

**Minutes of the Meeting of the
West Midlands Fire and Rescue Authority**

**15 February 2016 at 11.00 am
at Fire Service Headquarters, Vauxhall Road, Birmingham**

Present: Cllrs Afzal, Singh Atwal, Aston, Barrie, Barlow, Clinton, Craddock, Davis, Douglas-Maul, Edwards (Chair), Eustace, Hogarth, Idrees (Vice Chair), Miks, Mottram, Quinnen, Sealey, Shackleton, B. Singh, P. Singh, Skinner, Tranter, Ward and Young

Apologies: Cllrs Aston, T. Singh, Dehar, Ward, Spence, Mr Agar

Observer: Mr S Price-Hunt, FBU Branch Secretary

1/16 Declarations of Interest

Councillor Edwards declared a non-disclosable pecuniary interest in Minute No. 5/16 below (Monitoring of Finances).

2/16 Chair's Announcements

The Chair advised members that the Chief Fire Officer had met with the Chief Executives of the seven District Councils regarding collaborative work. He stated that this was going well and if members required further information they should contact the Chief personally.

The Chair also advised members that he had attended the Health Summit on the 8 February and the Fire Service contribution had been well received.

Members were advised that the draft plans for Coventry and Aston Fire Stations were available to view at the back of the meeting room and Officers would be available to answer any questions members may have.

3/15

Minutes of the Authority meeting held on 23 November 2015

Following a request from one of the members the word “annual” was removed from the first page of the minutes.

Resolved that the minutes of the meeting held on 23 November 2015, be confirmed as a correct record.

4/16

Budget and Precept 2016-2017 and Budget Forecast 2017/18 to 2019/20

The Authority considered a revised report on the Authority’s Net Revenue Budget for 2016/17, the consequent additional 1.99% Band D Precept Level increase and the resultant amount payable by each constituent District Council, the Capital Programme for 2016/17 to 2019/20, the Treasury Management Strategy including the Minimum Revenue Provision Statement and Prudential Indicators.

The Authority also considered the offer of a four year financial settlement, as set out in the Final Local Government Finance Settlement on 9 February 2016 directing the Treasurer to prepare and submit an efficiency plan and any other required documentation to the Home Office.

On 17 December 2015, the Secretary of State for the Department of Communities and Local Government (DCLG) had announced the provisional settlement for 2016/17 at £58.660m, resulting in a core funding reduction of £3.283m. The Government also proposed a referendum threshold of 2% for any Fire and Rescue Authority increasing its Council Tax.

The Treasurer apologised for needing to table a slightly amended report due to the final Local Government Finance Settlement not being received from the Department of Communities and Local Government (DCLG) until 9 February 2016 with a slight increase in core funding of £5k on 2016/17, resulting in total core funding of £58,665m. The changes to the report were highlighted in grey. It was proposed to increase the Band D Council Tax by 1.99% in 2016/17.

There had been a small impact of an additional £5,000 core funding in 2016/17 arising from the final Finance Settlement. The four year settlement offer would result in the following core funding reductions over the four year period (2016/17 – 2019/20) of £9.644m (15.6% of the 2015/16 core funding).

- 2016/17 £3.278m
- 2017/18 £3.985m
- 2018/19 £1.691m
- 2019/20 £0.690m

The Authority noted the Chancellor's announcement in the Spending Review in November 2015 of his intention to localise 100% of business rates to local authorities by 2019/20.

The final figures from external funding sources had now been notified and totalled £97,413. In addition, it was estimated that the Authority will generate income of £2.893m.

The Authority noted that the available General Balances at 31st March 2016 are estimated to be £9.2m, but the actual level would not be determined until the completion of the Authority's 2015/16 closedown of accounts process.

The Capital Programme approved at the Authority meeting on 16 February 2015 had been monitored throughout 2015/16.

