

MINUTES OF THE MEETING OF THE BUCKINGHAMSHIRE AND MILTON KEYNES
FIRE AUTHORITY HELD ON WEDNESDAY 13 FEBRUARY 2019 AT 11.00 AM

Present: Councillors Carroll, Christensen, Clare, Cranmer, Exon, Glover, Hopkins, Irwin, Lambert, Marland, McDonald, Reed (Chairman), Roberts, Watson and Wilson

Officers: J Thelwell (Chief Fire Officer), M Osborne (Deputy 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), J Parsons (Head of Service Development), D Norris (Head of Service Delivery), J Cook (Community Safety and Safeguarding Manager), P Cummins (Interim Deputy Monitoring Officer) F Pearson (Communication and Consultation Manager), A McCallum (Executive Assistant to the Chief Fire Officer), J Ewers (Crew Commander), P Mould (Group Commander) and K Nellist (Democratic Services Officer)

Apologies: Councillors Geary and Teesdale

FA38 NEW MEMBER OF AUTHORITY AND APPOINTMENT TO COMMITTEE

The Chairman welcomed the new Member to the Fire Authority Councillor Anders Christensen from Buckinghamshire County Council and advised that it was the Group Leader's wish that he be appointed to the Overview and Audit Committee.

RESOLVED –

That Councillor Christensen be appointed to the Overview and Audit Committee

FA39 MINUTES

RESOLVED –

That the Minutes of the meeting of the Fire Authority held on 12 December 2018, be approved and signed by the Chairman as a correct record.

FA40 CHAIRMAN'S ANNOUNCEMENTS

The Chairman's Announcements had been circulated in advance.

The Chairman welcomed Paul Cummins, Acting Service Director of Legal and Democratic Services and Monitoring Officer from Milton Keynes Council.

FA41 RECOMMENDATIONS FROM COMMITTEES: EXECUTIVE COMMITTEE – 6 FEBRUARY 2019

(a) Members' Allowances

RESOLVED –

That a Scheme for Members' Allowances for 2019/20 be adopted.

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

RESOLVED –

That the Prudential Indicators and the Minimum Review Provision policy statement be approved.

(c)The Medium Term Financial Plan (MTFP) 2019/20 to 2021/22

The Lead Member for Finance, IT and Procurement introduced the report and advised Members that the main report presented the proposed revenue and capital Medium Term Financial Plan (MTFP) for the financial years 2019/20 to 2021/22. The most significant change from last year related to employer pension contributions. The initial report from the Government's Actuary Department suggested that the employers' contribution for the firefighter's scheme would increase from 17.6% to 30.2%. The impact on the Authority would be an increase of annual contributions of £1.6m. The Treasury had said that for 2019/20 it would fund 90% of this amount. That left the Authority in a position of uncertainty the year after.

The Director of Finance and Assets advised Members, that as the Lead Member for Finance, IT and Procurement had already stated, the main pressure this year had been the pensions contribution increasing by £1.6m.

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

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 advised Members that as part of looking at a zero based budget, the Authority would look at all possible expenditure as well as all possible income and one potential source of additional income was to hold a referendum. Section 9 of the report looked at the cost of holding a referendum.

The Director of Legal and Governance advised Members that the report set out the limitations, prescriptions and constraints of holding a referendum and its process. If after undertaking a zero based budget in 2020/21 the Authority were to look to notify the billing authorities that it was going to set an excess precept, it would need to make that notification by 8 March 2020. As stated in the report, there had only been one referendum before (Bedfordshire Police and Crime Commissioner) and that had received a negative response. The challenges were not to be under estimated.

The Director of Legal and Governance highlighted to Members that at present there were five billing authorities, Milton Keynes Council and the four district councils across Buckinghamshire. If the Authority were to notify the four billing authorities across Buckinghamshire on the 8 March 2020, the reality was that on 1 April 2020, those billing authorities would cease to exist, they would be superseded by the new Buckinghamshire Council. As Members were aware the Rt Hon James Brokenshire MP Secretary of State for Housing, Communities and Local Government was responsible for the Statutory Instrument making the reorganisation across Buckinghamshire and without pre judging where the Authority might be in 2020, Members might wish to communicate with the Rt Hon James Brokenshire MP.

The Director of Legal and Governance advised Members that whatever happened in the reorganisation, nothing in the transitional provisions should prejudice the ability, should the Authority so wish, to create a referendum scenario in 2020. If the Authority were to advise the billing authorities on 8 March 2020, they wouldn't exist after 1 April 2020, so it would need to make sure that the new corporate body Buckinghamshire Council would still be able to conduct the referendum.

Members agreed that Officers would write to the Rt Hon James Brokenshire MP requesting that his department ensure that the transitional provisions establishing the new Buckinghamshire Council would safeguard the new Council's ability to organise a Council Tax referendum on behalf of the Authority.

The Chairman advised Members that he along with the Chief Fire Officer would continue to lobby Government on behalf of the Authority for precept flexibility.

