fire Officer explained that the location of the fire station was a separate matter that did not impact upon the IRMP10 proposals. The Assistant Chief Fire Officer reiterated that there were no proposals for the relocation of Crewe fire station in IRMP10 however there was some interest from partners which could lead to the Service relocating to a new site. Further discussions would be held with Members if any proposals were to be pursued.

Cheshire West and Chester – support for all of the proposals subject to the amendment of the wording in respect of Neston to 'continue to explore the feasibility for a new on-call station' and that the changes to the crewing of the second fire engine at Ellesmere Port being reviewed as part of the Authority's annual integrated risk management planning (IRMP) process.

A Member stated that as there was only a two year agreement in place with Merseyside FRS for cross-border support at Neston it would be prudent to keep the new station proposal at the present time and review this going forward. A Member commented that the option to implement nucleus crewing for the second fire engine at Ellesmere Port should be kept in the package of proposals to be reviewed.

The Chief Fire Officer reassured Members that the proposals agreed would be kept under constant review as the implementation progressed and that any changes to external or internal influences that could impact on the proposals agreed would be taken into account and presented to Members at their scheduled cycle of planning days. These would also feed into the Authority's established annual integrated risk management planning (IRMP) process. He

concluded by thanking Members for their involvement and input in the development of the plan and associated proposals.

**RESOLVED: That**

- [1] the feedback received from the consultation on the Integrated Risk Management Plan 2013-14 (IRMP 10) be noted;**
- [2] the Integrated Risk Management Plan 2013-14 (IRMP 10) be approved for publication taking into account the minor amendment in relation to the potential on call fire station at Neston and noting the need for the programme to be scrutinised through the Authority's annual integrated risk management planning (IRMP) process to ensure the proposals continue to meet the Authority's objectives and future financial challenges; and**
- [3] the Chief Fire Officer be authorised to make any final drafting changes to the publication, including updated performance data.**

**3 2013/14 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 2013. 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 was the final budget report of three; the first was considered by the Fire Authority on 12 December 2012 and the second by Policy Committee on 30 January 2013. Members met to develop the Authority's financial plans during Planning Days in July and November 2012 and February 2013.

The report included details of two summary Budgets for 2013-14 which covered two scenarios – acceptance of Council Tax Freeze Grant, or the raising of the Council Tax precept by 1.99%. There were also two Medium Term Financial Plans (MTFP) and these covered the same scenarios. However it was noted that the effect of any Council Tax Freeze Grant was difficult to model with certainty in the MTFP. It was acknowledged that it was a broad assumption to include a 1.99% increase in precept for each year of the MTFP.

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

- 2012-2013 Budget;
- The Comprehensive Spending Review and National Context;
- Medium Term Financial Plan – covering the period up to and including 2016-17;
- Funding of the Authority (Council Tax and Second Homes Discount, Council Tax Freeze Grant, Start-up Funding Assessment, Capital Funding);
- Efficiencies and Savings;
- Revenue Growth Proposals;
- Capital Programme;
- Budget Consultation – responses to IRMP 10;
- Robustness of Estimates and Adequacy of Reserves;
- Financial Health Targets;
- Prudential Code;
- Summary Budget Proposals 2013-14 (two versions);
- Impact Assessments;
- Conclusion.

Members discussed the information provided in respect of the budget proposals for 2013-14 and a number of queries were raised.

A Member asked about the level of reserves. He explained that the report stated that there was £6.5m in the General Reserves but he had received communications from elsewhere that there was £9m in reserves. The Head of Finance confirmed that there was £6.5m in the General Reserves, however there was also £2.4m in an earmarked IRMP reserve.

The Chair thanked the Head of Finance for his report and proposed that the Authority agree to increase the Council Tax precept by 1.99% and approve the 2013-14 revenue budget as set out in Table 1 in the report.