The Strategic Enabler, Finance and Resources, highlighted the importance of Treasury Management and confirmed that these functions were provided by Sandwell MBC who, in turn, had appointed external advisors to support them and that the Authority had also linked its appointment of bankers to that of Sandwell MBC in order to benefit from efficiencies in tendering, cash flow management and investment and gave assurances in accordance with the Prudential Code under Part 1 of the Local Government Act 2003 that the budget preparation had been robust and that the capital investment plans of the Authority are affordable, prudent and sustainable.

In accordance with the terms of the letter from the Fire Minister on 9th February 2016, the figures are subject to the submission of an efficiency plan to cover the cumulative budget deficit of circa £10m.

The Chair thanked the Strategic Enabler, Finance and Resources for the Budget setting report and the outlined the drastic reduction of £10m to the budget between 2016 and 2020. The substantial reductions would be achieved by savings made up as:

Staffing	£4m
Commissioning	£2m
Internal Restructures	£1m
General Budget Reductions	£1m
Council Tax Base	£2m

The Chair stated that the Fire Authority were set to lose circa 150 firefighters as well as the 275 firefighters that had already been lost. Between the years 2011 and 2020 the Authority's Government funding would have reduced by £38m.

The Authority were committed to no firefighter redundancies, however, circa 60 firefighters were due to retire during this period and would not be replaced and 18 firefighters on secondment would be returning to Hereford and Worcester. This would mean the Brigade would offer firefighters voluntary additional shifts to help maintain the Service Delivery Model.

The Chair invited the FBU Branch Secretary to address the Members of the Authority.

The FBU Branch Secretary stated that it was worth noting that initially the budget reductions were expected to be £14m and that the FBU were totally opposed to any cuts and the Union were currently undertaking their first trade dispute in over a decade. Ballot papers were due to be returned by Monday 22 February 2016.

The FBU Branch Secretary felt that the Authority's suggestion of voluntary additional shifts were an attack on their members Conditions of Service and the FBU were concerned about the Authority's strategy in managing a reduced budget.

The FBU Branch Secretary said that Green Book staff had been made redundant and the Management Review was still awaited, three years after it was first mentioned. There had not been a review since 2005 when the Watch Manager Review had taken place and management positions represented 10% of the workforce.

The FBU Branch Secretary asked the Members of the Authority if they felt it to be right in the current financial climate and in light of staff redundancies that the Authority were paying consultants to run management courses.

The FBU Branch Secretary confirmed that he would write to all Members of the Authority with the results of the balloted industrial action result in 7 days time.

In response, the Chair stated that 275 firefighter posts had been lost between 2011 and the current year. Circa 150 firefighter posts would be lost in first two years of the current four year period. He stated that as the Authority had already received a £38m reduction in its Government funding, it was no longer able to employ the number of staff currently employed and maintain the current Service Delivery Model (SDM). The West Midlands response time of 4.42 minutes to category 1 incidents was currently the best response time in the country and the Authority wanted to maintain this by offering voluntary additional shifts, running this as a pilot.

Without the use of the voluntary additional shifts, the Authority would not be able to provide the current SDM. Negotiations had been ongoing with the FBU for a local agreement. However, the FBU had balloted for action short of a strike and to not take part in overtime.

The Chair stated that Members need to be clear on the position and that the Authority wished to work in harmony with the FBU. There had not been any compulsory redundancies. There had been a single number of redundancies for green book staff with the majority of leavers taking voluntary retirement.

The Chair stated that the Authority would await the letter from the Fire Brigades Union and respond accordingly.

In response, the Chief Fire Officer stated that it would be impossible with a reduction to Government funding of £38m without making some reform and change internally. The vast majority of changes had been through internal change, which had been recognised externally and in some cases had improved the service currently provided and the Fire Service had expanded into the health care agenda.

The Service had worked extensively with staff to understand the reasons for change and had made a commitment to the Leading Excellence programme. The Chief offered to provide further information to Members about this programme of learning.

