



HEREFORD & WORCESTER Fire Authority

Full Authority

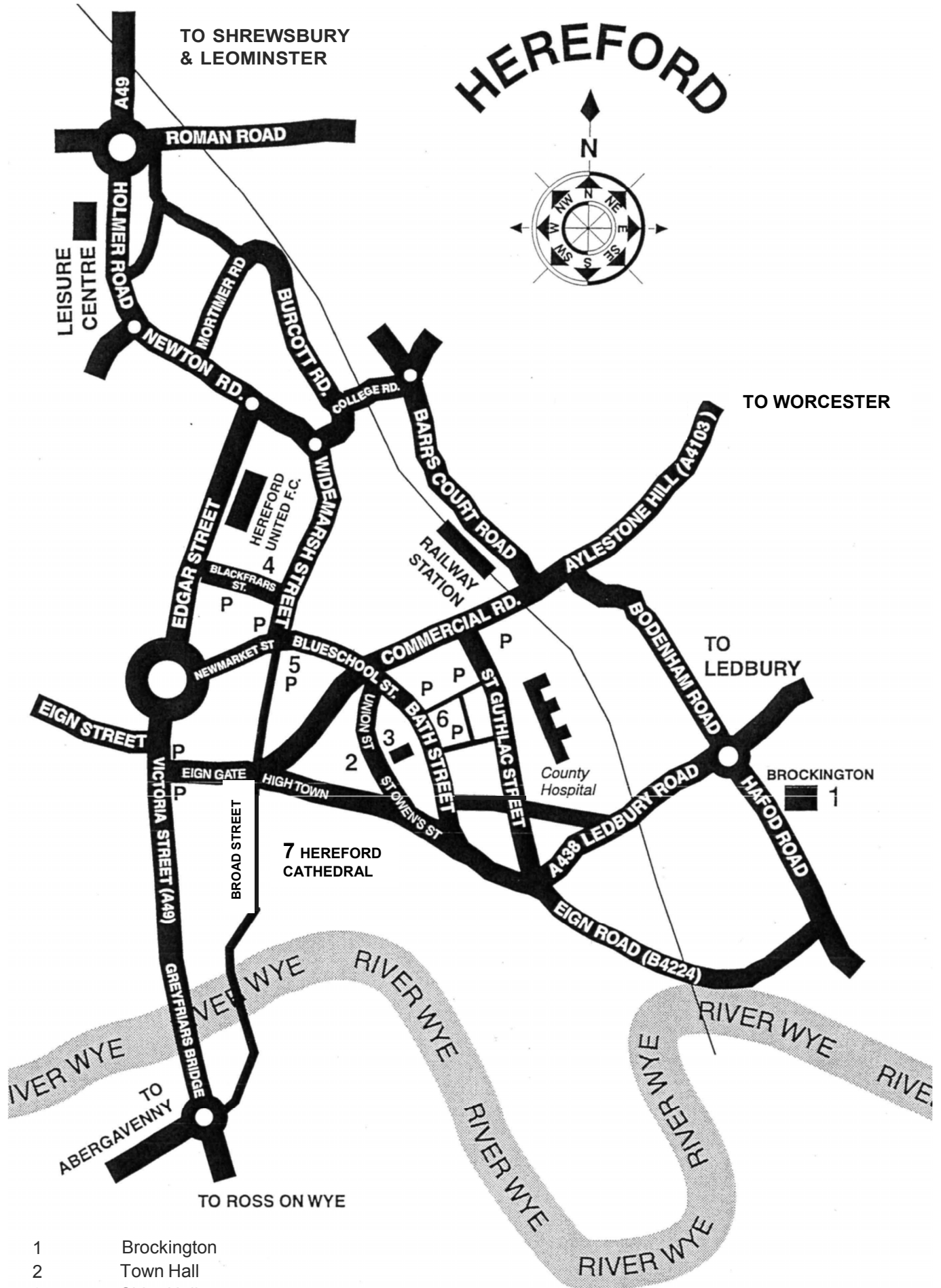
AGENDA

Wednesday, 14 February 2018

10:30

Shire Hall

St Peter's Square, Hereford, HR1 2HY



- 1 Brockington
- 2 Town Hall
- 3 Shire Hall
- 4 Education Centre
5. Garrick House
6. Bath Street
7. Kemble House

GUIDANCE NOTES FOR VISITORS

Fire and Emergency Evacuation Procedure

In the event of a fire or emergency the alarm bell will ring continuously. You should vacate the building in an orderly manner through the nearest available fire exit and make your way to the Fire Assembly Point in the Shire Hall car park.

Please do not allow any items of clothing, etc. to obstruct any of the exits. Do not delay your vacation of the building by stopping or returning to collect coats or other personal belongings.

Parking

There are a number of pay and display car parks close to the Shire Hall.

Public Transport Links

The Shire Hall is a few minutes walking distance from both bus stations located in the town centre of Hereford.

The Chairman or an attendee at the meeting must take the signing in sheet so it can be checked when everyone is at the assembly point.

Alternative formats

For information regarding requests for papers in alternative formats, please contact Committee & Members' Services on 01905 368241/209 or by email at committeeservices@hwfire.org.uk.

Smoking is not permitted.

First Aid -please ask at reception to contact a trained First Aider.

Toilets – please ask at reception.

ACCESS TO INFORMATION – YOUR RIGHTS. The press and public have the right to attend Local Authority meetings and to see certain documents. You have:

- the right to attend all Authority and Committee meetings unless the business to be transacted would disclose “confidential information” or “exempt information”;
- the right to film, record or report electronically on any meeting to which the public are admitted provided you do not do so in a manner that is disruptive to the meeting. **If you are present at a meeting of the Authority you will be deemed to have consented to being filmed or recorded by anyone exercising their rights under this paragraph;**
- the right to inspect agenda and public reports at least five days before the date of the meeting (available on our website: <http://www.hwfire.org.uk>);
- the right to inspect minutes of the Authority and Committees for up to six years following the meeting (available on our website: <http://www.hwfire.org.uk>); and
- the right to inspect background papers on which reports are based for a period of up to four years from the date of the meeting.

A reasonable number of copies of agenda and reports relating to items to be considered in public will be available at meetings of the Authority and Committees. If you have any queries regarding this agenda or any of the decisions taken or wish to exercise any of these rights of access to information please contact Committee & Members’ Services on 01905 368209 or by email at committeeservices@hwfire.org.uk.

WELCOME AND GUIDE TO TODAY’S MEETING. These notes are written to assist you to follow the meeting. Decisions at the meeting will be taken by the **Councillors** who are democratically elected representatives and they will be advised by **Officers** who are paid professionals. The Fire and Rescue Authority comprises 25 Councillors and appoints committees to undertake various functions on behalf of the Authority. There are 19 Worcestershire County Councillors on the Authority and 6 Herefordshire Council Councillors.

Agenda Papers - Attached is the Agenda which is a summary of the issues to be discussed and the related reports by Officers.

Chairman - The Chairman, who is responsible for the proper conduct of the meeting, sits at the head of the table.

Officers - Accompanying the Chairman is the Chief Fire Officer and other Officers of the Fire and Rescue Authority who will advise on legal and procedural matters and record the proceedings. These include the Clerk and the Treasurer to the Authority.

The Business - The Chairman will conduct the business of the meeting. The items listed on the agenda will be discussed.

Decisions - At the end of the discussion on each item the Chairman will put any amendments or motions to the meeting and then ask the Councillors to vote. The Officers do not have a vote.



Hereford & Worcester Fire Authority

Full Authority

Wednesday, 14 February 2018, 10:30

Agenda

Councillors

Mr R J Phillips (Chairman), Mr P A Tuthill (Vice Chairman), Mr R C Adams, Ms P Agar, Mr A Amos, Mr T D Baker-Price, Mr B Clayton, Mrs E Eyre BEM, Mr A Fry, Mr D Greenow, Ms K S Guthrie, Mr I D Hardiman, Mr Al Hardman, Mr M Hart, Dr C A Hotham, Mr J L V Kenyon, Mr R I Matthews, Mr P Middlebrough, Mrs F M Oborski MBE, Dr K Pollock, Mrs J Potter, Professor J W Raine, Mr C B Taylor, Mr R M Udall, Mr S D Williams

No.	Item	Pages
1	Apologies for Absence To receive any apologies for absence.	
2	Declarations of Interest (if any) This item allows the Chairman to invite any Councillor to declare an interest in any of the items on this Agenda.	
3	Chairman's Announcements To update Members on recent activities.	

4 Public Participation

To allow a Member of the public to present a petition, ask a question or make a statement relating to any topic concerning the duties and powers of the Authority.

Members of the public wishing to take part should notify the Head of Legal Services in writing or by email indicating both the nature and content of their proposed participation to be received no later than 2 clear working days before the meeting (in this case 9 February 2018). Further details about public participation are available on the website. Enquiries can also be made through the telephone numbers/email listed below.

5 Confirmation of Minutes

To confirm the Minutes of the Meeting held on 14 December 2017.

8 - 13

6 PCC Business Case

The Chairman will provide Members with a verbal update

7 Budget and Precept 2018/19 and Medium Term Financial Plan

To determine the Revenue and Capital Budgets and the Council Tax Requirement for 2018/19.

To approve the Prudential Indicators and Minimum Revenue Provision (MRP) Statement for 2018/19.

To approve the level of Fees and Charges for chargeable services for 2018/19

To identify potential future resources, their consequential impact on future year budgets and the future Council Tax Requirement. (the Medium Term Financial Plan)

To approve Reserves and Investment Strategies

14 - 41

8 Crewing Arrangements

Report to follow.

9	Pay Policy Statement	42 - 51
	To bring to the attention of the Authority the requirement for the Service to publish its annual Pay Policy Statement for year 2018/19.	
10	Members' Allowances Scheme 2018/19	52 - 55
	To consider whether to make any alterations to the Members' Allowances Scheme for 2018/19 in light of the change in the Consumer Price Index to December 2017.	
11	Fire Authority and Committee Dates	56 - 58
	To inform Authority Members of the meeting dates for 2018/19.	
12	Minutes of the Audit and Standards Committee	59 - 61
	To receive the minutes of the meeting held on 24 January 2018.	
13	Minutes of the Policy and Resources Committee	62 - 66
	To receive the minutes of the meeting held on 31 January 2018.	

Firefighter Safety Seminar

A seminar for Authority Members on firefighter safety will be held following the close of the meeting.