Councillor Carey, Member Champion for Finance made a statement to Members and commented that although it was important when looking at the financial position to look at the long term view the financial forecast was not 'set in stone' and was a snapshot of the Authority's finances at the current time. He felt that, in delivering the changes agreed earlier, the Authority was starting from a good position in terms of capital and reserves and this should provide some confidence in the ability to deliver. However there were many factors, both internal and external, that could influence this and the Authority would need to be able to adjust. He also commented that, in respect of the Revenue budget, there were many changes taking place and a lot of risks to revenue funding that were outside of the Authority's direct control and the reserves were important in such a dynamic environment. He stated that the Fire Authority were all 'trustees' of the Fire and Rescue Service across the whole of Cheshire and they should all act prudently. The proposal to

increase the council tax by 1.99% would increase the precept for a Band D property by £1.32 to £67.75 which did represent value for money. He stated that this would also provide additional revenue of £1m for the Authority over the life of the MTFP and he seconded the Chair's proposal.

Councillor Merry, Member Champion for Finance informed Members that although she agreed with much of Councillor Carey's statement a 1.99% increase in precept could not be supported by the Conservative Group. She commented that the Authority was in a healthy financial position to be able to deliver the IRMP 10 proposals without increasing the precept and that the Authority should contain costs within the budget. There was a concern about the message an increase in precept sent to Government and that future capital grant allocations could be affected. She therefore proposed that the Authority agree to accept the Council Tax Freeze Grant for 2013-14 as set out in Table 2 in the report.

A Member stated that it was felt that the precept should not be increased in the current economic climate and seconded the proposal. A Member added that it appeared that any increase in precept would go directly into IRMP reserves and queried if this was the right thing to do.

The Deputy Chair stated that although the reserves did look quite healthy they were there to mitigate the risks in Cheshire and would also support the Authority's policy of no compulsory redundancies. An increase of £1.32 for the year was a very small amount and he was happy to support the decision to increase the precept.

The Chair explained that alternate options had been recommended and seconded in respect of the 2013-14 budget and Members were asked to vote on these options. The proposal to increase the Council Tax precept by 1.99% was carried with 14 Members voting in support of the increase. 8 Members voted in support of accepting the Council Tax Freeze Grant.

The Head of Finance explained that the decision meant that Members had resolved that the precept for a Band D property be set at £67.75 and that the MTFP would be that as set out in Appendix 1 of the report.

The Chair concluded this item by recording his thanks to the two Member Champions for their time and effort in analysing the budget proposals and presenting the options available. He also thanked the Head of Finance and his team for all their hard work in providing all the relevant information particularly in such a dynamic and demanding environment.

**RESOLVED: That**

- [1] the revenue budget, as set out in Table 1 of the report, be approved;**

- [2] **the Council Tax for 2013-14 for a Band D equivalent property be set at £67.75;**
- [3] **the Medium Term Financial Plan (as set out in Appendix 1) covering the period up to and including 2016-17 be approved;**
- [4] **The 2013-14 capital programme (as set out in Appendix 3) be approved;**
- [5] **The Efficiencies and Savings proposals for 2013-14 (as set out in Appendix 4) be approved;**
- [6] **The Revenue Growth proposals for 2013-14 (as set out in Appendix 5) be approved;**
- [7] **The Strategy for Managing Reserves (as set out in Appendix 6) be approved;**
- [8] **The Reserves Risk Assessment (as set out in Appendix 7) and the Robustness of Estimates and Adequacy of Reserves (paragraphs 38-52) be noted;**
- [9] **The Authority adopt the suite of Financial Health Indicators as set out in paragraph 53; and**
- [10] **The Prudential Indicators for the years 2012-13 to 2014-15 (Appendix 8) be approved and that approval be delegated by the Authority to the Head of Finance for altering the mix of borrowing and other long term liabilities within the authorised limit and operational boundary.**

#### **4 REVIEW OF THE MEMBERS' ALLOWANCE SCHEME**

Members had received this report which provided details of the final recommendations of the Independent Remuneration Panel following a series of meetings held to review the current Members' Allowance Scheme.