The Service would continue to engage with the Representative Bodies, however, tough decisions and changes were required to meet the £38m reduction in Government funding. The CFO stated that the voluntary additional shifts were not ideal, but would place the Brigade in a position to maintain the SDM.

In response the Chair confirmed that following a comparison with the other Metropolitan Fire Authorities, the West Midlands Fire Service spends less on management.

The Chair stated that a management review had been undertaken as part of the cuts 2011 – 2015 where £1.4m had been saved in management costs. A further review of senior brigade managers had reduced senior brigade managers from 4 down to 3 and had realised a reduction of £235,000 in costs from the top tier. The Authority had also agreed to pay the Living Wage to lower paid staff. A further management review would be undertaken. Substantial savings have been made and the West Midlands Brigade costs less than our comparative Brigades.

The Treasurer stated that the figures provided in paragraph 3.5 of the report assumed an increase of 2% each year in Council Tax.

Members welcomed the attendance of the FBU at the Authority meeting and asked if their attendance had been for clarification of the core dispute and asked if any alternative suggestions had been received from the FBU.

The Chief confirmed that the dispute was about payment rates and also related to a proposal for Fire Control. The points raised by the FBU around the Learning and Development Programme were not part of the dispute.

Members felt that the public should be made aware of the value for money they were receiving from the Fire Service and that the £56 precept charged at Band D for a full time Fire Service equated to a full tank of petrol. The Members wanted to place on record how fantastic the workforce were and how impressed the Fire Authority were with its employees.

The Authority were more than grateful to firefighters and those who work for the organisation. There had been three major fires over the previous weekend and were truly thankful.

In response to a question, the Treasurer confirmed that the commitments in respect of those projects which make up the proposed capital programme rose from £6.4m in 2016/17 to £10.7 in 2017/18. This reflected in the main the redevelopment of Aston and Coventry Fire Stations.

In response to a question regarding the creditworthy policy, the Treasurer confirmed that all active parties have to fulfil the criteria and couldn't recall a company failing. Institutes are omitted from the counterparty (dealing) list if they are failing. Any risks are highlighted and changes in market intelligence is monitored.

Members noted that in Appendix E to the report regarding the Vehicle Replacement Programme, it was proposed to purchase 12 new vans during 2016/17 at a cost of £16,000 each. This was felt to be a large sum of money for a van.

The Treasurer confirmed that the vans used diesel, which was available from pumps on stations and undertook an average mileage of 8,000 to 10,000 a year. The replacement of vehicles is reviewed regularly and when required the most competitive framework is used and in some cases ex-demonstration vehicles are purchased.

A full review of the whole fleet was scheduled for 2016/17. Members requested the review of vehicles to take place. The Chief confirmed that the outcome of the fleet review would be brought to the Authority.

The Chair echoed the Members support for members of staff and firefighters and agreed that they do an exceptional job and a specialist role. He confirmed that both he and the Chief communicated internally, through their blogs and always passed on their thanks following incidents and would continue to do so. Staff are also complimented on how they deliver services and how they work to achieve balanced budget being flexible and open to change.

The CFO also wished to recognise the commitment of firefighters, managers and staff over the previous four years.

Resolved:

- (1) that the Authority's Net Revenue Budget for 2016/17 of £97.413m which includes a Council Tax requirement of £37.874m together with associated precept levels and resulting Band D precept increase of 1.99%, as now submitted, be approved;
- (2) that the Authority's capital programme for 2016/17 to 2019/2020, as now submitted, be approved;
- (3) that the Authority's Treasury Management Strategy which includes the Minimum Revenue Provision Statement, and the Prudential Indicators, as now submitted, be approved;
- (4) that it be noted that the constituent District Councils have formally set their Council Tax bases for the year 2016/17 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under Section 33(5) of the Local Government Finance Act 1992 as follows:-

	Tax Base
Birmingham	239,042.00
Coventry	77,525.10
Dudley	88,126.08
Sandwell	69,913.98
Solihull	73,456.00
Walsall	67,520.37
Wolverhampton	60,405.94
	675,989.47

