

Minutes of the meeting of the EXECUTIVE COMMITTEE of the BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY held on WEDNESDAY 6 FEBRUARY 2019 at 10.00 AM

Present: Councillors Carroll, Clare, Hopkins, Lambert (part), McDonald, Reed (Chairman) and Roberts

Officers: J Thelwell (Chief Fire Officer), G Britten (Director of Legal and Governance), L Swift (Director of People and Organisational Development), M Hemming (Director of Finance and Assets), A Hussain (Principal Accountant), K Nellist (Democratic Services Officer) J McNeill (Regional Director, South East Employers), F Pearson (Communication and Consultation Manager) and G Porter (Communications Officer)

Apologies: Councillor Marland

EX25 MINUTES

RESOLVED –

That the Minutes of the meeting of the Executive Committee held on Wednesday 21 November 2018, be approved and signed by the Chairman as a correct record.

EX26 MEMBERS' ALLOWANCES

The Chairman introduced the report and advised that the Authority was required to adopt a Scheme of Members' Allowances before the 1 April each year and, in doing so, have due regard to the recommendations of the constituent authorities, Buckinghamshire County Council and Milton Keynes Council.

The Director of Legal and Governance advised Members that as a result of discussions at an Executive Committee meeting in 2018, he was asked to look at Group Leader allowances and also the two special responsibility allowance exemption. The Director of Legal and Governance had now spoken to the three Group Leaders and their views were that the status quo remains. The only change therefore was the 2% increase linked to the NJC pay award.

RESOLVED –

That the Authority be recommended to adopt a Scheme of Members' Allowances for 2019/20.

EX27 BUDGET MONITORING PERFORMANCE AND DEBT MANAGEMENT APRIL – DECEMBER 2018

The Lead Member for Finance, IT and Procurement advised Members that this report presented the provisional revenue and capital outturn position and debt management performance to 31 December 2018. It was still forecast there would be an underspend of £115k. This represented a 0.40% variance against the budget.

The Principal Accountant advised Members that the first recommendation was to note the latest projected outturn forecast for the Authority as at 31 December 2018, and the second recommendation was to transfer £370k from the sprinkler reserve into revenue contribution to capital to support the future capital programme. The Authority had tried to get more support from businesses in relation to this initiative, but unfortunately there had not been much take up, so the decision had now been made to transfer this amount to fund future capital projects.

RESOLVED –

1. That the latest projected outturn forecast for the Authority as at 31 December 2018 be noted.
2. That £370k from the sprinkler reserve be transferred into revenue contribution to capital to support the future capital programme.

EX28

THE PRUDENTIAL CODE, PRUDENTIAL INDICATORS AND MINIMUM REVENUE PROVISION

The Lead Member for Finance, IT and Procurement advised the Committee that this report was being presented as the Prudential Indicators and Minimum Revenue Provision policy statement were required to be approved by the Authority and to support the Medium Term Financial Plan.

The Principal Accountant advised Members that a review of the Balance Sheet indicated that the Authority was currently in an over-borrowed position. Due to prohibitive penalties the early repayment of borrowing was not currently an option. The long term debt had reduced from £7.382m to £6.797m a reduction of £585k which related to a loan that matured in May 2018.

RESOLVED –

That the Authority be recommended to approve:

1. the Prudential Indicators; and
2. the Minimum Revenue Provision policy statement

(Councillor Lambert joined the meeting.)

EX29

MEDIUM TERM FINANCIAL PLAN (MTFP) 2019/20 TO 2021/22

The Lead Member for Finance, IT and Procurement advised Members that this report presented the proposed revenue and capital Medium Term Financial Plan (MTFP) for the Financial Years 2019/20 to 2021/22.

The Director of Finance and Assets advised Members that the most significant change from last year related to employer pension contributions. This was primarily as a result to changes in the discount rate which was used to value unfunded public sector pension schemes, of which the Firefighters Scheme was one. The Treasury were meeting the majority of the costs for 2019/20, but there would be a £1.6m pressure from 2020/21

onwards. The Authority had received no assurance from Government regarding funding for future years.

