

Minutes of the meeting of the BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY held on WEDNESDAY 19 FEBRUARY 2014 at 11.00 am

Present Councillors Bendyshe-Brown, Busby, Chilver, Dransfield, Edwards, Exon, Glover, Gomm, Huxley, Lambert, Morris, Reed, Schofield, Vigor-Hedderly, Watson and Webb

Officers: M Jones (Chief Fire Officer), G Britten (Director of Law and Governance), D Skinner (Director of Finance and Assets), L Swift (Director of People and Organisational Development) J May (Head of Finance [Deputy Director]), G Young (Management Accountant [Plan and Monitor]), D O'Driscoll (Head of Service Development), M Osborne (Head of Service Delivery), J Parsons (Area Manager) S Gowanlock (Corporate Planning Manager), K Nellist (Democratic Services Officer), F Pearson (Group Manager Communications), and E Andrews (Executive Assistant).

Apologies: Councillor Mallen

FA29 MINUTES

RESOLVED –

That the Minutes of the meeting of the Fire Authority held on 18 December 2013, be approved and signed by the Chairman as a correct record.

FA30 CHAIRMAN'S ANNOUNCEMENTS

The Chairman announced that:

- (a) Fire Minister Brandon Lewis had visited Buckinghamshire Fire & Rescue Service on Monday 10 February. After a meeting with the Chief Fire Officer and the Chairman, he was taken by the Chief Operating Officer to Marlow to see what the Service had been doing to protect flood-threatened homes in Marlow.
- (b) Mr Eric Pickles in his role as Secretary of State for Communities and Local Government when responding to a question in the House of Commons from Mrs Cheryl Gillan (Chesham and Amersham) praising the fire service and the local authorities who are pumping out and saving buildings from flooding by the River Misbourne in Old Amersham and Chalfont St Peter, mentioned the fact that Brandon Lewis had just come back from Marlow, where he had been examining the state of preparedness and reported the fantastic work of local firefighters.

On this note the Chief Fire Officer had received a number of letters of thanks from residents of Marlow, scanned copies of which had been placed in the Member's Library.

- (c) Crews have been working to assist the firefighters of Devon and Somerset on the Somerset Levels.

(The Chairman asked the Head of Service Development to give a brief update on the current situation. The Chief Fire Officer also clarified the position regarding the question of future funding and flood preparation. He explained that the fire service responded to flooding calls for assistance as a moral duty not a legal one and shared his view that a statutory duty might add extra burdens with no extra funding. He explained that the Authority can legitimately use its resources for almost any purpose it wished to without the need for regulatory change. He also explained that many local authorities received money nominally for flooding in their grants but CFAs do not.)

Members rose to join the Chairman to give their thanks to the firefighters for their flood relief work.

- (d) At a previous meeting of the Authority, members had requested further information to help them better understand how the Retained Duty System operated. An information paper has been posted in the member's library which gave a brief background and a forward look as further improvements are planned and being worked upon; and if members would like any further information, Mick Osborne would be happy to oblige.
- (e) The new FBU Chairman's letter to members and the CFO's response has been distributed today. Members would be aware that the firefighters industrial action had taken place over the Christmas and New Year periods, but that no strikes had been called for the past 6 weeks which was generally felt to be a positive sign; and would like to offer thanks on behalf of all of the Members to those who gave up their family celebrations to keep Bucks and Milton Keynes safe.
- (f) He had attended a Fire Commission meeting on Friday 14 February. Topics discussed were: a review of the defence fire risk management organisation and the objective of this review was to identify a more cost effect way of providing fire prevention and risk management services to the Ministry of Defence; the Emergency Services Mobile Communications programme, which was to replace the current mobile network that the blue light services use; and the national position on how the future fire control room service scheme was progressing across England.
- (g) The Chief had written to HM Treasury and copied in the area's 7 MPs to request that some of the Authority's reserves be used to pay off some debt owed to the Public Works Loan Board without penalty by way of early repayment premium.