- (5) that the following amounts be now calculated by the Authority for the year 2016/17 in accordance with Sections 40 to 48 of the Local Government Finance Act 1992:
 - (i) £101,906,000 being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(2)(a) to (d) of the Act;
 - (ii) £64,032,338 being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(3)(a) to (b) of the Act;

- (iii) £37,873,662 being the amount by which the aggregate at (5)(i) above exceeds the aggregate at (5)(ii) above calculated by the Authority in accordance with Section 42A(4) of the Act as its council tax requirement for the year.
- (iv) £56.03 being the amount at (5)(iii) above divided by the total amount at (4) above, calculated by the Authority in accordance with Section 42B(1) of the Act as the basic amount of its Council Tax for the year.
- (6) Valuation Bands

	£ (to 6 decimals)	£ (rounded to 2 decimals)
A	37.351333	37.35
B	43.576556	43.58
C	49.801778	49.80
D	56.027000	56.03
E	68.477444	68.48
F	80.927889	80.93
G	93.378333	93.38
H	112.054000	112.05

being the amounts given by multiplying the amount at (5)(iv) above by the number which in the proportion set out in Section 5(1) of the Act is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Authority in accordance with Section 47(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

(7) Resultant precepts:	£
Birmingham City Council	13,392,806
Coventry City Council	4,343,499
Dudley MBC	4,937,440
Sandwell MBC	3,917,070
Solihull MBC	4,115,519
Walsall MBC	3,782,964
Wolverhampton City Council	<u>3,384,364</u>
Total	<u>37,873,662</u>

being the amounts given by multiplying the amount at (5)(iv) above by the appropriate tax base at 1.1 above in accordance with section 48(2) of the Act, as the amount of precept payable by each constituent District Council.

- (8) that the precept for each District Council as calculated at (5)(iv) above be issued in accordance with Section 40 of the Local Government Finance Act 1992.

Councillors Barrie, Barlow, Davis, Douglas-Maul, Hogarth, Sealey, Skinner, P.Singh abstained from voting on the above decision.

5/16

Monitoring of Finances

The Authority noted a report on the monitoring of finances to the end of January, 2016, which included revenue expenditure and the capital programme.

The main variances in the Capital Programme related to the Vehicle Replacement Programme and the Training at Height facilities.

The Treasurer stated that a letter had been received regarding capital receipts flexibilities but that it was unlikely to affect any of the assumptions within the budget report. Over the next four years, no capital grant funding was assumed.

The Treasurer was thanked for producing an excellent report at the end of another financial year. The Members of the Authority thanked the Treasurer for looking after the Authority's finances and all the hard work carried out throughout the year. The Treasurer highlighted that the Financial Management Section had been recognised by the external Auditor as well as himself.

6/16

The Plan 2016-2019

Members considered the amendments to the Vision Statement, Priorities and Outcomes which would be set out in the Service's three year corporate strategy - the Plan for 2016-2019.

The Chief Fire Officer reported on the factors he had considered in recommending the revisions to the Plan, which were derived from the Integrated Risk Management Plan (IRMP). The changes were designed to enable the Service to sufficiently respond to react to the increasingly changing environment of the public sector.

The Vision statement, the Priorities and Outcomes had been aligned to reflect the ongoing ambition to support wider improved outcomes in other areas, in particular health and well-being as set out in the report. It was proposed to revise the Vision statement to:

“Making the West Midlands Fire Safer, Stronger and Healthier”.

to provide clarity in the Authority’s ambition to align to the devolved combined authority, to continue to support through effective partnerships and our commissioning mode and to reflect the change in our service and vulnerability in the community.

The wording of the Priority statements have been reviewed in line with the Vision Statement and the Outcome Statements aligned to the priorities have also been refreshed. An additional area of focus was proposed as part of the review of the Plan which aimed to demonstrate the strategic intent. This was set out as:

“Effective Delivery through Collaboration”.