Hereford & Worcester Fire Authority

Full Authority

Thursday, 14 December 2017, 10:30

Minutes

Members Present: Mr B A Baker, Mr T D Baker-Price, Mr A Fry, Ms K S Guthrie, Mr I D Hardiman, Dr C A Hotham, Mr J L V Kenyon, Mr R I Matthews, Mr P Middlebrough, Mr R J Phillips, Mrs J Potter, Professor J W Raine, Mr C B Taylor, Mr P A Tuthill, Mr R M Udall, Mr S D Williams

Also in Attendance

Mr J Campion - West Mercia Police & Crime Commissioner

151 Apologies for Absence

Apologies were received from Councillors Mr R Adams, Ms P Agar, Mr A Amos, Mr B Clayton, Mrs E Eyre, Mr A Hardman, Mr M Hart, Mrs F Oborski and Mr K Pollock.

152 Declarations of Interest (if any)

No interests were declared.

153 Confirmation of Minutes

RESOLVED that the minutes of the meeting of the Fire Authority meeting held on 4th September 2017 be confirmed as a true record and signed by the Chairman.

154 Chairman's Announcements

The Chairman announced that he had attended the following events:

- the Carol Service held at St John's Church in Claines, Worcester on 9th December 2017;
- the Fire Service Medals and Awards Ceremonies held in

- Worcester and Hereford;
- the Dying to Drive event for year 11 pupils held at Worcester Fire Station;
- the Fire Service Exercise at Sennybridge in Herefordshire;
- a briefing on the new Fire Inspectorate;
- the National Joint Council for Fire and Rescue Authorities; and
- the Annual Combined Fire Authorities Conference.

The Chairman informed the meeting that he had held several meetings with the Chief Fire Officer and senior officers, Group Leaders and together with the Vice Chairman had met the Chairman of Shropshire Fire Authority and the Portfolio Holder for Fire and Community Safety in Warwickshire.

The Chairman also announced that the Minister had appointed him as an employers' representative on the Fire Pension Scheme Advisory Board and he had attended his first meeting in December.

155 Public Participation

There was no public participation.

156 PCC Business Case

The Chairman reminded Members that the PCC had submitted a revised business case on fire governance directly to the Home Office which was currently being reviewed by CIPFA on behalf of the Secretary of State.

The Chairman explained that the Leaders of the Constituent Authorities had again requested the two Fire Authorities to engage consultants to undertake an independent analysis of the business case due to concerns regarding the potential impact on the delivery of fire and rescue services. The outcome of this analysis carried out by Ameo Alendi Consulting Ltd, which had been circulated with the agenda papers had been submitted to CIPFA for their consideration.

The PCC informed the meeting that a report back to the Home Office from CIPFA was likely by 8th January 2018 and explained that the revised business case proposed an alliance between the two fire and rescues services rather than a merger.

Members were provided with an opportunity to ask questions with regards to the issues set out in the revised business case.

RESOLVED that the report "Assessment of the West Mercia PCC Final Business Case" by Ameo Alendi Consulting Ltd be noted

and sent to the constituent authorities and to local MPs.

157 Revision to Medium Term Financial Plan

The Treasurer informed Members that key funding information for 2018/19 was due to be received from Government by 21st December, however it was not expected that this would differ significantly from the four year settlement previously announced. The Treasurer advised that the position after 2019/20 was less clear and as a precaution the MTFP assumed that the grant (or equivalent) was 10% lower in 2020/21 than in 2019/20 and a further 10% lower in 2021/22.

Following questions from Members, the Treasurer confirmed the general reserve of £1.538m was adequate for the needs of the Authority and that the total value of reserves was in the region of £12m.

RESOLVED that the current resources position be noted and a further report be brought to the Policy & Resources Committee when the key funding information has been made available.

158 Principal Officer Temporary Structure Proposal

[The Assistant Chief Fire Officer (ACFO) withdrew from the meeting during consideration of this item.]

The Chairman informed the meeting that the DCFO had tendered his resignation with a view to retire in July 2018. The Chairman thanked the DCFO for providing the Authority with sufficient notice of his intended departure to allow ample time for future arrangements to be reviewed and implemented.

The Chief Fire Officer presented a proposal to delay the permanent appointment of a DCFO, but instead to make temporary appointments to the DCFO and ACFO posts in light of the uncertainty arising from the submission of the PCC's business case on fire governance.

The PCC and Authority Members thanked the DCFO for his hard work, commitment and leadership which was not only highly regarded throughout the Authority but also amongst partner organisations.

RESOLVED that with effect from the date of retirement of the DCFO (or as agreed by the CFO):

i) the current Assistant Chief Fire Officer (ACFO) be temporarily promoted to the post of DCFO for a period of at least 12 months

(with an option to review and extend depending on prevailing circumstances) and that the resultant temporary vacancy at Assistant Chief Fire Officer (ACFO) be filled internally - potentially using a number of candidates; and

ii) the remuneration level of the temporary DCFO & ACFO posts will be the same as the substantive DCFO & ACFO posts respectively, albeit that the positions will not attract any pensionable benefit (due to the temporary nature of the position).

159 Houses of Multiple Occupation: Project Update

The Area Commander for Community Risk and Training provided an update on the twelve month project targeting fire safety in houses of multiple occupation and residential accommodation above commercial premises. As a direct consequence of the project there had been a significant increase in fire safety enforcement action meaning that the risk of harm or injury from fire had been considerably reduced by the project.

Members commended the report and the work undertaken by the project team and it was suggested that the project and its positive outcomes should be publicised.

RESOLVED that:

i) the success of the project to date be noted and proactively publicised:

- **an additional 526 business fire safety checks have been completed, resulting in enforcement action being taken against 91 premises; and**
- **358 residents are now living in safer conditions where the risk of harm or injury from fire has been considerably reduced.**

ii) the continuation of the project for a further 12 months at a cost of circa £73,000, to be met from the Organisational Development Reserve be approved.

160 Chief Fire Officer's Report

[Cllr A Fry left the meeting at 11:50am]

The Chief Fire Officer gave Members a presentation on the following key developments and activities:

- Service Exercise Assemble held at Sennybridge in Herefordshire

organised by Hereford & Worcester Fire and Rescue Service (HWFRS) provided the emergency services with a real life scenario in which to practice their skills and partnership working;

- the National Breathing Apparatus Challenge saw the team from Broadway and Worcester RDS (on-call firefighters) placed in the silver category;
- Annual Awards Ceremonies were held in Worcester and Hereford to celebrate the achievements of staff, volunteers and young firefighters
- the Dementia Pledge recently made by HWFRS, Shropshire FRS, West Midlands Ambulance Service and West Mercia Police had shown public commitment to being dementia friendly organisations;
- Dying to Drive road safety events organised by HWFRS were attended by over 3000 year 11 pupils from across the two counties;
- a Water Safety Pilot developed by the University of Worcester in conjunction with HWFRS and the Royal Lifesaving Society was recently attended by year 6 pupils from Northwick Primary School in Worcester;
- the new Operational Command Centre at Hindlip recently named Southwell House was nearing completion with HWFRS Fire Control due to move in between February and March 2018; and
- the recent recruitment campaign for wholetime firefighters had led to 994 viable applications being received with 27 applicants passing the selection process and 18 recruits due to commence training in 2018.

The Chief Fire Officer also updated Members on the operational activity that had taken place during the recent heavy snow conditions. Members were informed that the investment previously made by the Authority in appropriate fleet and equipment had not only ensured HWRS attendance at incidents during the snow but had also assisted in the transportation of Fire Control staff and front line healthcare staff.

161 Minutes of the Audit and Standards Committee

Cllr I. Hardiman, a Committee Member reported the proceedings of the Audit & Standards Committee held on 6th September 2017.

RESOLVED that the minutes of the meeting held on 6th September 2017 be received and noted.

162 Minutes of the Policy and Resources Committee

The Committee Chairman reported the proceedings of the Policy & Resources Committee meetings held on 20th September 2017 and 22nd November 2017.

RESOLVED that the minutes of the Policy & Resources Committee meetings held on 20th September 2017 and 22nd November 2017 be received and noted.

163 Minutes of the Appointments Committee

The Vice-Chairman of the Committee reported the proceedings of the Appointments Committee held on 22nd November 2017.

RESOLVED that the minutes of the Appointments Committee meeting held on 22nd November 2017 be received and noted.

The Meeting ended at: 12:10

Signed:.....

Date:.....

Chairman

Report of the Treasurer and the Chief Fire Officer

Budget and Precept 2018/19 and Medium Term Financial Plan

Purpose of report

1. To determine the Revenue and Capital Budgets and the Council Tax Requirement for 2018/19.
 2. To approve the Prudential Indicators and Minimum Revenue Provision (MRP) Statement for 2018/19.
 3. To approve the level of Fees & Charges for chargeable services for 2018/19
 4. To identify potential future resources, their consequential impact on future year budgets and the future Council Tax Requirement. (the Medium Term Financial Plan)
 5. To approve Reserves and Investment Strategies
-

Recommendations

It is recommended that:

- i) the Capital Budget and Programme (Appendix 1) be approved;*
- ii) the Revenue Budget (Appendix 4) be approved;*
- iii) the Medium Term Financial Plan (Appendix 5) be approved;*
- iv) the Authority calculates that in relation to the year 2018/19 and set out in Appendix 6:*
 - a) the aggregate expenditure it will incur will be £32,610,000.00;*
 - b) the aggregate income it will receive will be £9,735,854.00;*
 - c) the net amount transferred from financial reserves will be £298,438.00;*
 - d) the net collection fund surplus is £167,475.00;*
 - e) the net amount of its Council Tax Requirement will be £22,575,808.00;*
 - f) the basic amount of Council Tax will be £80.90 (Band D);*
 - g) the precept demands on the individual Billing Authorities are:*

• Bromsgrove	£2,991,897.11
• Herefordshire	£5,583,743.01
• Malvern Hills	£2,494,832.90
• Redditch	£2,134,166.59
• Worcester	£2,582,184.16
• Wychavon	£4,048,774.02
• Wyre Forest	£2,740,210.21
- v) the Reserves Strategy (paragraphs 59-65 and Appendix 7) be approved;*

vi) the Investment Strategy (paragraphs 72-77) be approved;

vii) the fees and charges for 2018/19 (Appendix 8) be approved; and

viii) the Statement of Prudential Indicators and Minimum Revenue Provision Policy (Appendix 9) be approved.

