



MINUTES OF THE MEETING OF THE CHESHIRE FIRE AUTHORITY held on Wednesday 8 February, 2012 at Fire Service Headquarters, Winsford at 10.30 a.m.

PRESENT: Councillors M Biggin, D Brickhill, P Campbell, B Crowe, D Flude, E Johnson, J Kerr-Brown, J Leather, B Livesley, G Merry, H Mundry, K Musgrave, S Nelson, R K Polhill, L Redhead, B Rudd, T Sherlock, M Simon, A Tate, C Thorley, D Topping and J Weatherill.

ALSO IN ATTENDANCE: Alan Rawlings, Audit Commission Representative

PART 1 – MATTERS CONSIDERED IN PUBLIC

1 PROCEDURAL MATTERS

A APOLOGIES FOR ABSENCE

Apologies were received from Councillor J Joyce.

B CHAIR'S ANNOUNCEMENTS

Fatal Incidents

The Chair reported on two fatal incidents that had occurred in January and February 2012.

Chief Fire Officer's Commendation

Red Watch, Crewe were awarded this commendation for the rescue of an occupant at a house fire on Underwood Lane, Crewe in September 2011. The Chief Fire Officer presented the commendation to Red Watch at a ceremony that took place on 6 February 2012 which a number of Members attended.

Parliamentary Seminar – 6 February 2012

“Sprinklers save lives, property, money, jobs, communities, the environment, the evidence is compelling isn't it?”

The Chair, along with Councillor Rudd and the Head of Community Fire Protection, attended this seminar which was held in the House of Commons and hosted by the All-Party Parliamentary Fire Safety & Rescue group. There were three key points, from the seminar, which the Chair highlighted to Members:

1. Take the opportunity to write to your local MPs.
2. Widen public knowledge as public were not always convinced.
3. Support of Fire Commission which had set up a working group to look for a new approach to convince a target audience about the benefits of sprinklers.

Sprinkler Demonstration

The Sprinkler demonstration, which was being arranged in conjunction with Wulvern Housing, would be taking place in Crewe on the morning of Friday 20th April 2012. The object of the event was to promote the benefit of sprinklers and it was anticipated that the demonstration would be followed by a buffet lunch and information session at one of Wulvern Housing's premises. Key stakeholders to be invited included Fire Authority Members, MPs and Local Authority representatives.

C DECLARATION OF MEMBERS' INTERESTS

There were no declarations of Members' interests.

D MINUTES

Members were asked to confirm the minutes of the Fire Authority meeting held on 14 December 2011 and receive, for information, minutes of the Brigade Managers Pay & Performance Committee, Standards Committee, Policy Committee, Performance and Overview 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 14 December 2012 be confirmed as a correct record; and**
- [2] the Minutes of the following meetings be received:
Brigade Managers Pay & Performance Committee – 11 January 2012
Standards Committee – 18 January 2012
Policy Committee – 25 January 2012
Performance and Overview Committee – 1 February 2012
Notes of the Member Training and Development Group – 7 December 2011.**

E LEAD MEMBERS

RESOLVED:

That the appointment of Councillor S Nelson as Halton Lead Member and Councillor B Crowe as Cheshire West and Chester Lead Member be noted.

2 AUDIT PLAN IN RESPECT OF FINANCIAL STATEMENTS FOR 2011-12

The Authority's External Auditors, the Audit Commission, produce an Audit Plan ('the plan') which sets out the work proposed for an audit of the last years (2011-2012) financial statements (as well as a fee proposal).

A representative from the Audit Commission attended the meeting to present the plan to Members. Member's attention was drawn to the identification of audit risks which were set out in the document as follows: Valuation of Property, Plant and Equipment (PPE); Heritage Assets; Top Up Grant and New Dimension Assets. The Auditor provided more detailed information on the risks identified and explained that the audit would ensure that the Authority has accounted for these risks appropriately in the preparation of its Accounting Statements.

He also informed Members that the outcomes of the audit would be reported to Members as part of the Annual Governance Statement report at the Fire Authority meeting in September 2012.

Members discussed the plan and queries were raised on how the fees were set and the rationale for the identification of the risks. The Auditor explained the rationale used for the identification of risks and also how the fees were calculated based on the size of the authority and its budget.