The following factors had been considered in the recommendation:

- risk analysis
- the Strategic Enabling Team restructure and to maintain continuity in order to embed and improve performance
- funding reductions
- the external environment

The Plan is evidenced based through the IRMP and how the Service can contribute to reducing risk.

The Plan, as now submitted, is a dynamic document that would be available on line.

Officers were considering the corporate performance indicators that would be put in place to enable the effective management and performance monitoring of The Plan. Following discussions with the Chair of the Scrutiny Committee, a report would be presented to the Executive Committee on 21 March 2016 and The Plan would go live on 1 April 2016. Performance against The Plan would also be monitored on a regular basis by the Scrutiny Committee.

In response to a member’s enquiry, the Chief Fire Officer confirmed that the guiding principles would not change, as the Vision Statement was simply being refreshed.

The Chair confirmed that the Authority’s direction of travel was towards the Combined Authority.

In answer to a member's enquiry, the Chief Fire Officer confirmed that as there were no significant changes to The Plan, there was no requirement to consult the public.

Resolved that the amendments to the Vision Statement, Priorities and Outcomes in The Plan for 2016-2019 as now submitted be approved.

7/16

2016/17 Property Asset Management Plan

Approval was sought to the 2016/17 Property Asset Management Plan. In order to ensure the effective and efficient use of land and buildings, a Property Asset Management Plan is essential.

Over the previous twelve months, considerable work had been undertaken in assessing the appropriateness of the existing property assets and consideration had been taken where any future investment should be directed.

A fundamental review of property assets is necessary to demonstrate the effective use of resources.

The Plan involved input from all key West Midlands Fire Service stakeholders and reflected the property and property related priorities over the next five years, attached to the plan in appendix 2 to the report.

In respect of the one for one station replacement update, Members attention was brought to the Board Displays set up in the meeting room showing the plans for Aston and Coventry Fire Stations.

Section 9 of the Plan outlined the proposed specific actions in 2016/17.

In answer to a Member's enquiry the Chief Fire Officer confirmed that the Strategic Enabler for Finance and Resources had been in dialogue with his counter-part in the Police in respect of potential sharing of sites.

The Police had been consulted particularly in respect of the Aston and Coventry Fire Stations, however, the Police had been working towards their 2020 vision. The Police had not expressed an interest in co-locating and had recently received further protection to their budget and were planning a £5 council tax precept for 2016/17.. However, they may review their position in respect of estates and

may get back to us to look at joint working in respect of estates. The Chief Fire Officer stated that the Fire Service was actively working with all partners, including the Police in Coventry to share emergency response and capability. He explained that the Fire Service were seeking engagement on neighbourhood policing and not replacing police stations.

In response to a Member's enquiry, the Treasurer agreed to provide information on the timings for maintenance work in respect of Bloxwich Old Bank and the possible plans for the future, but explained that quite a considerable sum would be required to bring the building up to a habitable standard. A further meeting was being arranged to discuss the possibility of bringing the building back into use.

It was confirmed that a planning application would be submitted by March 2016 and work would commence on Coventry Fire Station in the Summer of 2016. Following an 18 month development it was planned to open in January 2018.

The Deputy Chief Fire Officer stated that the replacement of Aston Fire Station was more complex due to the historic listing of parts of the building.

Resolved that the 2016/17 Property Asset Management Plan be approved.

8/16

Pay Policy Statement 2016-17

Approval was sought to the Pay Policy Statement for the 2016/17 financial year setting out the Authority's policies relating to the remuneration of its Chief Officers.

The Deputy Chief Fire Officer confirmed that the Pay Policy Statement 2016/17 complied with Section 38(1) of the Localism Act 2011 and would be available on the Internet.

In response to a member's enquiry regarding pensions, the Deputy Chief Fire Officer agreed to respond following the meeting as legislation was changing in this regard.