Introduction and Background

6. In December 2017 the Authority reviewed an interim revised Medium Term Financial Plan (MTFP), which identified a cumulative budget gap (after the approved use of reserves) of £0.947m by 2021/22.
7. This budget gap was based on a set of assumptions which were updated, with the then available information, and reviewed by Policy and Resources Committee on 31 January 2018. This resulted in a balanced budget to 2021/22 and an annual gap of £0.6-£0.7m thereafter.
8. Final information is now available on resources:
 - a. Council Tax-bases – from Billing Authorities;
 - b. Band D Council Tax level – recommendation from the Policy and Resources Committee;
 - c. Council Tax increase referendum threshold – from government;
 - d. Collection Fund surpluses - from Billing Authorities;
 - e. Estimated Retained Business Rates yield - from Billing Authorities; and
 - f. Grant – *at the time of publication of this report the grant settlement had not been formally confirmed. It would be exceptional if the final position is changed, however, if it is, then an update will be provided at the Authority meeting.*
9. The Policy and Resources Committee considered draft budget proposals on 31 January 2018 based on the provisional information then available. The Committee recommended to the Fire Authority that:
 - a. the 2018/19 Band D precept increase is set at £2.37 (2.98%);
 - b. future years' planning should assume an precept increase of 2.98% in 2019/20 and an annual increase of 1.96% thereafter;
 - c. provision be made for future pay awards at 2%; and
 - d. the Reserves Strategy is reconfirmed including their appropriate use to smooth the budget gap in transition to planned efficiency savings.

Review of Available Resources

10. Resources can be split between formula grant, other grants, Council Tax precept and Retained Business Rates.

Formula Grant

11. Members will recall that as part of the 2016/17 Settlement the government gave indicative grant figures for the whole of the CSR period to 2019/20. In order to have these future allocations confirmed (and not subject to further reduction) an Authority was required to submit and publish an Efficiency Plan.
12. Members will be aware that the Home Office accepted the Efficiency Plan submitted by this Authority, without any questions or required amendment, and therefore future grant can be relied upon.
13. At the time of approval the Home Office gave Authorities discretion on how to report progress against efficiencies and this Authority, along with many others, chose to do this through its normal budget monitoring cycle. It should be noted, however, that the draft National Framework proposes specific and separate monitoring and reporting of the Efficiency Plan.
14. It is also worth noting that the Home Office guidance made clear that the use of Reserves was considered to be efficiency, even though they can only be used as a one-off.
15. Whilst it is now clear that the previous Governments commitment to 100% Business Rate Retention is now not possible within the probable legislative timetable, the present Government is now consulting on 75% Rates Retention from 2020/21, using existing legislation.
16. At the same time, Government is considering public sector funding levels:
 - a. the appropriate total public spending
 - b. the relative share of local government against Health, Defence etc.
 - c. the relative needs within local government e.g. Fire against Police/Social Care etc.
 - d. the distribution of the fire share between individual authorities.
17. Whilst government have still not determined whether Fire will continue to be part of the rates retention scheme, the relative levels of Business Rate yield and RSG in some Fire Authorities mean that there would inevitably have to be some form of resource redistribution.
18. In the absence of any certainty on these matters for planning purposes it is assumed that Revenue Support Grant (RSG) ceases in total from 2020/21.
19. As the previous planning for grant reduction were very prudent and RSG for this authority is very low, the impact of this assumption (together with those around Business Rates detailed below) is one of timing rather than long term impact.
20. It should be noted that other Authorities have made different assumptions about future grant, which in their particular circumstances may be more cautious. If these assumptions were adopted there could be £0.500m - £0.600m in available resources in 2020/21 and 2021/22. The Treasurer does not believe these would be prudent planning assumptions for this Authority.

Other Grants

21. The Authority receives grant in respect of national New Dimensions functions and the Firelink radio scheme.
22. Although grant for the former has not yet been formally confirmed the MTFP therefore assumes the continuation of 2017/18 levels.
23. The Authority is aware that the Firelink grant will be eliminated when the replacement and promised significantly cheaper national radio scheme (ESMCP) goes live.
24. The replacement radio project is now at least 2 years behind schedule, and government has not yet confirmed that the special grant funding for Firelink will be extended to cover this period. Although the Home Office has recently informally suggested that it would expect to continue payment this has not been confirmed.
25. It is therefore assumed that the grant will cease with effect from the original planned cut-over date.

Precept Assumptions

26. The level of income from precept is determined by the Band D tax and the total council tax-base.
27. Although the 2018/19 tax-base has risen by 1.32%, this is marginally below the 1.4% forecast and well below the average of 1.9% over the last four years.
28. More significantly the Billing Authorities are planning for future council tax-base increases to average 0.9% compared to the 1.3% in the previous MTFP forecasts. This has the impact of reducing the 2021/22 yield projection by around £0.250m.
29. This reduction may be for a number of reasons. including:
 - a. The initial caution of the impact of local Council Tax Benefit schemes (collection from tax-payers who had previously not paid any Council Tax) has been reversed as far as is appropriate;
 - b. The review of (and reduction in) the granting of single person discounts, has exhausted that potential;
 - c. There is some evidence of “land-banking” amongst developers
30. There is also a one off £0.167m surplus on the Collection Funds.
31. Since 2004/05 the annual net Collection Fund out-turn has ranged from a net deficit of £0.002m to a net surplus of £0.286m, and there have been significant annual variations, both surplus and deficit, from individual Authorities. It would be imprudent to fund core expenditure from this source and the Collection Fund is therefore assumed to be neutral in future years.

32. Although the Authority is free to increase the precept by any level it feels is appropriate, any increase above the threshold set by government requires the Authority to hold a referendum on the increase. The Authority has previously concluded that a referendum is not preferable given the percentage increase necessary merely to fund the cost of the referendum, without delivering additional resources to fund services.
33. Based on the previous referendum limit of 2% the Authority had approved a planning assumption of 1.96% annual precept increases.
34. Government has, however, announced that (subject to formal confirmation) the limit for 2018/19 will be 2.99%, and is planned as 2.99% for 2019/20 also.
35. In considering the revised MTFP, Policy and Resources Committee recognised the need to secure resources for future need and therefore recommends that the Authority should approve an increase in Band D tax by £2.37 (2.98%).
36. This figure is below the level (2.99%) that would require the Authority to conduct a referendum on the level of increase in 2018/19.
37. The Committee also confirmed that the Medium Term Financial Plan should assume a further increase of 2.98% in 2019/20 and 1.96% per year thereafter.
38. It was recognised that if the resource projections were not as severe as the cautious forecasts, then there would be scope for reducing these assumptions.

Retained Business Rates

39. Each year the Billing Authorities provide an estimate (the NNDR1) of the amount of Business Rate they believe is collectable. This also includes estimates of any Section 31 grant payable by government to compensate for some nationally determined rate reliefs.
40. Together with the Section 31 grant payable directly by the Ministry of Housing and Local Government (MHLG) – formerly DCLG – this is an estimate of the total resources available.
41. The potential position regarding 75% Business Rate Retention has been outlined earlier and the planning assumption is that from 2020/21 the Fire Authority retains 1.5% of the locally collected Business Rates (*based on the principal that it keeps 1% under the current 50% retention regime*).
42. At the time of publication NNDR1 information had not been received from all Billing Authorities, so the position is based on a best estimate. If materially different then these figure will be updated at the Authority meeting.
43. For planning purposes it is assumed that the core yield (and grants) will rise at least as much as the government's inflation target (i.e. 2% per year), but that Collection Fund should be assumed to be neutral.

Expenditure Requirement

44. The expenditure requirement has continued to be refined and the key assumptions around pay, inflation and interest rates are outlined in the paragraphs below.
45. Policy & Resources on 31 January 2018 gave consideration to the level of the pay award provision, given that the awards for all staff are subject to national negotiation.
46. Based on the fact that the Fire-fighters (grey book) were offered at least 2% from July 2017 (which is yet to be resolved) and support staff have been offered a 2% increase for two years, it is considered prudent to provide for an annual 2% increase across the MTFP.
47. As the 2017/18 budget only made provision for a 1% award for Fire-fighters, it has been necessary to make future provision for the impact of this being at least 2%. This is partly offset by base savings in the 2017/18 inflation provision.
48. The relevant assumptions are summarised below in tabular form for ease of reference:

	2018/19	2019/20	2020/21	2021/22
Pay Awards	2.0%	2.0%	2.0%	2.0%
General Inflation	2.5%	2.5%	2.5%	2.5%
Long Term Borrowing Rates	3.5%	3.5%	3.5%	3.5%

49. During 2017/18 a review of property maintenance needs identified a need to spend an additional £0.872m over the next 5 years. By utilising the under spending on excess staff in 2017/18 a reserve has been created to fund this expenditure over time
50. Finally, work is now sufficiently advance on the more of Headquarters to the Hindlip site for the expected savings to be brought forward to 2018/19.
51. In accordance with previous practice, and to provide a continuous record of year on year budget changes, Appendix 3 tracks the changes from the approved 2017/18 budget to that proposed for 18/19. Appendix 4 allocates this proposed budget to the relevant approved budget heads.

Fees and Charges

52. The Authority sets a scale of fees for chargeable services and these are now reviewed annually.
53. It has been determined that the fee payable should be a rounded sum so it may not be necessary to apply an increase each year.
54. The proposed charges for 2018/19 are set out in Appendix 8.

Capital Programme

55. The Capital Programme, using prudent financing assumptions and based on the agreed Asset Management Plan and Fleet Strategy, and with the usual annual provision of £0.600m for minor buildings and IT schemes etc. is included as Appendix 1. The revenue consequences of the schemes, including financing costs, are included in the revenue budget projections in Appendices 3, 4, and 6, and the Statement of Prudential Indicators and Minimum Revenue Provision Policy at Appendix 9.
56. Although budget provision has been given for specific schemes within the proposed Major Buildings block, as individual contracts are still subject to tender etc., individual allocations are not shown in order that the information does not compromise the Authority's negotiating position.
57. The Programme now includes provision for expenditure on schemes funded from Transformational Grant.

Reserves Strategy

58. The Authority holds reserves for a number of reasons and these can be summarised as:
 - a. Deferred Expenditure Reserves: monies set aside to fund long life equipment (e.g. Cutting gear, breathing apparatus, fire control etc.) which negates the need for capital financing costs in the medium term
 - b. Budget Reduction Reserve: monies to be used to smooth the transition of significant efficiency measures
 - c. Other Earmarked Reserves: held to cover the costs of known events where timing is uncertain
 - d. General Reserve: unallocated and held to meet the "unknown unknowns"
59. Deferred Expenditure reserves will be spent as necessary to meet the costs of the agreed items as they are procured.
60. In approving the strategy in relation to reserves in February 2017 the Authority has confirmed that the Budget Reduction Reserve is used to close the budget gaps in the MTFP period, until major efficiencies come fully on-line. .
61. Although there is no guidance as to the exact level of balances that an Authority should hold, a level of around £1.5m or 4.5% of 2018/19 Net Budget is considered to be prudent. The Authority has to be mindful of the opportunity to quickly replenish balances if they are called upon and this becomes much harder in a financial regime where central government controls grant, business rate levels and council tax levels.
62. It is still worth quoting Rob Whiteman (Chief Executive of CIPFA) in an open letter to Melanie Dawes (the then Permanent Secretary to DCLG) in 2014: *"For the avoidance of doubt, CIPFA's guidance to chief finance officers is clear that at a time of increasing financial risk, a council making cuts should also increase reserves to reflect the greater volatility of its budget."*

63. Whilst this level of balances is desirable, there is an opportunity cost of holding balances. They could be used to finance one off expenditure or temporarily reduce the Council Tax precept, which itself will have an impact on the long term financial position. The risk of using up balances is, however, that any unforeseen expenditure could not be met.
64. The planned use of balances in the MTFP period is set out in a summary of the Reserves Strategy at Appendix 7.