RESOLVED: That

the Audit Plan in respect of the Financial Statements for 2011-12 be received and the fees associated with the audit be approved.

3 INTEGRATED RISK MANAGEMENT PLAN 2012-13 (IRMP 9)

The Chair opened this item by reminding Members that the Union Representatives had been invited to the Members Planning day in January to discuss the IRMP proposals and the FBU had provided further feedback to Members at that meeting. Copies of the formal responses received from Union representatives were attached to the IRMP report on the agenda and were also included in the full consultation report.

The report sought approval to publish the Authority's annual action plan for 2012-13 (IRMP 9) following the conclusion of a formal 14 week consultation programme. It included an overview of the consultation programme and a summary of the key issues highlighted in the full consultation report. Members had received electronic copies of this report and there were also hard copies available prior to the meeting.

The Head of Corporate Communications explained that the formal consultation programme was preceded by informal discussions with staff and unions. The formal programme was targeted at three main groups (residents, staff and partners) and had been the most successful programme, in terms of responses received, to date.

The programme had been updated to reflect two low risk issues identified in an internal audit review completed in September 2011. These were: to ensure the views of young people were sought on specific issues, which had been picked up through asking for views from fire cadets and the local Youth Parliament; and to include a formal review of the effectiveness of IRMP

consultations. This review had previously been carried out informally but a 'lessons learnt' section had now been added to the full consultation report.

The headline results from the consultation were highlighted to Members and included the following:

- 71% of residents, 45% of staff and 82% of partners supported the plans in IRMP9 overall;
- 99% of residents and 94% of partners value the Service either as a local provider or as a partner organisation;
- 84% of residents, 50% of staff and 79% of partners support no increase in the Fire Authority's council tax in 2012/13.

The results from residents and partners showed greater support than opposition to all of the issues highlighted in the survey. The North West Fire Control project was the only issue where public support was less than 50% and this was the key issue for staff with 60% of those who responded opposing the project.

Members were reminded that the North West Fire Control project had been the subject of an Outline Business Case. The Fire Authority had decided that the project merited the preparation of a Final Business Case which was currently being developed. A future Fire Authority meeting would consider whether to proceed with the project in light of the Final Business Case. The outcomes of the consultation in respect of the North West Fire Control project would also be considered at that time.

The other key issues, where over 30% of residents said they were not sure and where staff opposition outweighed support were:

- Reduced attendance to automatic fire signals
- Charging for rescuing small animals
- Expanding on-call into urban areas.

Feedback in response to the question of support for the proposals to reduce attendance to false alarms caused by automatic fire alarms raised a number of issues particularly amongst some of the Authority's partners. In light of the issues raised it was proposed that the Head of Community Fire Protection submit a paper to the Authority meeting in April setting out options for Members to consider.

The Head of Corporate Communications proved a brief overview of the changes to the latest version of the IRMP which had been distributed with the report following the consultation. The IRMP had been updated to reflect issues and comments raised during the consultation and to address changes in national guidance and legislation. A section on the Service's performance and budget had been added and included a commentary on both headline performance across the organisation as well as more detailed profiles for unitary areas.

The Chair thanked the Head of Corporate Communications and his team for the more detailed information on the consultation process and commented that the evaluation demonstrated that views received were considered.

Members discussed the consultation outcomes and the content of the draft IRMP. A Member suggested that all Members should be able to assist in linking consultation events with other local events in their areas to encourage attendance. The Head of Corporate Communications explained that the draft consultation programme for IRMP 10 would be presented to the Fire Authority for approval and Members input would be welcomed.

RESOLVED: That

- [1] the feedback received from the consultation on the Integrated Risk Management Plan 2012-13 (IRMP 9) be noted;**
- [2] a policy options paper on responding to unwanted fire signals be prepared for submission to the Fire Authority's next meeting;**
- [3] the feedback on the North West Fire Control project is considered at the Authority meeting which decides on the Final Business Case for the project; and**
- [4] publication of IRMP 9 by 31st March 2012 be approved and the Chief Fire Officer be authorised to make any final drafting changes.**

4 2012-13 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 2012. In determining a budget which it considered reasonable, the Authority must have regard to all the relevant factors, including the likely impact of policy options, outlined in its Integrated Risk Management Plans (IRMPs), on the achievements of the Service's objectives and the uncertainty associated with the economic scenario.