Although a response from the Chancellor's offices had yet to be received, DCLG had indicated that it would not be feasible because the PWLB has to rely upon the income so as to meet the Government's GILTS commitments. He would ask the Chief to place copies of the correspondence in the Member's library.

- (h) The Chief had also written to DCLG requesting tax breaks for those retained firefighters attending the lengthy flooding incidents. No response had yet been received but he would also ask for those to be placed in the Members' library.
- (i) He was pleased to introduce the Authority's 'latest recruit' – Julian Parsons, who would be working alongside Mick Osborne and Denis O'Driscoll.

FA31

RECOMMENDATIONS FROM COMMITTEES

Executive Committee – 5 February 2014

The Authority considered the recommendations of the Executive Committee held on 5 February 2014 relating to:

- Treasury Management
- The Prudential Code, Prudential Indicators and Minimum Revenue Provision
- Medium Term Financial Plan (MTFP) 2014/15-2017/18
- BMKFA Pay Policy Principles and Statement 2014 15

(a) Treasury Management.

The Authority considered the Treasury Management Policy Statement, the Treasury Management Strategy Statement and the Annual Investment Strategy.

The Authority noted the main changes were an increase from £5 million to £7.5 million to the counterparty limit for Lloyds, that a limited number of non-UK based banks were added to the counterparty list and that a limited number of additional UK based building societies were added to the counterparty list.

RESOLVED –

That the Treasury Management Policy Statement, Treasury Management Strategy Statement and the Annual Investment Strategy for 2014/15 be approved.

(b) The Prudential Code, Prudential Indicators and Minimum Revenue Provision

The Authority considered the Prudential Code, Prudential Indicators and the Minimum Revenue Provision.

The Authority noted that the Prudential Code had been established to ensure that capital investment plans were affordable, prudent and sustainable and equated to an acceptable level of risk to the Authority.

The Authority was currently in an over-borrowed position but due to the prohibitive penalties early repayment of borrowing was not an option. The Authority would therefore ensure that no additional borrowing be undertaken for the foreseeable future.

RESOLVED –

That the prudential indicators and the minimum revenue provision policy statement be approved.

(c) Medium Term Financial Plan (MTFP) 2014/15–2017/18

It was noted that the recommendations from the Executive Committee had been superseded by the report on the Medium Term Financial Plan at Item 8 of the agenda.

RESOLVED –

That the two options for precept be noted: i) 0% and accept council tax freeze grant and ii) a percentage rise up to the referendum limit.

(d) BMKFA Pay Policy Principles and Statement 2014 15

The Director of People and organisational Development advised the Authority that the purpose of this report was to recommend approval for the Pay Policy Principles and Statement for 2014/15, thus achieving compliance with the requirements of sections 38 to 40 of the Localism Act 2011 with regards to Openness and Accountability in Local Pay.

The Authority also noted that the Pay Policy Statement was based on last year's, with minor amendments to align with guidance from the Department of Communities and Local Government. It also noted that the pay policy statement could be updated by the full Authority within year.

RESOLVED –

That the draft Pay Policy Principles and Statement be adopted and published as its statutory Pay Policy Statement 2014/15.

FA32 MEDIUM TERM FINANCIAL PLAN (MTFP) 2014/15 – 2017/18

The Authority noted the recommendations and report from the Executive Committee held on 5 February 2014 and also

considered a revised report and recommendations which took into account the final settlement announced on 5 February 2014 and is included in the funding assumptions for government grant funding, business rates and council tax receipts.

The Chief Fire Officer introduced the report and advised the Authority that each year the Authority was in the thrall of its constituent billing authorities whilst they calculate their respective National Non-Domestic Rate assessments. This year, none of those authorities met the deadline of 31 January set by the Government. If this continued in future years, the Authority might wish to consider delaying the precept meeting until later in February. The Chief Fire Officer proposed to write to the Chief Executives and copy in the Leaders of the billing authorities to make them aware of the subsidiary pressure the Service suffers through their lateness and try and avert having to modify its procedures as that would, in turn, have a delaying impact upon them.