A Member asked what the Authority's assumption for Council Tax surplus would be for futures years and was advised that the Authority was budgeting £250k per annum moving forward and that compared with the £278k budgeted for this year.

A Member asked if starting with 2015/16, the year when the Authority reduced its Council Tax precept by 1%, what was the additional amount available through the precept in 2019/20 if the Authority had set the Council Tax each year at the maximum

allowed without a Referendum and was advised that had the maximum increase been applied from 2015/16 onwards it would be approximately £586,000.

A Member asked what the assumptions around business rates reset and the fair funding review coming up was and was advised that the assumption the Authority was taking was based on what the Home Office working assumption was. The Home Office had included the revenue support grant and business rates into one as part of the settlement funding assessment, then applied a 5% cut per annum.

RESOLVED -

1(a) That the report and Statement of the Chief Finance Officer (Section 8 of Annex A) be noted;

1(b) 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) be approved;

1(c) The capital programme as set out in Appendix 2 be approved;

It being proposed and seconded:

RESOLVED -

2. That Officers write to the Rt Hon James Brokenshire MP requesting that his department ensures that the transitional provisions establishing the new Buckinghamshire Council will safeguard the new Council's ability to organise a Council Tax referendum on behalf of Buckinghamshire and Milton Keynes Fire Authority.

Details of the recorded vote are set out below:

	For	Against	Abstained
Carroll	✓		
Christensen	✓		
Clare	✓		
Cranmer	✓		
Exon	✓		
Glover	✓		
Hopkins	✓		
Irwin	✓		
Lambert	✓		

Marland	✓		
McDonald	✓		
Reed	✓		
Roberts	✓		
Watson	✓		
Wilson	✓		

FA42

TREASURY MANAGEMENT STRATEGY 2019/20

The Director of Finance and Assets advised Members that this report was being presented as the Fire Authority was required to approve the Treasury Management Policy Statement, Treasury Management Strategy Statement and the Annual Investment Strategy. The current strategy was operating effectively and outperforming the benchmark targets. There was one significant change from the previous strategy which was the removal of the proposal to consider investing in Property Funds during 2019/20. The rationale behind this was due to the funding uncertainty around additional cost for pension contributions and the pending outcome of the Comprehensive Spending review. Both of these outcomes could have an adverse financial impact on the Authority which would mean it would not have sufficient funds available to commit to long term investments.

A Member asked a question regarding ethical investments and was advised that when setting a treasury strategy there were three primary considerations in this order, security of investment, liquidity, that money was available when required and yield, how much money it could generate. The Authority had looked at ethical investments in the past, but it was not in the best interests of the Authority at that time.

Councillor Marland advised that Officers at Milton Keynes Council were looking into this at present and agreed to put the Director of Finance and Assets in touch so they could share information.

RESOLVED –

That the Treasury Management Policy Statement, Treasury Management Strategy Statement and the Annual Investment Strategy for 2019/20 be approved.

(Councillors Marland and Wilson abstained)

FA43

MILTON KEYNES SAFETY CENTRE REVIEW OF FUNDING AGREEMENT

The Head of Service Delivery advised Members that the purpose of this report was to gain approval from the Authority for a staged three year Funding Agreement with the Milton Keynes Safety Centre comprising of a £25k per annum grant, and

additional contribution towards travel costs of up to £2k per annum. The Authority and Milton Keynes Safety Centre, also known as Hazard Alley, have had a Funding Agreement in place since 2011. At the Fire Authority meeting held on 10 February 2016, it was agreed to continue to support this community safety facility for a further three years, a commitment which was due to expire on 31 March 2019.

The Community Safety and Safeguarding Manager advised Members that the key difference between the current funding agreement and this proposal was the removal of requirement for the Safety Centre to provide office space for Authority staff; the increase to 4,000 the minimum number of children from Buckinghamshire and Milton Keynes schools each year and the updated project actions in Schedule 1 (appendix 1). The payment intervals and terms had been adjusted to six monthly intervals and terminable by the Authority, on three months' notice or the first or second anniversary on one month's notice. The Safety Centre had indicated that it was in agreement with the proposed terms.

A Member asked what contribution do other local authorities make, other than the Authority, and was advised that a range of supplementary grants from other authorities to the Safety Centre was provided on page 102 of the report.

A Member asked for confirmation of the arrangements for continuation of grant payments in years two and three and was advised that there were break clauses on the first and second anniversary on one month's notice.

RESOLVED –

That the new funding agreement with the Safety Centre on the terms set out in the report be approved.

FA44

PAY POLICY PRINCIPLES AND STATEMENT 2019/20

The Lead Member for People and Equality and Diversity advised Members that the Authority was required to approve the Pay Policy Principles and Statement before the end of March immediately preceding the financial year to which it related. The Pay Policy Principles and Statement had been revised and minor amendments made where appropriate. It was pleasing to report that the pay multiples ratio of highest paid to lowest paid employee continued to fall for the seventh year running.