The Head of Finance presented the report which was the culmination of a series of budget reports, Member Planning Days and Officer meetings. He provided an overview of the main areas of the report as follows:

- Funding of the Authority and 2011-12 Budget
- 2012-13 Grant Settlement and National Context
- 2012-13 Council Tax and Second Homes Discount;
- Efficiencies and Savings;
- Revenue Proposals;
- Capital Programme;
- Medium Term Financial Plan - covering the period up to and including 2015-16;

- Budget Consultation: responses to the exercise;
- Robustness of Estimates and Reserves;
- Financial Health Targets;
- Prudential Code;
- Summary 2012-13 budget proposals.

The Treasurer added that the Service had robust accounting arrangements to underpin the budget and the integrated approach with the IRMP proposals was good practice. Overall the Service had a sound budget process which was deliverable and provided a good foundation for future budget pressures.

Members discussed the budget proposals and a number of comments and queries were raised. The discussions included the implications of the expected grant reductions for 2013-14 and any cost implications arising from the introduction of Community Budgets.

A Member also raised a point on the future implications of the council tax freeze for 2012/13 on the base budget. He commented that the Authority was storing up problems for the future by not increasing the base budget and accepting the additional council tax freeze grant equivalent to 3% of precept. This had been raised at the last Authority meeting and he felt that these implications should have been included in the budget report to ensure that they were recorded. A Member suggested that the Authority should publish a clear statement on why the decision to accept Council Tax Grant had been made.

The Chief Fire Officer commented that Members should note that the existing Government Council Tax Grant of 2.5%, which began in 2011-12, would only cover the next two budgets after 2012-13 (i.e. 2013-14 and 2014-15). Members would have to consider an increase of at least 2.5% from 2015-16 to compensate for the loss of this grant.

A Member queried whether the risk of the failure of the North West Fire Control project should be included in Authority's risk profile. The Head of Finance explained that the risk profile was reviewed each year as part of the risk management process and any new risks identified would be built into the profile.

RESOLVED: That

- [1] the report be received and the information relevant to the setting of the budget and precept for 2012-13 be noted;**
- [2] the 2012-13 revenue budget set out in Table 2 at paragraph 58 of the report be approved;**
- [3] the 2012-13 capital programme referred to in paragraph 26 and detailed in Appendix 4 of the report be approved;**

- [4] the 2012-13 revenue budget be financed as set out in Table 2 at paragraph 58 of the report;
- [5] the Council Tax for 2012-13 for a Band D equivalent property be set at £66.43;
- [6] the Authority apply to the Government to secure additional grant equivalent to a 3% increase on Council Tax (as explained in paragraph 20 of the report);
- [7] precepts on Collections Funds be set as follows:-
- | | £ |
|---------------------------|---------------|
| Cheshire West and Chester | 8,083,268.83 |
| Cheshire East | 9,752,413.59 |
| Halton | 2,537,626.00 |
| Warrington | 4,684,710.03 |
| Total | 25,058,018.45 |
- [8] the Medium Term Financial Plan covering the period up to and including 2015-16 be approved (as set out in Appendix 1)
- [9] the Savings and Efficiency proposals for 2012-13 (as set out in Appendix 2) be approved;
- [10] the Revenue Proposals and their effects on the budget (as set out in Appendix 3) be approved;
- [11] the Strategy for Managing Reserves be approved (Appendix 5);
- [12] the Reserves Risk Assessment (Appendix 6) and the Robustness of Estimates and Adequacy of Reserves (paragraphs 34-48 of the report) be noted;
- [13] the Authority adopts its suite of Financial Health Indicators as set out in paragraph 49 of the report; and
- [14] the Prudential Indicators for the years 2012-13 to 2014-15 (set out in Appendix 7) be approved and the Treasurer be authorised to alter the mix of borrowing and other long term liabilities within the authorised limits and operational boundaries.