The Chief Fire Officer advised the Authority that each year as they agree a budget, he had not overtly acted to protect the base funding for a number of reasons:

- He is confident that the Service could deliver below set budgets and thus create healthy underspends,
- He agreed that the Service should be as low cost as possible without any detriment to service delivery,
- He wished to instill cost control as a core functional responsibility of all managers,
- He recognised the political and democratic will of the Authority.

The Chief Fire Officer had not sought to quantify the proportion of erosion the Authority's base has endured by recent freezes, but he was disappointed that the Government's arrangements on this year's freeze penalised those authorities for previous restraint because this year's tax freeze grant was based upon an incremental approach, thus favouring those who raised taxes in previous years.

The Chief Fire Officer reminded Members that in his opinion, a Combined Fire Authority was a special case when it came to funding. Whilst it tends to be politically constrained by the decisions taken in its parent authorities, it has no access to special funds. In setting the grant levels, from which it has done notably poorly over the last six years, the Government assumes that the Authority would utilise its comparatively healthy tax base to raise the required funds for its assessed needs.

In advising that the freeze grant is achievable for 2014/15 and in recognition that next year's budget setting process will be conducted under the looming shadow of a general election, he implored Members to think of what the decisions taken successively to freeze mean for service delivery. This year's

forthcoming risk management consultation may throw up some difficult issues for Members to deal with if the Authority is to continue to work within budget.

The Chief Fire Officer wished to recognise the efforts of Mick Osborne and Denis O'Driscoll who had led operations and fire safety functions so well that the risk to communities continued to drop year on year. This would allow Members to consider further future expenditure cuts in the certain knowledge that risk levels would not be affected.

The Chief Fire Officer was actively seeking further cost reduction in support services and would investigate all possibilities including shared services and outsourcing. Further to this, he would promote commercial sponsorships to try and gain new and innovative income streams.

The Chief Fire Officer then asked the Director of Finance and Assets to take the Authority through the budget. He was confident that people and resources could be managed and public safety levels be maintained, and improved; enhancing reputation whilst still delivering high quality services at a low cost to tax payers.

The Authority received the statement of the Chief Finance Officer, as required by the Local Government Act 2003, with regard to the robustness of the estimates made for the purposes of the calculations of the budget and the adequacy of the proposed financial reserves.

The Director of Finance and Assets asked the Authority to consider the impact of the national economic position, the effects of Localism (the business rate retention scheme), the Autumn Statement 2013 and Funding Settlement.

The Authority also considered the risk factors in the budget assumptions, with the potential key issues impacting on the budget estimates being, pay awards, increases in Employers National Insurance contributions, LGPS Pensions and Firefighters Pension scheme changes, borrowing, together with any unexpected events, or exceptional conditions.

The Authority noted that it was the view of the Chief Finance Officer that given the level of the General Fund Balance and earmarked reserves available, the prudent approach to the budget setting process for the next financial year and the tighter controls introduced for budget management that there was sufficient capacity in the reserves to cope with the financial risks the Authority faced for 2014/15 and future years and that the methodology applied provided the necessary assurance to the Authority about the robustness of the estimates used in constructing the budget.

The Authority gave detailed consideration to whether it should increase the level of Council Tax Precept, or accept the Council Tax Freeze Grant being offered by the Government, taking account of the implications for future budgets.

It was noted by the Authority that the legislation that had been passed in respect of mandatory recorded votes for agreeing the budget and setting the precept was not yet in force; and that it would not apply to standalone fire and rescue authorities. However, it being moved and seconded in accordance with its standing orders the Authority proceeded to a recorded vote

In the event, the Authority unanimously voted to delete recommendation 4 - a Council Tax precept of £60.31 for a band D property and the revenue budget as set out in Model 2 (1.99% Council Tax increase) at Appendix A(ii) and instead agree the Council Tax Freeze Grant as set out in Model 1.

