



MINUTES OF THE CHESHIRE FIRE AUTHORITY held on Wednesday 9 February, 2011 at Fire Service Headquarters, Winsford at 10.30 a.m.

PRESENT: Councillors M Biggin, P Booher, J Crockatt, B Crowe, R I Fletcher, J Joyce, B Livesley, G Merry, H Mundry, K Musgrave, A Needham, S Nelson, C Oliver, R K Polhill, L Redhead, T Sherlock, M Simon, G Smith, C Thorley, D Topping, J Weatherill and N Wright.

PART 1 – MATTERS CONSIDERED IN PUBLIC

1 PROCEDURAL MATTERS

A APOLOGIES FOR ABSENCE

Apologies were received from Councillor E Johnson.

B CHAIR'S ANNOUNCEMENTS

Copies of the Chair's announcements had been distributed to Members prior to the meeting and the Chair highlighted the following:

European Road Safety Award

The Chair congratulated the Service on being awarded third place in the European-wide Excellence in Road Safety Awards in the Public Institutions category.

5 Star Fire Safety Conference

The Chair provided feedback on this conference which the Service hosted and commended the officers involved for ensuring that the Conference was a success.

Member Development

The Chair informed Members that further information on the cluster exercises had been provided to give Members an overview of the role and purpose of these exercises. He also asked Members to note the forthcoming Fire Service College dates.

The Chair also informed Members that he would be attending the Fire Commission meeting in London on 11th February and the future of the Fire Service College was an item on the agenda for discussion at the meeting.

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 15 December 2010 and receive, for information, minutes of the Policy Committee, Performance and Overview 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 15 December 2011 be confirmed as a correct record; and**
- [2] the Minutes of the following Committee meetings be received:
Policy Committee – 26 January 2011
Performance and Overview Committee – 2 February 2011
Brigade Managers Pay & Performance Committee – 13 December 2010 and 11 January 2011
Staffing Sub-Committee – 17 January 2011
Notes of the Member Training and Development Group – 13 December 2010.**

E APPOINTMENTS TO PHOENIX BOXING CLUB BOARD

Members were invited to appoint two representatives from Cheshire Fire Authority to the Phoenix Boxing Club Board in accordance with the Board's draft Terms of Reference.

RESOLVED: That

Councillors Joyce and Oliver be appointed to represent Cheshire Fire Authority on the Phoenix Boxing Club Board and Councillors Biggin and Mundry be appointed as substitute members of the Board.

F NORTH WEST CHARTER FOR ELECTED MEMBER DEVELOPMENT

At its meeting held on 13 December 2010 the Member Training and Development Group recommended that the Fire Authority restates its commitment to the principles included in the North West Charter for Member Development and signed a revised Declaration of Commitment.

The Chair of the Member Training and Development Group provided a brief supporting statement regarding the Authority's progress towards achieving the Charter and Members were asked to re-affirm the Authority's commitment.

RESOLVED: That

That Fire Authority Members re-affirm the Authority's commitment to the North West Charter for Elected Member Development and the declaration be signed by the Chair of the Fire Authority and the Chief Fire Officer.

2 CHESHIRE FIRE AUTHORITY FOUR YEAR STRATEGY 2011-2015

The Chief Fire Officer introduced this report and informed Members that the Fire Authority's four year strategy, Planning for a Safer Cheshire 2011-2015, was closely aligned to the Authority's Budget and Medium Term Financial Plan which was also an item for approval on the agenda. The annual action plans were also closely linked to the Strategy and the initial feedback from consultation on the 2011-12 action plan (IRMP 8) was the subject of a report on the agenda.

The Chief Fire Officer outlined a number of specific areas within the Strategy including the financial challenges ahead and the expectation that the Authority would have to save around £5 million from its current budget by 2015. He also asked Members to note the requirement to make major changes to the structure of the organisation to achieve these savings and the Authority's objective to work with staff and trade unions to avoid compulsory redundancies.

The Head of Corporate Communications informed Members of the timeline that had been followed to produce the four year strategy and highlighted the Authority's role in the development of the document. He explained to Members that the final document had been updated in light of recent developments on key national proposals, particularly in relation to the Fire Control Project and the Fire Futures Review. He also indicated that there would be a further change to reflect the final budget position once the budget had been agreed. Members were asked to approve the strategy for publication.

Members expressed their thanks to Officers for producing a concise and readable document.

RESOLVED: That

the Fire Authority's four year strategy 'Planning for a Safer Cheshire 2011-12' be approved for publication.

3 MEMBERS' ALLOWANCES 2010-11 AND 2011/12

The Monitoring Officer introduced the report which asked Members to consider if they wished to increase Members' allowances for years 2010/11 and 2011/12 in line with the previously agreed formula contained in the existing Members Allowance Scheme.

The current scheme provided for an annual inflationary increase to the allowances based on the prevailing Retail Price Index (excluding mortgage interest) known as RPI (x). This indicator had been used previously and had resulted in measured increases. However, at present if the scheme were followed, this indicator would lead to an increase of 4.8% for 2010-11 and an estimated 4.7% for 2011-12.

Members had previously considered this issue at the Fire Authority meeting on 2 June 2010 and had agreed to postpone a decision for 2010-11 until later in the year. They also agreed to consider any increase in light of relevant factors such as Public Sector pay and prevailing inflation rates.

The report explained that the economic situation remained difficult with considerable pressure on public sector budgets and reminded Members that public sector pay would be likely be 'frozen' for at least three years. There was also information on the situation in constituent authorities and other Fire Authorities where Members had agreed to make no increases for 2010/11 and appeared to unlikely to do so in 2011/12.

Members discussed the information provided and the consensus was that it would be inappropriate to approve an increase in the allowances for 2010/11 and that a further report should be submitted later in the year to review the position in respect of any increases for 2011/12.