Suzanne Geoghegan, Chair of the Independent Remuneration Panel attended the meeting to present the recommendations to Members and respond to any queries regarding them. She provided a brief overview of the review and highlighted the areas where changes were proposed. Members were asked to note that the Panel was recommending that the proposed scheme should be applied from 1<sup>st</sup> April 2013 for 2013/14 and that the Panel would be reconvening in the Autumn to complete further work on its review and make recommendations for 2014/15 and beyond.

Members accepted the recommendations and there were no queries raised. A Member commented that the Panel's views on continuity of service on the Fire Authority (in respect of terms of appointments by Local Authorities) would be welcomed.

The Chair thanked Suzanne Geoghegan and the Independent Remuneration Panel for the work they had carried out to complete the review and also drew Members attention to the budget implications.

**RESOLVED: That**

- [1] the recommendations of the Independent Remuneration Panel for Members' Allowances for 2013/14 as set out in the report be considered, accepted and implemented; and**
- [2] it be noted that the Panel will reconvene in Autumn 2013 with a view to completing its review and making recommendations for 2014/15 and beyond.**

**5 REVIEW OF OPERATIONAL ASSURANCE AND PEER TEAM VISIT**

The report of the Chief Fire Officer provided details of the findings of the Peer Review that took place in July 2012. The Peer Review was part of the new performance and improvement framework established jointly by the Chief Fire Officer's Association and the Local Government Association.

The review team provided a general 'health check' on the Authority's future plans for change in light of funding issues and the ongoing transformation of the Service. There was also a focus on a number of other key areas, including community risk management, training and development, initial feedback on the Cumbria project and Control and ICT and asset management.

The Peer Review team's report 'Cheshire Fire & Rescue Service Fire Peer Challenge' captured the outcomes and key findings of the review and was attached as an appendix to the report. The report provided details of the key areas identified in the Peer Teams findings which included areas of strength and those where improvements could be made. Areas for improvement had been captured in a draft action plan and it was proposed that progress against the action plan would be monitored by the Performance and Overview Committee.

**RESOLVED: That**

- [1] the outcomes from the Review of Operational Assurance and Peer Review visit be noted;**
- [2] the report be published on the Authority's website; and**

- [3] the action plan be approved upon the understanding that the Chief Fire Officer will arrange for its completion, with progress being reported to Performance and Overview Committee.**

## **6 PAY POLICY STATEMENT**

The Localism Act 2012 introduced the requirement for every Local Authority, including Combined Fire Authorities, to prepare and publish an annual Pay Policy Statement setting out the Authorities' policies for the financial year relating to the remuneration of its Chief Officers, the remuneration of its lowest paid employees and the relationship between the pay of Chief Officers and that of other employees.

The report of the Head of People and Development was presented to Members and provided details of the Authority's Pay Policy Statement for 2013-14. The draft Statement was attached to the report for Members approval.

**RESOLVED: That**

- [1] the draft Annual Pay Policy Statement 2013/14 be approved.**

## **7 TREASURY MANAGEMENT STRATEGY AND PRACTICES 2013-14**

The report of the Head of Finance sought Members approval for the Fire Authority's Treasury Management Strategy and Practices for the year 2013-14. This was a requirement of guidance issued by the Department of Communities and Local Government in 2010 and the 2009 CIPFA Treasury Management Code.

The Treasury Management Strategy comprised of two main elements; Treasury Management – Borrowing and Minimum Revenue Provision Strategy and the Treasury Management - Annual Investment Strategy. 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 Treasury management practices was also detailed in the report.

**RESOLVED: That**

- [1] the Authority's Treasury Management Strategy for the year 2013-2014 be approved; and**
- [2] the Authority's approach to Treasury Risk Management and its Treasury Management Practices be approved.**