Resolved that the Pay Policy Statement for the financial year 2016/17 as now submitted be approved.

Proposed Vehicle Replacement Programme 2016 to 2019

Approval was sought to proceed with the proposed Vehicle Replacement Programme (VRP) for the financial years 2016/17/18/19, based on the three year capital programme for 2016/17 to 2018/19 identified as part of the Authority's budget setting process.

The intention was to procure a range of vehicles identified in the VRP using the Crown Commercial Services Purchase Framework Agreement RM859, Open EU Tenders and other approved Consortia routes that represent value for money to the Authority.

The age profile and review periods were used to determine the type and number of vehicles in the fleet recommended during the financial period 2016/17. The report also highlighted that a full fleet review was currently being undertaken.

Following a 2015 review of Aerial Appliances, it was felt appropriate to reduce the reserve appliances from two to one, resulting in a saving of £710,000 and no aerial appliances being due for replacement in the current VRP.

The Estimated Replacement Values for 2016/17, 2017/18 and 2018/19 were provided.

The option of leasing vehicles would continue to be explored. When compared with the current method of procuring vehicles via the current framework agreement, the whole life costs of leasing were found to be more expensive.

Resolved:

- (1) that the Vehicle Replacement Programme for the financial years 2016/17/18/19, as now submitted, be approved.
- (2) that the intention to procure a range of vehicles identified in the Vehicle Replacement Programme using the Crown Commercial Services Purchase Framework Agreement RM859, Open EU tenders and other approved Consortia routes that represent value for money to the Authority be noted.

10/16

High Speed Rail 2 Update

An update report had been provided by Peter Holland, the Chief Fire and Rescue Advisor (CFRA) into the impact of the proposed High Speed Rail 2 (HS) on the West Midlands Fire Service (WMFS) site.

WMFS officers felt that Fire Control should move during the work to build the HS2 viaduct, however, following a site visit the CFRA did not agree that Fire Control should move, but felt that HS2 should conduct further noise testings and pay for a sound barrier. A framework had been agreed with the HS2 and there was now no need to go to a Select Committee. This was felt to be good news and progress was being made with engineers and staff.

The sound proofing work would commence in 2017 and the Authority would be reimbursed for this work.

In answer to Member's questions, it was confirmed that ground works had been undertaken to test the suitability of the ground for driving pylons and to check if any gas or electric main were underneath.

If the noise from the construction work is unacceptable or ground works change, HS2 would need to discuss the Code of Construction with the Service.

In response to a Members enquiry the DCFO confirmed that following the noise assessments, if the noise was found to be too high, cladding and sound proof barriers would be erected. If it was impossible for Fire Control to operate, there were clauses within the framework and HS2 would have to stop work on the project.

Members welcomed this information.

The update report was noted.

11/16

Notes of Joint Consultative Panel held on 9 November 2015

The notes of the Joint Consultative Panel held on 9 November 2015 were received.

12/16

Notes of the Policy Planning Forum held on 9 November 2015

The notes of the Policy Planning Forum held on 9 November 2015 were received.

13/16 **Minutes of the Audit Committee held on 9 November 2015**

The minutes of the Audit Committee held on 9 November 2015 were received.

14/16 **Minutes of the Appeals Committee held on 23 November 2015**

The minutes of the Appeals Committee held on 23 November 2015 were received.

15/16 **Minutes of the Executive Committee held on 14 December 2015**

The minutes of the Executive Committee held on 14 December 2015 were received. It was noted that Cllr Davis was present at the meeting although not listed.

16/15 **Notes of the Policy Planning Forum held on 14 December 2015**

The notes of the Policy Planning Forum held on 12 October 2015 were received.

17/15 **Minutes of the Audit Committee held on 18 January 2016**

The minutes of the Audit Committee held on 18 January 2016 were received.

(The meeting ended at 1233 hours)

Contact Officer: Julie Connor Strategic Hub West Midlands Fire Service 0121 380 6906