2018/19 Budget and Precept and Future Years

65. The Authority is required to set a budget and precept for 2018/19, but has to give consideration to the impact on future affordability through a MTFP.
66. The uncertainty about future planning has already been set out, in respect of 20120/21 and 2021/22, where these are beyond the current CSR, and this uncertainty applies even more to the indicative position given for 2022/23 and 2023/24.
67. Based on the assumptions set out in this paper the relative financial position can be summarised as below:

	2018/19 Budget	2019/20 Forecast	2020/21 Forecast	2021/22 Forecast	2022/23 Indicative	2023/24 Indicative
	£m	£m	£m	£m	£m	£m
Expenditure Forecast	32.236	33.299	33.988	34.145	34.852	35.438
Available Resources	(31.938)	(32.234)	(32.181)	(33.023)	(33.910)	(34.822)
	0.298	1.065	1.807	1.122	0.942	0.616
Property Reserve	(0.260)	(0.120)	(0.185)	(0.160)	(0.147)	
Budget Reduction Reserve	(0.038)	(0.945)	(1.622)	(0.962)	(0.098)	
	(0.000)	(0.000)	(0.000)	0.000	0.697	0.616

68. Officers will continue to work on identifying new savings, over and above those already in hand, to close the remaining budget gaps from 2022/23. It is worth stating that if the council-tax base increase in line with 2018/19 rather than the projections, then the Authority would have £0.380m more resource in 2022/23 rising to £0.470m in 2023/24.
69. Based on the above recommended strategies the formal precept calculation for 2018/19 is set out in Appendix 6. The Band D precept will rise by £2.37 (or less than 5 pence per week) to £81.90.

Budget Risks

70. Setting a net budget at £32.236m still presents risks, for example:
- Pay Award – an annual provision of 2% has been made - a variance of +/- 1% adds or saves £0.225m.
 - General Inflation – each additional 1% costs/saves £0.100m.

- Future Council Tax Policy is also unknown; although a 1.96% increase is assumed in the MTFP a reduction by 1.0% would cumulatively reduce resources by around £0.225m per year.

Investment Strategy

71. In accordance with the Authority's Treasury Management Strategy, surplus funds are invested by Worcestershire County Council alongside their own funds.
72. Since October 2008 the Authority has adopted a policy of avoiding new long term borrowing, where working capital balances permit. The Authority will only extend long term borrowing when cash-flow requirements dictate that it is necessary, and only to finance long term assets
73. The Authority will not borrow to invest and will only invest funds arising from cash-flows.
74. The Authority will not invest in property or other assets with the intention of generating income.
75. Investment of funds will be via the existing Treasury Management arrangement with Worcestershire County Council, and will be restricted to the agreed financial loans to approved counter-parties.
76. Given the continuing uncertainty in financial markets, the Treasurer advises that investment should continue to be focussed on security. Primary consideration will be given to Security, Liquidity and Yield (SLY) in that order. As a consequence surplus funds continue to generate low returns which are factored into the budget.

Prudential Code Indicators

77. Since 1 April 2004, the Local Authority capital finance system has been one of self-regulation based on a Prudential Code drawn up by the Chartered Institute of Public Finance and Accountancy (CIPFA).
78. The key objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of Local Authorities are affordable, prudent and sustainable or, in exceptional cases, to demonstrate that there is a danger of not ensuring this, so that the Local Authority concerned can take timely remedial action.
79. A further key objective is to ensure that treasury management decisions are taken in accordance with good professional practice and in a manner that supports prudence, affordability and sustainability. The Prudential Code also has the objective of being consistent with and supporting, local strategic planning, local asset management planning and proper option appraisal.
80. To demonstrate that Authorities have fulfilled these objectives, the Prudential Code sets out indicators that must be used and the factors that must be taken into account. The Code does not include suggested indicative limits or ratios.

These are for a Local Authority to set itself, subject only to any controls under Section 4 of the Local Government Act 2003 (Government Reserve Powers).

81. The prudential indicators required by the Code are designed to support and record local decision making. They are not designed to be comparative performance indicators and use of them in this way would likely to be misleading and counter-productive. In particular, Local Authorities had widely differing debt positions at the start of the prudential system and the differences are likely to increase over time as a result of the exercise of local choices. The system is specifically designed to support such local decision making in a manner that is publicly accountable.
82. Recent revisions to the code have reduced the number of mandatory indicators, but the Treasurer believes that they continue to provide useful information to the Authority so they continue to be included.
83. In setting or revising the prudential indicators, the Authority is required to have regard to the following matters:
 - affordability, e.g. implications for Council Tax;
 - prudence and sustainability, e.g. implications for external borrowing;
 - value for money, e.g. options appraisal;
 - stewardship of assets, e.g. asset management planning;
 - service objectives, e.g. strategic planning for the Authority; and
 - practicality, e.g. achievability of the forward plan.
84. The Treasurer has prepared the prudential indicators having considered the matters above, and they are set out in detail in Appendix 8.

Minimum Revenue Provision (MRP)

85. Minimum Revenue Provision is the amount set aside in the revenue budget to meet the future repayment of borrowing incurred to pay for capital investment.
86. The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 require that an Authority sets its own prudent level of MRP, by adopting a policy in advance of the year to which it relates.
87. For ease of reference both the policy is set out in Appendix 8.

Budget Calculations: Personal Assurance Statement by the Treasurer

88. Section 25 of the Local Government Act 2003 requires the Treasurer to report to the Authority when it is setting the budget and precept (Council Tax). The Authority is required to take this report into account when making its budget and precept (Council Tax) decision. The report of the Treasurer must deal with the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides.
89. The Treasurer states that to the best of his knowledge and belief these budget calculations are robust and have full regard to:

- the Fire Authority budget policy;
- the need to protect the Fire Authority's financial standing and to manage risk;
- the current year's financial performance;
- the financial policies of the Government;
- the Fire Authority's Medium Term Financial Plan and Planning framework;
- capital programme obligations;
- Treasury Management best practice;
- the strengths of the Fire Authority's financial control procedures including audit consideration;
- the extent of the Authority's balances and reserves; and
- the prevailing economic climate and future prospects.

Equality and Diversity Impact

90. The immediate impact on recruitment activities means that progress against equality and diversity targets for the recruitment of whole-time female and Black Minority Ethnic (BME) firefighters will not be achievable. However, retained recruitment will continue to be based on need and in this area the Service will continue to do all it can to address our diversity targets.
91. It is no longer a requirement to report such targets at government level, but employment levels continue to be monitored to ensure that although limited positive progress can be made in this period, any recruitment that does take place happens in an environment of good equalities practice.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	Yes – whole report
Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	Yes – Resourcing for the Future
Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	No
Consultation (identify any public or other consultation that has been carried out on this matter)	Yes – consultation with Business Rate-Payers as required by legislation
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	No

Supporting Information

Appendix 1	Capital Programme
Appendix 2	Personnel Budget
Appendix 3	Revenue Budget Changes 2017/18 to 2018/19
Appendix 4	Revenue Budget Allocation 2018/19
Appendix 5	Medium Term Financial Forecasts 2018/19 to 2023/24
Appendix 6	Council Tax Requirement Calculation 2018/19
Appendix 7	Reserves Strategy
Appendix 8	Fees & Charges
Appendix 9	Statement of Prudential Code Indicators and Minimum Revenue Provision Policy

Background Papers

Policy and Resources Committee 31 January 2018: Budget 2018/19 and MTFP
 Fire Authority 14 December 2017: MTFP Update
 Policy and Resources Committee 22 November 2017: MTFP Update
 Fire Authority 15 February 2017: Budget & Precept 2017/18 and MTFP

Contact Officer

Martin Reohorn, Treasurer
 (01905 368205)
 Email: mreohorn@hwfire.org.uk

Hereford & Worcester Fire Authority 2018/19 Capital Programme

		Approved Budget Feb 17 £m	Allocate & Adjust £m	Proposed Budget Feb 2018 £m	Forecast Spend to 2017/18 £m	Budget Remaining £m	
<u>Major Buildings Programme</u>							
1	Evesham FS	2015/16	4.099	0.036	4.135	4.135	0.000
2	Hereford FS - Preliminaries	2015/16	0.095		0.095	0.095	0.000
3	Wyre Forest Hub - Land	2015/16		0.800	0.800	0.800	0.000
4	Day Crew Plus Works	2015/16	0.550		0.550	0.343	0.207
5	Other Building Schemes #		19.234	0.265	19.499	0.003	19.496
6			23.978	1.101	25.079	5.376	19.703
<u>Vehicle Programme</u>							
7	Command Unit Replacement	2015/16	0.350		0.350		0.350
8	USAR Dog Van	2015/16	0.029		0.029	0.027	0.002
9	USAR ISV	2015/16	0.081		0.081	0.070	0.011
10	Replacement Pumps	2017/18	1.610		1.610	0.550	1.060
11	Replacement Response Vehicles	2017/18	0.167		0.167	0.150	0.017
12	Replacement 4x4	2017/18	0.190		0.190		0.190
13	Replacement RAV	2017/18	0.230		0.230		0.230
14	Replacement White Fleet	2017/18	0.330		0.330	0.204	0.126
15	Replacement Pumps	2018/19	1.150		1.150		1.150
16	Replacement Response Vehicles	2018/19	0.631		0.631		0.631
17	Replacement 4x4	2018/19	0.190		0.190		0.190
18	Replacement White Fleet	2018/19	0.088		0.088		0.088
19	Boats - omitted from previous table in error	2018/19		0.050	0.050		0.050
20	Replacement Response Vehicles	2019/20	0.322		0.322		0.322
21	Replacement 4x4	2019/20	0.115		0.115		0.115
22	Replacement White Vehicles	2019/20	0.059		0.059		0.059
23	Replacement Pumps	2020/21	1.840		1.840		1.840
24	Replacement 4x4	2020/21	0.260		0.260		0.260
25	Replacement White Fleet	2020/21	0.010		0.010		0.010
26			7.652	0.050	7.702	1.001	6.701
<u>Other Schemes</u>							
27	C&C Replacement	2010/11	2.287		2.287	2.045	0.242
28			2.287	0.000	2.287	2.045	0.242
<u>Minor Schemes requiring SMB allocation</u>							
29	Allocated	All	2.368	0.677	3.045	1.230	1.815
30	Un-allocated	2017/18	0.600	(0.600)	0.000		0.000
31	Un-allocated	2018/19	0.600	(0.077)	0.523		0.523
32	Un-allocated	2019/20	0.600		0.600		0.600
33	Un-allocated	2020/21	0.600		0.600		0.600
34			4.768	0.000	4.768	1.230	3.538
35			38.685	1.151	39.836	9.652	30.184
<u>Additional Programme Year</u>							
36	Replacement Pumps	2021/22		1.500	1.500		1.500
37	Replacement Response Vehicles	2021/22		0.225	0.225		0.225
38	Replacement White Fleet	2021/22		0.049	0.049		0.049
39	Minor Schemes	2021/22		0.600	0.600		0.600
40				2.374	2.374		2.374
41				3.525	42.210		32.558

Individual scheme sums approved by Fire Authority, but not currently disclosed as contracts subject to tender etc. includes HQ relocation, Wyre Forest Hub, Hereford and Redditch fire stations and North Herefordshire training facility.