The Director of People and Organisational Development advised Members that a couple of extra points had been added in this year's statement around transparency.

A Member asked if the Authority was going to abide by the recommendation of the Living Wage Foundation and pay the living wage as recommended by them, not just to Authority staff but to contract staff as well, and was advised that the Authority

does not operate the higher Living Wage Foundation and would not have any direct employees who would be affected. The apprentices were on the national living wage and were employed by an Apprenticeship Training Agency.

A Member asked what was the total amount of merit award to be paid to the senior management team this year, and was advised that the total amount to be shared between individuals and teams (including the senior management team) within the service would be £50k for 2019/20.

The Chief Fire Officer advised Members that the decision was taken at the Executive Committee last week that the Chief Fire Officer would not be receiving a merit award this year and the broader position was that £50k would be allocated to merit awards across the service.

A Member asked if the Pay Policy was consistent with the budget and was advised that it was.

RESOLVED –

That the Pay Policy Principles and Statement as set out in Annex A be approved as the statutory Pay Policy Statement for 2019/20.

FA45

2020-2025 PUBLIC SAFETY PLAN: "LISTENING & ENGAGEMENT" RESEARCH

The Head of Service Development advised that at the Authority meeting on 12 December 2018, Members were advised of some consultation work with the public being undertaken on the Authority's behalf by Opinion Research Services (ORS), via a series of five focus groups held across the areas served by the Authority. The early work was designed to help inform the development of the next Public Safety Plan (2020-2025). In total 58 people participated across the five focus groups. ORS used a deliberate approach that enabled participants to reflect in depth about the issues facing the Authority/Service. Also, participants were able to do this without the constraint of worrying about any imminent changes to local fire and rescue service provision.

The outcomes of the consultation were contained in the annexed ORS report. Because recruitment to the focus groups was inclusive and the participants diverse, ORS advised that the outcomes of the consultation were broadly indicative of how informed public opinion as a whole would incline in similar discussions.

The Head of Service Development advised that preparation of the 2020-2025 Public Safety Plan was currently underway with a view to officers presenting a draft for Members to approve for a formal 12 week public consultation at the 12 June 2019 Fire Authority meeting. Further stakeholder consultations were planned throughout the PSP development process in line with National Framework requirements.

RESOLVED -

That the report be noted.

FA46

HER MAJESTY'S INSPECTORATE OF CONSTABULARY AND FIRE AND RESCUE SERVICES – PREPARATION UPDATE

The Head of Service Development advised Members that this report contained the published report by the HMICFRS into the first tranche of inspections where 14 fire and rescue services were inspected. The main findings of the report were in respect of the effectiveness criteria. Services were generally performing well, with the main concern being around the performance of protection departments, especially in relation to their ability to undertake proactive risk based inspections. In January Members' agreed to an increase in establishment of two inspecting officers in our protection department. This budget growth bid was as a result of our own performance analysis and prior to the report from HMICFRS.

With regard to the efficiency criteria, services were found to be generally performing well, but some services were criticised for not having a robust reserve strategy or using their reserves to support revenue shortfalls, but without significantly modernising their service.

The HMICFRS report was much more critical of services in relation to the people criteria. The HMICFRS cited inappropriate behaviour and insensitive use of language by staff and autocratic and domineering behaviour by managers. There was widespread reports of bullying and harassment in some services. There were also criticisms with regard to equality, diversity and inclusion in some services.

The Head of Service Development advised that Tranche 2 reports would be published in May 2019. The Authority's preparations remained on track. The service was still waiting for the full timetable for its inspection. A document request with a deadline of 28 February had been requested, and the service was well placed to meet this deadline with the required documentation. HMICFRS had required that the Authority's self-assessment be completed by 1 April 2019.

RESOLVED –

That the report be noted.

(Councillors Carroll and Cranmer left the meeting)

FA47

EXCLUSION OF PRESS AND PUBLIC

G Britten (Director of Legal and Governance), L Swift (Director of People and Organisational Development), J Parsons (Head of Service Development), D Norris (Head of Service Delivery), J Cook (Community Safety and Safeguarding Manager), F Pearson (Communication and Consultation Manager) A McCallum

(Executive Assistant to the Chief Fire Officer), J Ewers (Crew Commander) and P Mould (Group Commander) left the meeting.

RESOLVED –

By virtue of 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 any particular person (including BMKFA) and Paragraph 5 of Part 1 of Schedule 12a of the Local Government Act 1972 as the report contains information in respect of which a claim to legal professional privilege could be maintained in legal proceedings; and on these grounds it was considered the need to keep information exempt outweighs the public interest in disclosing the information.

FA48 SECTION 5 REPORT OF THE INTERIM DEPUTY MONITORING OFFICER

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

RESOLVED –

That the report be noted.

FA49 DATE OF NEXT MEETING

The Authority noted that the next meeting of the Fire Authority was to be held on Wednesday 12 June 2019 at 11am (AGM).

THE CHAIRMAN CLOSED THE MEETING AT 12.47 PM