RESOLVED: That

- [1] the annual inflationary increase will not be applied to Members' Allowances for 2010/11; and**
- [2] a further report to re-consider whether to increase Members' allowances for 2011/12 be submitted to the Fire Authority later in the year.**

4 2011-12 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 2011. 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 on the achievements of the Service's objectives and the uncertainty associated with the economic scenario.

The report was the culmination of a series of budget reports, Member Away Days and Officer meetings. The report provided an overview of the following:

- Funding of the Authority and 2010-11 Budget
- 2011-12 Grant Settlement and National Context
- 2011-12 Council Tax and Second Homes Discount;
- Efficiencies and Savings;
- Revenue Proposals;
- Capital Programme;
- Medium Term Financial Plan - covering the period up to and including 2014-15;
- Budget Consultation: responses to the exercise;
- Robustness of Estimates and Reserves;
- Financial Health Targets;
- Prudential Code;
- Summary 2011-12 budget proposals.

The Treasurer introduced the report and explained that there had been some last minute changes to the budget due to the late confirmation of the final grant and some elements had been amended so that they accorded with guidance issued by the Government in respect of the treatment of the Council Tax Grant. An update paper, which reflected the changes, was provided for Members that included a revised Table 2 (Summary of Core Budget Proposals) and revised Appendix 1 (Cheshire Fire Authority – Medium Term Financial Plan: 2010-11 – 2014-15). Members were informed that these changes did not affect the budget available to the Authority and the Treasurer emphasised that the Authority was not in any way disadvantaged by the Government requirement to treat Council Tax grant as an additional source of income rather than an additional source of funding.

Councillor Merry, Finance Member Champion, informed Members that she had been involved throughout the budget process and commented that despite the challenges a balanced budget had been produced. She also stated that she felt the Authority was in a sound financial position but needed to be mindful of the future cuts to the grant settlement and also that, given the Authority's risk profile, it was important to maintain an appropriate level of reserves.

Members supported the Authority's budget proposals and agreed that a balanced budget had been developed. However a number of Members expressed concern about the changes to the accounting treatment of the Council Tax grant.

RESOLVED: That

[1] the report, together with the update paper (regarding changes to the budget), be received and the information relevant to the setting of the budget and precept for 2011-12 be noted;

[2] the 2011-12 revenue budget set out in the revised Table 2 set out below be approved:

TABLE TWO : SUMMARY OF CORE BUDGET PROPOSALS

	£'000
2010-11 budget	43,415
Estimated pay and price increases	387
Efficiencies and savings	(1,904)
Revenue proposals	485
Council Tax grant income	(626)
Contribution to pump priming reserve	906
Repayment of loans	1,000
Allocation of add'l Council Tax (second homes)	39
TOTAL DRAFT CORE PROPOSALS	43,702
ESTIMATED FUNDING	
RSG	4,408
NNDR	14,261
Council Tax (assuming no increase)	25,029
Collection Fund surplus	4
TOTAL ESTIMATED FUNDING	43,702

- [3] the 2011-12 capital programme referred to in paragraph 33 of the report and detailed in Appendix 4 be approved (with the method of financing to be the subject of a further report once the Government has clarified the distribution method for capital grant);
- [4] the 2011-12 budget be financed as set out in the revised Table 2 set out in [2] above;
- [5] the Council Tax for 2011-12 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 2.5% increase on Council Tax (as explained in paragraph 22 to 24 of the report);
- [7] precepts on Collections Funds be set as follows:-
- | | £ |
|---------------------------|----------------------|
| Cheshire West and Chester | 8,073,237.90 |
| Cheshire East | 9,758,514.52 |
| Halton | 2,537,626.00 |
| Warrington | 4,660,529.51 |
| Total | 25,029,907.93 |
- [8] the Medium Term Financial Plan covering the period up to and including 2014-15 be approved (as set out in the revised Appendix 1 in the update paper distributed at the meeting);
- [9] the Savings and Efficiency proposals for 2011-12 (as set out in Appendix 2) be approved;
- [10] the Revenue Proposals and their future year effects (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 (paragraph 44 of the report) be noted;
- [13] the Authority adopt its suite of Financial Health Indicators as set out in paragraph 62 of the report: and
- [14] the Prudential Indicators for the years 2011-12 to 2013-14 (Appendix 7) be approved and that approval be delegated by the Authority to the Treasurer for altering the mix of borrowing and other long term liabilities within the authorised limit and operational boundary.

5 INITIAL FEEDBACK FROM CONSULTATION ON THE INTEGRATED RISK MANAGEMENT PLAN 2011-12 (IRMP8)

The Head of Corporate Communications presented the report to Members which provided details of the key elements of the consultation programme and the initial feedback based on views and comments received up to the end of January 2011. It was noted that the consultation programme would run until the week ending on 11th March 2011 and that a final consultation report containing the full details of all responses received would be presented to Members at the Fire Authority meeting on 16th March 2011

The Head of Corporate Communications informed Members that the new approach to the consultation programme using community roadshows supported by personal briefings for key stakeholders was proving more effective at involving and informing local people about the Authority's proposals. The Service had also generated approximately 100 HSA referrals as a result of this approach.

The statistics from the initial feedback showed that nearly 87% of residents who have responded so far 'strongly support' or 'support' the overall IRMP proposals. The responses from staff, whilst not as positive, still showed a majority supported the overall proposals (albeit the figures for the Macclesfield proposal were more finely balanced with a slightly higher proportion opposing it than supporting it).

RESOLVED: That

the initial feedback from the consultation programme in respect of the draft 2011-12 Annual Action Plan (IRMP 8) be noted.

PART 2 – BUSINESS TO BE DISCUSSED IN PRIVATE

NONE