Hereford & Worcester Fire Authority 2018/19
Personnel Budget

	Whole-time Firefighters FTE	On-Call Retained Firefighters H/C	Control Room Staff FTE	Non- Uniformed Support FTE	TOTAL
Included in Budget 2016/17	232.0	383.0	18.5	103.4	736.9
HR - Supporting RDS recruitment				1.0	1.0
Included in Budget 2017/18	232.0	383.0	18.5	104.4	737.9
Included in Budget 2018/19	232.0	383.0	18.5	104.4	737.9

Note: Does not reflect the impact of proposed crewing changes

Hereford & Worcester Fire Authority 2018/19

Revenue Budget

<i>Col.</i>		2	3	4	5
		Core	Excess	Bud Red	NET
<i>Line</i>		Budget	Staff	Reserve	Budget
		£m	£m	£m	£m
1	2017/18 Net Budget	31.687	1.037	(1.037)	31.687
2	Potential additional cost of 2017 Pay award	0.260			0.260
3	Saving from 2016/17 Inflation provision	(0.171)			(0.171)
4	Pay Awards	0.317			0.317
5	General Inflation Contingency	0.300			0.300
6	LGPS Revaluation	0.010			0.010
7	Property Maintenance	0.260			0.260
8	HQ Relocation Efficiencies	(0.160)			(0.160)
9	Capital Programme	(0.267)			(0.267)
10	2018/19 Projected Core Expenditure Need	32.236	1.037	(1.037)	32.236
11	Excess Staff		(1.037)	1.037	0.000
12	2018/19 Net Budget	32.236	0.000	0.000	32.236
13	Use of Property Reserve	(0.260)			(0.260)
14	Use of Other Reserves	(0.038)			(0.038)
15	2018/19 Budget to be Financed	31.938	0.000	0.000	31.938

Hereford & Worcester Fire Authority 2017/18

Revenue Budget Allocation

Col.		(2)	(3)	(4)	(5)	(6)
		2017/18	2017/18	2017/18	2018/19	2018/19
		Original	Permanent	Revised	Changes	Proposed
Line		Budget	Reallocation	Budget	Appendix 3	Allocation
		£m	£m	£m	£m	£m
1	Whole-time Fire-fighter Pay	12.093		12.093		12.093
2	Retained Fire-fighter Pay	3.439		3.439		3.439
3	Control Pay	0.730		0.730	0.002	0.732
4	Support Pay	3.256	0.085	3.341	0.008	3.349
5	Other Employee Costs	0.131	(0.011)	0.120		0.120
6	Unfunded Pension Costs	1.055		1.055		1.055
7	Employee Related	20.704	0.074	20.778	0.010	20.788
8	Strategic Management	0.094	(0.015)	0.079		0.079
9	New Dimensions	0.095	(0.039)	0.056		0.056
10	Operational Policy	0.065	0.001	0.066		0.066
11	Technical Fire Safety	0.016	(0.002)	0.014		0.014
12	Community Safety	0.171	0.011	0.182		0.182
13	Training	0.575	(0.076)	0.499		0.499
14	Fleet	0.528	(0.012)	0.516		0.516
15	Operational Logistics	1.161	0.017	1.178		1.178
16	Information & Comms Technology	1.594	0.101	1.695		1.695
17	Human Resources/Personnel	0.404	0.049	0.453		0.453
18	Policy & Information	0.082	(0.040)	0.042		0.042
19	Corporate Communications	0.022	(0.002)	0.020		0.020
20	Legal Services	0.028	(0.004)	0.024		0.024
21	Property/Facilities Management	1.792	(0.018)	1.774	0.260	2.034
22	PPL Charges	0.341	0.040	0.381		0.381
23	Authority Costs	0.064		0.064		0.064
24	Committee Services	0.004	(0.001)	0.003		0.003
25	Insurances	0.316		0.316		0.316
26	Finance (FRS)	(0.028)	(0.046)	(0.074)	(0.160)	(0.234)
27	Finance SLA	0.098		0.098		0.098
28	Budget-Holders	7.422	(0.036)	7.386	0.100	7.486
29	Capital Financing	3.125		3.125	(0.267)	2.858
30	Capital Financing	3.125	0.000	3.125	(0.267)	2.858
31	Pay Award Provision 17/18	0.227		0.227	0.260	0.487
32	Pay Award Provision 18/19	0.000		0.000	0.317	0.317
33	Inflation Contingency 17/18	0.200	(0.029)	0.171	(0.171)	0.000
34	Inflation Contingency 18/19	0.000		0.000	0.300	0.300
35	Unallocated Budget	0.009	(0.009)	0.000		0.000
36	Provisions/Contingencies	0.436	(0.038)	0.398	0.706	1.104
37	Core Budget	31.687	0.000	31.687	0.549	32.236
38	Excess Staff (net)	1.037		1.037	(1.037)	0.000
39	To/(from) Budget Reduction Reserve	(1.037)		(1.037)	1.037	0.000
40	Net Budget	31.687	0.000	31.687	0.549	32.236

Hereford & Worcester Fire Authority 2018/19

Medium Term Financial Forecasts

Col Row	1	2 2018/19 Budget £m	2 2019/20 Forecast £m	3 2020/21 Forecast £m	4 2021/22 Forecast £m	5 2022/23 Indicative £m	6 2023/24 Indicative £m
1	2018/19 CORE BUDGET	32.236	32.236	32.236	32.236		
2	2021/22 EXPENDITURE REQUIREMENT					34.145	34.145
	<u>Pay Awards & Inflation</u>						
3	Pay Awards		0.406	0.821	1.243	0.420	0.840
4	General Inflation Contingency		0.300	0.600	0.900	0.300	0.600
5	LGPS Revaluation		0.010	0.010	0.020		
6	Capital Programme		0.361	0.361	0.461		
	<u>Other Cost Pressures</u>						
7	FFPS Employers Contribution Rates		0.315	0.315	0.315		
8	Property Maintenance		(0.140)	(0.075)	(0.100)	(0.013)	(0.147)
	<u>Efficiencies & Other Savings</u>						
9	ESMCP shared post Provision			(0.020)	(0.020)		
10	Crewing Changes				(0.250)		
11	HQ Relocation		(0.189)	(0.260)	(0.260)		
12	Fire Control Collaboration				(0.300)		
13	Wyre Forest Hub				(0.100)		
14	Expenditure Requirement	32.236	33.299	33.988	34.145	34.852	35.438
15	Use of Property Reserve	(0.260)	(0.120)	(0.185)	(0.160)	(0.147)	
16	Use of Other Reserves	(0.038)	(0.945)	(1.622)	(0.962)	(0.098)	
17	BUDGET REQUIREMENT FORECAST	31.938	32.234	32.181	33.023	34.607	35.438
		2018/19 Budget £m	2019/20 Forecast £m	2020/21 Forecast £m	2021/22 Forecast £m	2022/23 Indicative £m	2023/24 Indicative £m
18	Assumed Business Rate increase		2.00%	2.00%	2.00%	2.00%	2.00%
19	Assumed Tax-base Increase		0.89%	0.91%	0.91%	1.00%	1.00%
20	Assumed Band D Tax Increase		2.98%	1.96%	1.96%	1.96%	1.96%
21	Revenue Support Grant	(2.427)	(2.036)				
22	Business Rate Support Grant	(3.240)	(3.316)	(3.382)	(3.450)	(3.519)	(3.589)
23	Fire Revenue Grant	(0.985)	(0.835)	(0.835)	(0.835)	(0.835)	(0.835)
24	Rural Services Delivery Grant	(0.088)	(0.088)				
25	Business Rates & Section 31 Grant	(2.455)	(2.504)	(3.831)	(3.908)	(3.986)	(4.066)
26	Business Rates Collection Fund	0.000					
27	Council Tax Precept	(22.576)	(23.455)	(24.133)	(24.830)	(25.570)	(26.332)
28	Council Tax Collection Fund	(0.167)					
29	PROJECTED RESOURCES	(31.938)	(32.234)	(32.181)	(33.023)	(33.910)	(34.822)
		2018/19 Budget £m	2019/20 Forecast £m	2020/21 Forecast £m	2021/22 Forecast £m	2022/23 Indicative £m	2023/24 Indicative £m
30	BUDGET GAP	0.000	0.000	0.000	0.000	0.697	0.616