As well as the uncertainty regarding pensions noted above, there was also significant uncertainty regarding next year's Comprehensive Spending Review, Fair Funding Review, USAR funding and funding for Firelink/ESMCP. In order to effectively plan for the future, during 2019/20 Officers would be taking a zero-based budgeting approach to develop budgets for a number of potential scenarios. These would be developed alongside the new Public Safety Plan.

The Director of Finance and Assets drew Members attention to the updated appendices. The main changes were in terms of business rates. The Authority was £165k short and this was primarily due to business rate volatility. There was a small extra increase in Council Tax surplus of £8k from what was originally projected.

The Director of Finance and Assets advised Members that there was a new section in the report item 9 which looked at the process and implications and potential cost benefit of holding a referendum in a future year. As well as looking at all the options of what the Authority spends, all the available options for raising funds were also looked at and one option available was to hold a referendum. The chart at 9.6 aimed to show what the costs of holding a referendum could be, in total approximately £600k, part of which was holding the referendum itself, the other more substantial cost was rebilling the correct amount if the Authority was unsuccessful.

The Director of Legal and Governance advised that Members had been given a more detailed narrative about the actual process of holding the referendum, to show how heavily prescribed it was and also the constraints to which the Authority would have to work.

The Chairman advised Members that he, and the Chief Fire Officer, would continue to lobby Government to raise the precept limit for Fire and Rescue Authorities.

Members discussed the implications of the Authority holding a referendum and felt, at present, it was not the right time. This would be discussed again with all Members at the full Fire Authority meeting.

RESOLVED –

That the Authority be recommended to:

- 1(a). Note and have due regard to the report and Statement of the Chief Finance Officer (see section 8 of Annex A).
- 1(b). Approve a Council Tax precept of £64.57 for a band D equivalent property (a 2.98% increase from 2018/19 – equal to 3.6p per week) and the revenue budget as set out in Appendix 1(b)

- 1(c). Approve the capital programme as set out in Appendix 2.
2. Discuss the implications of holding a referendum to increase Council Tax above the 3% threshold in a future year.

EX30

EXCLUSION OF PRESS AND PUBLIC

RESOLVED –

It was moved and resolved that the Press and Public be excluded from the meeting by virtue of Paragraph 1 of Part 1 of Schedule 12a of the Local Government Act 1972, as the report contains information relating to an individual; and Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 as the report contains information relating to the financial or business affairs of a person; and on these grounds it is considered the need to keep information exempt outweighs the public interest in disclosing the information, so that the meeting could consider the following matter:

J Thelwell (Chief Fire Officer), G Britten (Director of Legal and Governance), L Swift (Director of People and Organisational Development), M Hemming (Director of Finance and Assets), A Hussain (Principal Accountant), F Pearson (Communication and Consultation Manager) and G Porter (Communications Officer) left the meeting

EX31

A REVIEW OF THE METHODOLOGY USED TO CARRY OUT THE SENIOR MANAGEMENT TEAM ANNUAL PAY REVIEW

The Committee considered the report and appendices, details of which were noted in the confidential/exempt minutes

RESOLVED –

that a review of the SMT structure and function, to include the third tier, taking account of opportunities for potential collaboration and potential efficiencies to be gained as well as broadening roles be undertaken.

EX32

SENIOR MANAGEMENT TEAM REMUNERATION AND PERFORMANCE REVIEW, AND ANNUAL REPORT ON EMPLOYEE BONUS SCHEME

The Committee considered the report and appendices, details of which were noted in the confidential/exempt minutes.

It being proposed and seconded that:

RESOLVED –

1. the level of merit award to be shared between individuals and teams within the Service be agreed.
2. the summary of the awards made in 2017/18 under the Authority's Employee Bonus Scheme set out at Appendix 3 be noted.

EX33

DATE OF NEXT MEETING

The Committee noted that the next Executive Committee meeting would be held on Wednesday 6 March 2019 at 10.00am.

THE CHAIRMAN CLOSED THE MEETING AT 12.10 PM