5 TREASURY MANAGEMENT STRATEGY AND PRACTICES 2012-13

The Head of Finance introduced this report which sought Members approval for the Fire Authority's Treasury Management Strategy and Practices for the year 2012-13. 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 Head of Finance explained that the Treasury Management Strategy comprised of two main elements; Treasury Management – Borrowing and Minimum Revenue Provision Strategy and the Treasury Management - Annual Investment Strategy. The Minimum Revenue Provision included in the budget was currently set at 6.7% of the Capital Financing Requirement, which was considered to be a prudent approach. The Authority's approach to Treasury risk management and Treasury management practices was also detailed in the report

RESOLVED: That

- [1] Cheshire Fire Authority's Treasury Management Strategy for 2012-13 be approved; and**
- [2] the Authority's approach to Treasury Risk Management and its Treasury Management Practices be approved.**

6 PAY POLICY STATEMENT

The Localism Act 2011 required every local authority, including Combined Fire Authorities, to prepare and publish an annual pay policy statement for the financial year 2012-13 and each subsequent financial year thereafter. The report included details of the information which must be included in the statement and provided a draft statement for approval by Members.

The Director of People and Organisational Development presented the report to Members. He provided an overview of the content of the report and explained that the statement had been expanded to cover the whole organisation. This exceeded the minimum statutory requirements in relation to the information provided.

This approach was welcomed by Members who commented that it was a sound decision to include the whole organisation and provided more transparency which was good for both staff and the public.

RESOLVED: That

the Pay Policy Statement be approved.

7 THE 2012 FIRE AND RESCUE NATIONAL FRAMEWORK: CONSULTATION

The Fire Minister Bob Neill launched a consultation on the new Fire and Rescue Service National Framework that would come into force from April 2012. The consultation document which included the draft Framework and posed a number of questions was attached as an appendix to the report. The deadline for responses to the consultation was 19th March 2011 and Members were asked to consider the Authority's response.

The Framework set out a number of high level requirements that local authorities must undertake in order to satisfy the Government's priorities on resilience and accountability. It also translated several key pieces of legislation, including the Localism Act and Open Public Services agenda into a fire and rescue context.

However there were a number of issues raised in the Framework where there was a lack of agreement between the fire sector and the Government. These related principally to measures outlining responsibility for national resilience issues. A co-ordinated response to the Framework was being developed, in conjunction with the Chief Fire Officer's Association (CFOA), however this response had not yet been received.

The Chief Fire Officer explained that a draft response had been drawn up by Officers which took account of the views that had been discussed by CFOA. This response had been distributed to Members in Group Rooms prior to the meeting. Members were asked to approve the draft response and authorise the Chief Fire Officer to make any necessary alterations once the CFOA response was received.

RESOLVED: That

The proposed response to the 2012 Fire and Rescue National Framework consultation be approved, with the Chief Fire Officer being authorised to make any minor changes prior to submission to the Department for Communities and Local Government.

8 THE LOCALISM ACT 2011

The Head of Corporate Communications introduced this report which provided an overview of the Localism Act 2011 which was the Government's key piece of legislation affecting local government. The Act recently gained Royal Assent and was passed into law in December 2011.

The report highlighted the key provisions of the Act which would potentially impact on the Fire Authority and/or local partners including the new freedoms and flexibilities for local government; new rights and powers for communities and reforms to the planning system and housing allocation. A brief overview of the recently introduced Local Government Finance Act, which linked to some of the provisions within the Localism Act, was also covered in the report.

Members discussed the Localism Act and also the impact of other related legislation such as the Welfare Reform Bill on the Service. The Chief Fire Officer explained that the Policy and Research team tracked changes to legislation and identified implications for the Service which were fed into the PESTLE document to ensure that they were taken into consideration.

A Member also commented that the Authority would need to review its arrangements in light of the changes to the Standards regime. The Monitoring Officer explained that these changes had been discussed by the Standards Committee and a paper would be submitted to the Fire Authority in April as the revised requirements needed to be in place by July 2012.

RESOLVED: That

the contents of the report be noted.

PART 2 – BUSINESS TO BE DISCUSSED IN PRIVATE

NONE