Hereford & Worcester Fire Authority 2018/19

Council Tax Requirement Calculation

	2017/18 Total	2018/19 Expenditure	2018/19 Income	2018/19 Reserves	2018/19 Total
Core Budget	£31,687,000.00	£32,610,100.00	(£374,100.00)		£32,236,000.00
Net Cost Excess Staff	£1,037,000.00	£0.00			£0.00
To/(From) Property Maintenance Reserve				(£260,100.00)	(£260,100.00)
To/(From) Budget Reduction Reserves	(£903,278.00)			(£38,338.00)	(£38,338.00)
	£31,820,722.00	£32,610,100.00	(£374,100.00)	(£298,438.00)	£31,937,562.00
Less: Formula/Support Grants:					
Revenue Support Grant	(£3,113,008.00)		(£2,426,500.00)		(£2,426,500.00)
Business Rate Top Up Grant	(£3,152,927.00)		(£3,243,875.00)		(£3,243,875.00)
adjustment to prior year Business Rate Top Up Grant			£3,665.00		£3,665.00
Transition Grant	(£142,347.00)		£0.00		£0.00
Less: Other Grants					
S31: Fire Revenue Grant (Firelink/New Dimensions)	(£1,085,279.00)		(£985,000.00)		(£985,000.00)
Rural Services Delivery Grant	(£87,569.00)		(£87,569.00)		(£87,569.00)
Less: Retained Share of Business Rates (1%)					
Baseline	(£2,158,630.00)		(£2,231,189.00)		(£2,231,189.00)
Local Forecasts	(£14,417.00)		£14,189.00		£14,189.00
Collection Fund Deficit/(Surplus)	(£25,053.00)		£0.00		£0.00
S31: Business Rate Initiatives	(£167,720.00)		(£238,000.00)		(£238,000.00)
GROSS PRECEPT	£21,873,772.00	£32,610,100.00	(£9,568,379.00)	(£298,438.00)	£22,743,283.00
Less: Collection Fund Deficits/(Surpluses)					
Bromsgrove	(£30,220.00)		(£36,960.00)		(£36,960.00)
Herefordshire	(£60,000.00)		(£25,000.00)		(£25,000.00)
Malvern Hills	(£19,580.00)		£0.00		£0.00
Redditch	(£2,616.00)		(£58,471.00)		(£58,471.00)
Worcester	(£44,920.00)		(£30,117.00)		(£30,117.00)
Wychavon	(£50,283.00)		£0.00		£0.00
Wyre Forest	(£30,085.00)		(£16,927.00)		(£16,927.00)
COUNCIL TAX REQUIREMENT	£21,636,068.00	£32,610,100.00	(£9,735,854.00)	(£298,438.00)	£22,575,808.00
<u>Tax-base : Band D Equivalent</u>					
Bromsgrove	36,056.65				36,531.10
Herefordshire	67,598.21				68,177.57
Malvern Hills	30,005.92				30,461.94
Redditch	25,509.11				26,058.20
Worcester	31,141.00				31,528.50
Wychavon	48,704.25				49,435.58
Wyre Forest	33,034.00				33,458.00
	272,049.14				275,650.89
Precept - Band D Equivalent	£79.530000				£81.900000
Band D (rounded to 2 decimal places)	£ 79.53				£ 81.90
<u>Total Precept on Billing Authorities</u>					
Bromsgrove	£2,867,585.35				£2,991,897.11
Herefordshire	£5,376,085.62				£5,583,743.01
Malvern Hills	£2,386,370.81				£2,494,832.90
Redditch	£2,028,739.51				£2,134,166.59
Worcester	£2,476,643.72				£2,582,184.16
Wychavon	£3,873,448.98				£4,048,774.02
Wyre Forest	£2,627,194.01				£2,740,210.21
	£21,636,068.00				£22,575,808.00
check	£0.00				£0.00
Equivalent to Tax at Band (Ratio to Band D)					
A 6/9	£ 53.0200			2.98%	£ 54.6000
B 7/9	£ 61.8600			2.97%	£ 63.7000
C 8/9	£ 70.6900			2.98%	£ 72.8000
D 9/9	£ 79.5300			2.98%	£ 81.9000
E 11/9	£ 97.2000			2.98%	£ 100.1000
F 13/9	£ 114.8800			2.98%	£ 118.3000
G 15/9	£ 132.5500			2.98%	£ 136.5000
H 18/9	£ 159.0600			2.98%	£ 163.8000

Hereford & Worcester Fire Authority 2018/19

Reserves Strategy

		Deferred Expd. Reserves £m	Property Mtnce. Reserves £m	Funding Reduction Reserves £m	Other Reserves £m	Total E-marked Reserves £m	General (Unalloc.) Reserves £m	Total Reserves £m
1	Balance at 31st March 2017	5.381	0.213	4.069	1.844	11.507	1.838	13.345
	2017/18 Impact:							
2	Existing Property Reserve		(0.054)			(0.054)		(0.054)
3	Additional Property Reserve		0.713			0.713		0.713
4	Funding Equipment etc.	(0.033)				(0.033)		(0.033)
5	Supporting the Budget Gap			(0.703)		(0.703)		(0.703)
6	Expected at 31st March 2018	5.348	0.872	3.366	1.844	11.430	1.838	13.268
7	Funding Equipment etc. 18/19	(0.840)	(0.260)			(1.100)		(1.100)
8	19/20	(1.050)	(0.120)			(1.170)		(1.170)
9	20/21	(2.791)	(0.185)			(2.976)		(2.976)
10	21/22	(0.667)	(0.160)			(0.827)		(0.827)
11	22/23		(0.147)			(0.147)		(0.147)
12	New Dimensions-Wyre Forest 19/20				(0.381)	(0.381)		(0.381)
13		0.000	0.000	3.366	1.463	4.829	1.838	6.667
14	Supporting the Budget Gap 18/19			(0.038)		(0.038)		(0.038)
15	19/20			(0.645)		(0.645)	(0.300)	(0.945)
16	20/21			(1.622)		(1.622)		(1.622)
17	21/22			(0.962)		(0.962)		(0.962)
18	22/23			(0.098)		(0.098)		(0.098)
19	Expected at 31st March 2021	0.000	0.000	0.001	1.463	1.464	1.538	3.002

Expected position at each year end

	Deferred Expd. Reserves £m	Property Mtnce. Reserves £m	Funding Reduction Reserves £m	Other Reserves £m	Total E-marked Reserves £m	General (Unalloc.) Reserves £m	Total Reserves £m
Balance at 31st March 2017	5.381	0.213	4.069	1.844	11.507	1.838	13.345
Expected at 31st March 2018	5.348	0.872	3.366	1.844	11.430	1.838	13.268
Expected at 31st March 2019	4.508	0.612	3.328	1.463	9.911	1.838	11.749
Expected at 31st March 2020	3.458	0.492	2.683	1.463	8.096	1.538	9.634
Expected at 31st March 2021	0.667	0.307	1.061	1.463	3.498	1.538	5.036
Expected at 31st March 2022	0.000	0.147	0.099	1.463	1.709	1.538	3.247
Expected at 31st March 2023	0.000	0.000	0.001	1.463	1.464	1.538	3.002

Hereford & Worcester Fire Authority 2018/19

Fees & Charges

		2017/18		
		NET	VAT	TOTAL
Attendance by pumping appliance (inclusive of crew)		£ 239.17	£ 47.83	£ 287.00
Attendance by special appliance (inclusive of crew)		£ 318.33	£ 63.67	£ 382.00
Attendance by ancillary vehicles		£ 80.83	£ 16.17	£ 97.00
High Volume Pump (HVP) deployment and recovery		£ 1,190.83	£ 238.17	£ 1,429.00
And per hour		£ 375.00	£ 75.00	£ 450.00
Attendance by personnel:				
- Firefighter, Crew and Watch Commander		£ 36.67	£ 7.33	£ 44.00
- Station Commander		£ 42.50	£ 8.50	£ 51.00
- Officers above Station Commander		£ 49.17	£ 9.83	£ 59.00
- Others, support staff, mechanics		£ 19.17	£ 3.83	£ 23.00
Interviewing officers x rate of role				
Costs of travel and subsistence incurred		£ 168.33	£ 33.67	£ 202.00

	Last Increase	Latest Increase	2018/19		
			NET	VAT	TOTAL
Attendance by pumping appliance (inclusive of crew)	2018/19	1.0%	£ 241.67	£ 48.33	£ 290.00
Attendance by special appliance (inclusive of crew)	2018/19	1.0%	£ 321.67	£ 64.33	£ 386.00
Attendance by ancillary vehicles	2018/19	1.0%	£ 81.67	£ 16.33	£ 98.00
High Volume Pump (HVP) deployment and recovery	2018/19	1.0%	£ 1,203.33	£ 240.67	£ 1,444.00
And per hour	2018/19	1.1%	£ 379.17	£ 75.83	£ 455.00
Attendance by personnel:					
- Firefighter, Crew and Watch Commander	2017/18	0.0%	£ 36.67	£ 7.33	£ 44.00
- Station Commander	2017/18	0.0%	£ 42.50	£ 8.50	£ 51.00
- Officers above Station Commander	2018/19	1.7%	£ 50.00	£ 10.00	£ 60.00
- Others, support staff, mechanics	2017/18	0.0%	£ 19.17	£ 3.83	£ 23.00
Interviewing officers x rate of role					
Costs of travel and subsistence incurred	2018/19	1.0%	£ 170.00	£ 34.00	£ 204.00

Hereford & Worcester Fire Authority
Statement of Prudential Indicators;
& Minimum Revenue Provision Policy

Introduction : Prudential Indicators

The Prudential Code for Capital Finance in Local Authorities (Prudential Code) has been developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) to provide a code of practice to underpin the new system of capital finance embodied in Part 1 of the Local Government Act 2003. Since 1 April 2004, Local Authorities are no longer subject to government controlled borrowing approvals and are free to determine their own level of capital investment controlled by self-regulation.

The key objectives of the Prudential Code are to ensure that capital investment plans are affordable, prudent and sustainable.

The Prudential Code supports a system of self-regulation that is achieved by the setting and monitoring of a suite of Prudential Indicators that directly relate to each other. The indicators establish parameters within which the Fire Authority should operate to ensure the objectives of the Prudential Code are met.

Introduction : Minimum Revenue Provision (MRP) Policy

This is the amount charged every year to provide for the repayment of long term loans used to finance capital assets.

Under provisions of the Local Authorities (Capital Finance and Accounting) (England) Amendment) Regulations 2008, the FRA is required to “determine an amount of MRP which is considered to be prudent”.

The Fire Authority has a statutory requirement to determine an MRP policy prior to the start of the financial year.

In considering a prudent MRP policy the Fire Authority needs to take into account the statutory guidance provided by CLG, and the issue of affordability. The guidance states that “provision for the borrowing which financed the acquisition of an asset should be made over a period bearing some relation to that over which the asset continues to provide a service” – the “Asset Life” method.

Prudential Indicators

The Prudential Indicators for which the Fire Authority is sets limits are as follows:

1. Net Borrowing and the Capital Financing Requirement

This Prudential Indicator provides an overarching requirement that all the indicators operate within and is described in the Prudential Code as follows:

“In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that net external borrowing does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years”.

The Treasurer reports that the Fire Authority had no difficulty meeting this requirement since 2002/03, nor are any difficulties envisaged for the current or future years. This view takes into account all plans and commitments included in the 2018/19 Budget and MTFP.

2 Capital Expenditure

The actual amount of capital expenditure that was incurred since 2017/18, and the estimates of capital expenditure to be incurred for the current and future years that are proposed in the 2018/19 Budget and MTFP are:

	2017/18	2018/19	2019/20	2020/21	2021/22
	Estimate	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Capital Expenditure	2,425	11,645	9,286	7,988	2,374

2. Ratio of Financing Costs to Net Revenue Stream

Financing Costs include the amount of interest payable in respect of borrowing or other long term liabilities and the amount the Fire Authority is required to set aside to repay debt, less interest and investments income.

The actual Net Revenue Stream is the ‘amount to be met from government grants and local taxation’ taken from the annual Statement of Accounts, and the estimated figure is the Fire and Rescue Authority’s budget net of any transfers to or from the balances.