RESOLVED:

1. That the report and Statement of the Chief Finance Officer at Section 10 be noted.
2. That the information provided at sections 2 to 4 showing the effects of the latest global and UK economic forecast, the Localism Act and Autumn Statement on the funding settlement for 2014/15 be noted.
3. That a Council tax precept of £59.13 for a band D property and the revenue budget as set out in Model 1 (Council Tax freeze) at Appendix A(i) be approved.
- 4 That the capital programme for 2014/15 as set out in Appendix B(i) and the indicative capital programme for 2015/16, 2016/17 and 2017/18 as set out in Appendix B(ii) be approved.
5. That the general reserve balance should be maintained and note the estimate movements in earmarked reserved as set out in Appendix C be agreed.
6. That the baseline funding summary at Appendix D be noted.

For completeness, details of the recorded vote are set out below:

	For	Against	Abstained
Bendyshe-Brown	✓		
Busby	✓		
Chilver	✓		
Dransfield	✓		
Edwards	✓		
Exon	✓		

Glover	✓		
Gomm	✓		
Huxley	✓		
Lambert	✓		
Morris	✓		
Reed	✓		
Schofield	✓		
Vigor-Hedderly	✓		
Watson	✓		
Webb	✓		

FA33

ANNUAL REPORT ON REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA)

The Director of Legal and Governance advised the Authority that this was an annual report on the use of the powers given to the Authority under the Regulation of Investigatory Powers Act 2000 (RIPA). The statutory guidance requires that the Authority be given an update at least annually on the use by the Authority of surveillance and use of covert human intelligent sources (CHIS) and have the opportunity to review the CHIS and Surveillance policy annually.

The Authority was informed that an inspection by the Surveillance Commissioner was undertaken triennially; the last inspection was in 2012 and was highly complimentary of the Authority's policy. The Authority was also informed that the ethos of the Service was to be supportive and facilitative of businesses and employers in Buckinghamshire and Milton Keynes. As such, enforcement of fire safety legislation would be a last resort and it therefore followed that tools such as RIPA powers that would be used to support enforcement of fire safety legislation, would rarely ever need to be deployed.

RESOLVED:

1. That the update report be noted.
2. That the CHIS and Surveillance policy be approved.

FA34

PUBLIC CONSULTATION – PRE-IRMP “LISTENING & ENGAGEMENT” RESEARCH – REPORT OF CONSULTATION OUTCOMES.

The Corporate Planning Manager advised the Authority that this report was the outcome of consultation work with the Public via a

series of five focus groups across the areas served by the Authority. This early consultation work was designed to help inform the development of the next Integrated Risk Management Plan (IRMP).

The Authority was advised that the focus groups were run in two phases. The first was exploring the participants' general awareness and understanding of the Fire and Rescue Service and the issues facing it (without being given any significant background information) and the second was exploring their views and expectations after being more acquainted with the issues and challenges facing the Authority and some potential ways that it could respond to these.

Preparation of the next IRMP, which would cover the period from 2015 to 2020 was currently underway with a view to officers presenting a draft for Members to approve for public consultation at the June 2014 Fire Authority meeting.

RESOLVED -

That the report be noted.

FA35 CHANGE OF DATE FOR JUNE AGM

It was agreed to move the date of the AGM from Wednesday 11 June 2014 to Tuesday 24 June 2014 to allow for Members to be appointed by Milton Keynes Council following their election.

RESOLVED -

That the date for the AGM be moved from Wednesday 11 June 2014 to Tuesday 24 June 2014.

FA36 CANCELLATION OF MEETING ON 9 APRIL 2014

It was proposed by the Chairman and seconded by the Vice-Chairman that the meeting on 9 April 2014 be cancelled.

RESOLVED -

That the meeting on Wednesday 9 April be cancelled.

FA37 DATE OF NEXT MEETING

The Authority noted that the next meeting of the Fire Authority is to be held on Tuesday 24 June 2014 at 11.00am.

Before closing the meeting the Chairman thanked Councillor Reg Edwards for his service to the Authority. This meeting would be his last full Authority meeting before retiring prior to the Milton Keynes Council elections on 22 May 2014.

THE CHAIRMAN CLOSED THE MEETING AT 12.50PM

DRAFT

This page is left intentionally blank