The prediction of the Net Revenue Stream in this Prudential Indicator for future years assumes increases in the Fire Authority's funding from government and the local taxpayer consistent with expectations in the Medium Term Financial Strategy. This is indicative only and in no way meant to influence the actual future years funding or in particular the funding from Precepts.

The indicator only requires that the costs associated with capital expenditure are measured in this way. However the Fire Authority has used, and may continue to use Operational Leasing as a cost effective method of acquiring vehicles. In the spirit of the Prudential Code these costs are included for comparative purposes.

The rise in this ratio is partially due to the fact that capital expenditure prior to the formation of the FRA is not charged to the Fire Authority; (In other words, the Fire Authority inherited all its assets without any cost. Thus, as investment is made in vehicles, for example the increased costs are in the Fire Authority accounts but the savings are elsewhere); and partly due to inflation between original purchase and replacement purchase e.g. over 15 years for a fire appliance.

	2017/18	2018/19	2019/20	2020/21	2021/22
	Estimate	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
Financing Costs	2,125	2,608	2,702	2,796	2,990
Net Revenue Stream	30,712	30,953	31,399	31,346	32,188
Ratio	6.92%	8.43%	8.61%	8.92%	9.29%

3. Capital Financing Requirement

The capital financing requirement (CFR) is a measure of the extent to which the Fire Authority needs to borrow to support capital expenditure. It does not necessarily relate to the actual amount of borrowing at any one point in time. The Fire Authority arranges its treasury management activity via a Service Level Agreement (SLA) with Worcestershire County Council (WCC) which has an integrated treasury management strategy where there is no distinction between revenue and capital cash flows and the day to day position of external borrowing and investments can change constantly.

The capital financing requirement concerns only those transactions arising from capital spending, whereas the amount of external borrowing is a consequence of all revenue and capital cash transactions combined together following recommended treasury management practice.

Estimates of the end of year capital financing requirement are shown overleaf.

	2017/18 Estimate £000	2018/19 Estimate £000	2019/20 Estimate £000	2020/21 Estimate £000	2021/22 Estimate £000
CFR at 31st March	18,341	23,468	27,112	31,803	31,933

4. Authorised Limit

The Authorised Limit represents an upper limit of borrowing that could be afforded in the short term but may not be sustainable. This limit includes a risk assessment of exceptional events taking into account the demands of revenue and capital cash flows. The Authorised Limit gauges events that may occur over and above those transactions which have been included in the Operational Boundary.

These limits are higher than set in previous years to reflect the decisions taken by the Fire Authority to switch from leasing to more cost effective borrowing for the acquisition of operational vehicles.

The Fire Authority should note that the Authorised Limit represents the limit specified in section 3 (1) of the Local Government Act 2003 (Duty to determine affordable borrowing limit).

The following Authorised Limits for external debt, excluding temporary investments are recommended:

	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Authorized Limit				
External Borrowing	29,000	32,000	37,000	37,000

5. Operational Boundary

The Operational Boundary represents an estimate of the most likely, prudent, but not worst case scenario and provides a parameter against which day to day treasury management activity can be monitored.

The Treasurer reports that procedures are in place to monitor the Operational Boundary on a daily basis, via the SLA with WCC and that sufficient authorisation is in place to take whatever action is necessary to ensure that, in line with the Treasury Management Strategy, the cash flows of the Fire Authority are managed prudently.

Occasionally, the Operational Boundary may be exceeded (but still not breach the Authorised Limit) following variations in cash flow. Such an occurrence

would follow controlled treasury management action and may not have a significant impact on the prudential indicators when viewed all together.

Both the Authorised Limit and the Operational Boundary include an element relating to debt restructuring where, for the short term only, external borrowing may be made in advance of the repayment of loans. In this circumstance External Borrowing is increased temporarily until the replaced loans are repaid. The converse can also apply where loans are repaid in advance of borrowings.

The following limits (shown overleaf) for each year's Operational Boundary, excluding temporary investments are recommended:

	2018/19	2019/20	2020/21	2021/22
Operational Boundary	£000	£000	£000	£000
External Borrowing	26,000	30,000	34,000	35,000

6. Actual External Debt

The Fire Authority's actual external debt as at 31 March 2017 was £12.637m; comprising £12.637m External Borrowing and £0 (zero) Other Long Term Liabilities. During 2017/18 £1.500m of external debt is scheduled for repayment.

7. The Incremental Impact of Capital Investment Decisions on the Council Tax

This indicator identifies specifically the additional cost to the taxpayer of the **new** capital investment proposed in the 2018/19 – 2021/22 Capital Programme. As the indicator deals only with new investment the impact of the previously approved programme was included in the equivalent report provided to the Fire Authority in Feb 2017.

The incremental impact identifies transactions that will occur **over and above** what has already been provided for in the 2018/19 revenue budget and projected in the MTFP and assumes the funding available in 2018/19 will be carried forward in the future year's base budgets.

The incremental impact has been calculated using forward estimates of funding consistent with expectations in the Medium Term Financial Plan.

The impact on the revenue budget, and therefore the Council Tax, is felt by a combination of the following: debt costs of the new borrowing, the amount set aside from revenue to repay the principal element of external borrowing (Minimum Revenue Provision) and the revenue impact of a capital project

It should be noted that borrowing itself does not fund capital expenditure since the loans have to be repaid eventually. The actual funding comes from the Minimum Revenue Provision which is statutorily charged to revenue each year.

The estimate of the incremental impact of the capital investment detailed in the 2018/19 Budget on the Council Tax is as follows:

	2018/19	2019/20	2020/21	2021/22
Incremental Impact on Band D	£ 0.67	£ 0.42	£ 0.17	-£ 0.36

PRUDENTIAL INDICATORS FOR TREASURY MANAGEMENT

8. Treasury Management Code of Practice

The Fire Authority has adopted the Chartered Institute of Public Finance and Accountancy (CIPFA): Code of Practice for Treasury Management in the Public Services.

The Treasury Management function is carried out on behalf of the Authority by Worcestershire County Council, who have also adopted the Treasury Management Code of Practice.

9. Fixed Interest Rate Exposures

It is recommended that the Fire Authority sets an upper limit on its fixed interest rate exposures as follows.

Upper limits for net principal sums outstanding at fixed rates

	2018/19	2019/20	2020/21	2021/22
Fixed Interest Rate Exposure	£000	£000	£000	£000
Upper Limit	29,000	32,000	37,000	37,000

This represents the position that all of the Fire Authority's authorised external borrowing may be at a fixed rate at any one time.

10. Variable Interest Rate Exposures

It is recommended that the Fire Authority sets an upper limit on its variable interest rate exposures as follows.

Upper limits for net principal sums outstanding at variable rates

	2018/19	2019/20	2020/21	2021/22
Variable Interest Rate Exposure	£000	£000	£000	£000
Upper Limit	7,000	8,000	9,000	9,000

This is the maximum external borrowing judged prudent by the Treasurer that the Fire Authority should expose to variable rates.

11. Maturity Structure of Borrowing

It is recommended that the upper and lower limits for the maturity structure of borrowings are as follows:

Amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate.

Period of Maturity	Upper Limit	Lower Limit
	%	%
Under 12 months	25	0
12 months and within 24 months	25	0
24 months and within 5 years	50	0
5 years and within 10 years	75	0
10 years and above	95	25

12. Investments for longer than 364 days

It is recommended that the upper limits of total principal sums invested for periods longer than 364 days are £5 million for each year.

Minimum Revenue Provision (MRP) Policy

To continue the policy previously adopted i.e.:

1. Vehicle Expenditure before 2008/09 – MRP on a proxy Asset Life basis using original cost, less cumulative MRP, over the remaining useful life of the individual vehicle types.
2. Expenditure before 2008/09, (other than vehicles) - MRP on a proxy Asset Life basis using original cost, less cumulative MRP over average asset life as above
3. All expenditure from 2008/09 onwards - MRP using an Asset life basis:-
 - Buildings over 50 years – per depreciation policy (taking account of remaining useful life);
 - IT equipment over 5 years - reflecting average life
 - Other Equipment over 7 years – reflecting actual average usage within the FRS;
 - Vehicles – on actual estimated life of each vehicle type

This means that after a specified time (depending on the life expectancy of the individual asset) there will be no further charge to the Revenue Account for MRP in relation to these assets. For a significant proportion of pre-2008/09 assets this point had been reached by 2014/15.

Report of the Deputy Chief Fire Officer

Pay Policy Statement

Purpose of report

1. To bring to the attention of the Authority the requirement for the Service to publish its annual Pay Policy Statement for year 2018/19.
-

Recommendation

It is recommended that the Pay Policy Statement and supporting information be approved for publication.

Introduction and Background

2. The Fire Authority is required by section 38(1) of the Localism Act 2011 (openness and accountability in local pay) to prepare and publish annual pay policy statements. These statements articulate an Authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff, Chief Officers and its lowest paid employees. They are required to be approved by the Fire Authority and published on the Authority's website on an annual basis.

Pay Policy

3. The Act requires that authorities include in their pay policy statements, their approach to the publication of and access to information relating to the remuneration of Chief Officers. Remuneration includes salary, expenses, bonuses, performance related pay as well as severance payments.
4. The definition of Chief Officers (as set out in section 43(2)) is not limited to Heads of Paid Service or statutory Chief Officers. It also includes those who report directly to them (non-statutory Chief Officers), and the people who report directly to them. The Act sets out the information that authorities are required to include in their pay policy statements as a minimum.

Conclusion/Summary

5. It is a requirement that the Authority's approach to pay, as set out in the attached Pay Policy Statement, is accessible for citizens and enables local taxpayers to take an informed view of whether local decisions on all aspects of remuneration are fair and make best use of public funds. The Pay Policy Statement is accessible on the Authority's website.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	There are legal issues referenced in paragraph numbers 2, 3, 4 and 5 in the report.
Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	N/A
Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	N/A
Consultation (identify any public or other consultation that has been carried out on this matter)	N/A
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	N/A

Supporting Information

Appendix 1 - Pay Policy Statement

Appendix 2 – Pay Grades 2018/19

Appendix 3 – Other Main Pay Grades

Appendix 4 – Grades and Staff in Post

Contact Officer

Jean Cole, Head of Corporate Services
(01905 368 329)
Email: jcole@hwfire.org.uk

Hereford & Worcester Fire Authority Pay Policy Statement

Introduction

Pay for all Hereford & Worcester Fire Authority (H&WFA) staff is determined by the Local Government Employers with the Employers' Sides of the National Joint Council for Local Authority Fire and Rescue Services, the Middle Managers' Negotiating Body, the NJC for Brigade Managers of Local Authority Fire and Rescue Services, the Fire and Rescue Authority locally and representative bodies nationally. Pay awards are considered annually for all staff.

Pay Framework

Terms and conditions of employment for staff within the Fire Authority pay framework are set nationally with any variations negotiated and agreed locally.

Pay Grades and Progression

For uniformed staff, new firefighters will be appointed to the trainee rate of pay. Once their initial training has been completed, the employee will move to development rate of pay and once they have successfully completed their development programme, they will move to competent rate of pay. Existing employees who are promoted will commence on development rate of pay and will move to competent rate of pay upon completion of the workplace assessment.

For non-uniformed support staff, new employees will usually be appointed to the bottom of the scale point / pay grade for the relevant grade. There are occasions when a higher scale point is offered where the employee has additional skills and experience required for the post.

For grades containing between 3 and 5 increments, progression through each scale point is on an annual basis. However, where an employee commences in post after 1st October and up to 31st March, they will receive an increment six months later and then annually on 1st April. The date of progression is normally 1st April each year until the top of the grade is reached.

Market Forces

Where necessary the Service may apply market supplements for specific roles in order to ensure that it can recruit the best staff. This approach will only be adopted where there is clear evidence of recruitment difficulty and any such payments will be time limited and reviewed annually. We do currently pay market supplements.

Pay Allowances

There are a number of allowances paid to employees where specific circumstances require this and where it can be justified, for example to cover additional responsibilities over and above pay grades. Allowances are negotiated nationally or locally through collective bargaining arrangements and/or as determined by Service policy.

Honorariums

A one off additional payment for work carried out over and above the job role. This payment is at the CFO's discretion.

Non Uniformed Support Staff

The H&WFA pay framework for non-uniformed support staff was implemented in 2003 in line with national guidance, with the grade for each role being determined by the national Greater London Provincial Council (GLPC) Job Evaluation scheme. The Scheme was developed to support Local Authorities in carrying out their obligations under the national agreement on single status. The national agreement required all Local Authorities, and a number of other public sector employers, to review their pay and grading frameworks to ensure fair and consistent practice for different groups of workers with the same employer.

The grading structure was reviewed and implemented in 2012 for non-uniformed Senior Management posts, PO3 and above.

For non-uniformed support staff any outcome of national consultations by the Local Government Employers in negotiation with the Trade Unions is applied in April each year.

Uniformed Staff

The H&WFA pay framework for operational staff was reviewed in 2003 and implemented in December 2003 following a rank-to-role exercise in line with national guidance, with the grade for each role being determined by a consistent job evaluation process.

For operational staff any outcome of national consultations by the Local Government Employers in negotiation with the Trade Unions is applied in July each year.

Chief Fire Officer /Chief Executive's Pay

The Chief Fire Officer/Chief Executive's pay is considered by the Fire and Rescue Authority. Account is taken of relevant available information, including the salaries of Chief Officers in other comparable Fire and Rescue Services nationally. To support the pay review, information may be provided on inflation, earnings growth and any significant considerations from elsewhere in the public sector. The last review of the Chief Fire Officer's pay was in November 2017 where it was agreed that;

- (i) there be no changes made to salary of the Chief Fire Officer at this time;
- (ii) the Chief Fire Officer and other Principal Officers continue to receive annual pay awards (if any) as recommended by the National Joint Council; and
- (iii) a further review be undertaken in 2 years' time.

The Authority has adopted the following pay levels for the Principal Officer team:

- Deputy Chief Fire Officer (DCFO) – 80.14% of CFO
- Assistant Chief Fire Officer (ACFO) – 75.13% of CFO
- Director of Finance – 80% of ACFO

The Treasurer is part of the Director of Finance's role for which a specific honorarium is paid and this is reviewed periodically.

Latest National Pay Award

Annual pay awards normally take place as follows:

- Chief Officers' - January
- Non-uniformed support staff - April
- Uniformed staff - July

The last annual pay award for these groups were as follows:

- Chief Officers - January 2017
- Non-uniformed support staff - April 2017
- Uniformed staff - July 2017

Appendix 1 and 2 details the remuneration relating to the above groups.

Other Employment-Related Arrangements

Pension Schemes

These are the pension schemes that we operate for our employees:

- Local Government Pension Scheme (LGPS)
- 1992 Firefighter Pension Scheme
- 2006 Firefighter Pension Scheme
- Firefighters' Pension Scheme 2006 (Modified)
- The Firefighters' Pension Scheme 2015 (England)

In accordance with the Public Service Pensions Act 2013, the Authority has established a Pensions Board for the Firefighter's Pension Scheme.

Employment Arrangements

Due to the nature and responsibilities of their role, Senior Managers are normally employed on full time permanent employment contracts. The Services' policy and procedures with regards to recruitment of Chief Officers' is set out within the Officer Employment Procedure Rules as set out in Part 4 of the Fire Authority Constitution.

When recruiting to all posts the Service will take full and proper account of its own Equal Opportunities, Recruitment and Redeployment Policies. The determination of the remuneration to be offered to any newly appointed Chief Officer will be in accordance with the pay structure and the relevant policies in place at the time of recruitment.

Payments on Termination of Employment

The Services' approach to statutory and discretionary payments on termination of employment for all staff prior to reaching normal retirement age are in accordance with the Services' Redundancy Policy and relevant terms and conditions as follows:-

- Arrangements for non-uniformed staff are set out within the Services' LGPS Discretions Policy Statement in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment), (Discretionary Compensation) Regulations 2006 [and if adopted] Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007.

- Arrangements for uniformed staff are set out within the relevant conditions of service i.e. NJC for Brigade Managers' of Local Authority Fire and Rescue Services and the NJC for Local Authority Fire and Rescue Services.

The Authority agreed on 18 February 2015 the discretion to pay a voluntary redundancy to all employee groups based on the number of statutory weeks x actual weekly pay, enhanced by 75%. On the 8 October 2015, the Authority extended the Scheme of Delegation to permit the CFO to approve early retirements, in consultation with the Chairman and Treasurer, in the case of employees whose salary is less than £45,000 to include Officers at Station Commander rank subject to the pension costs still not exceeding £45,000. Where it is above £45,000 the decision will be taken by the Policy & Resources Committee.

The Service operates a Flexible Retirement Policy which was agreed by the Policy and Resources Committee of the FRA at its meeting on 25 January 2012. This policy applies to all staff in all relevant pension schemes. The Fire Authority offers re-employment as an option to fill specific post(s) where there is a shortage of skills/experience within the remaining workforce.

Where the Authority has defined a specific need a business case must be produced by the relevant Head of Department showing that there are clear benefits for the Authority to offer a re-employment opportunity. Part of the business case will include whether to offer the post out to open competition.

Mandatory Gender Pay Gap Reporting

Hereford & Worcester Fire Authority are required to publish information regarding the Service's Gender Pay Gap, as required under new Equality and Discrimination legislation.

The Gender Pay Gap Report has been considered by the Audit and Standards Committee on 24th January 2018 and then published.

Appendix 2

Pay Grades 2018/19 Job	Remuneration	Pay Relationship to CFO (%)	Salary Range	
			Min	Max
1. Head of Paid Service				
Chief Fire Officer / Chief Executive	£125,959	Recommended by Appointments Committee		
2. Statutory Chief Officer				
Treasurer (Part of Director of Finance role) receives an additional £3,000 honorarium for the extra responsibility of Treasurer				
Monitoring Officer (Part of Head of Legal Services role)				
3. Non Statutory Chief Officer				
Deputy Chief Fire Officer (DCFO)	£100,942	80.14		
Assistant Chief Fire Officer (ACFO)	£ 94,633	75.13		
Director of Finance (excluding Treasurer role)	£ 75,706	60.10		
Head of Legal Services	£ 64,875 *	51.50	£58,775	£62,375
4. Deputy Chief Officer				
Area Commander Service Delivery	£74,199 **	58.91	£67,643	£74,199
Area Commander Community Risk & Training	£74,199 **	58.91	£67,643	£74,199
Area Commander Operations Support	£74,199 **	58.91	£67,643	£74,199
Area Commander (Police Collaboration) (temporary)	£68,702 ***	54.54	£62,633	£68,702
Head of Corporate Services	£67,375 *	53.49	£58,775	£62,375
Finance Manager	£47,589	37.78	£43,821	£47,589
5. Lowest Paid Employees****				
Uniformed				
Firefighter (Control)	£22,224	17.64	£21,336	£28,437
Non Uniformed				
Administrator	£16,781	13.32	£16,781	£17,772

Notes:

*** includes an allowance for additional duties.**

**** includes 20% allowance to provide out of hours fire cover on a continuous rota system and includes an additional 8% enhancement to provide a higher level of fire cover responsibility.**

***** includes 20% allowance to provide out of hours fire cover on a continuous rota system.**

****** The lowest paid workers (administrators) are paid in accordance with their job evaluation score which matches across to Scale 3 of the Services' Pay and Grading structure which is the lowest grade**

The Head of Paid Service, Director of Finance, Deputy Chief Fire Officer, Assistant Chief Fire Officer and Area Commanders are provided with a motor vehicle for work purposes. Any private use is chargeable.

The Head of Legal Services and the Head of Corporate Services receive an essential mileage car user allowance in accordance with the NJC provisions.

The Head of Paid Service, all statutory and non-statutory Chief Officers and all Deputy Officers are provided with a mobile phone and tablet for work purposes. Any private use is chargeable.

Other Main Pay Grades

	Grade	Pay Range Minimum	Pay Range Maximum	No of Staff In Post		
Non Uniformed Pay Grades						
PO7		£58,775	£62,375	2		
PO6		£52,924	£56,077	1		
PO5		£47,442	£50,443	1		
PO4 *		£42,663	£46,010	1		
PO3		£37,306	£40,057	3		
PO2		£33,437	£36,379	1		
PO1		£30,153	£32,486	17		
SO2		£28,485	£30,153	4		
SO1		£25,951	£27,668	10		
Scale 6		£23,398	£24,964	13		
Scale 5		£20,661	£22,658	16		
Scale 4		£18,070	£20,138	8		
Scale 3		£16,781	£17,772	32		
Total				109		
Uniformed Pay Grades **				WT	RDS	Total
Area Commander		£52,194	£57,252	3		3
Group Commander		£44,458	£49,284	8		8
Station Commander		£38,602	£42,576	16		16
Station Commander Control		£36,672	£40,447	1		1
Watch Commander		£33,905	£37,112	49	19	68
Watch Commander Control		£32,210	£35,256	2		2
Crew Commander ***		£31,816	£33,187	38	54	92
Crew Commander Control		£30,225	£31,528	5		5
Firefighter ****		£22,459	£29,934	120	309	429
Firefighter Control *****		£21,336	£28,437	14		14
Total				256	382	638

* 1 employee is protected on the old salary levels

** These figures are headcount not full time equivalent. Retained duty system employees have a different pay structure to wholetime – a retaining fee of 7½% or 10% of the equivalent wholetime rate, depending on cover, plus the same hourly rate as wholetime.

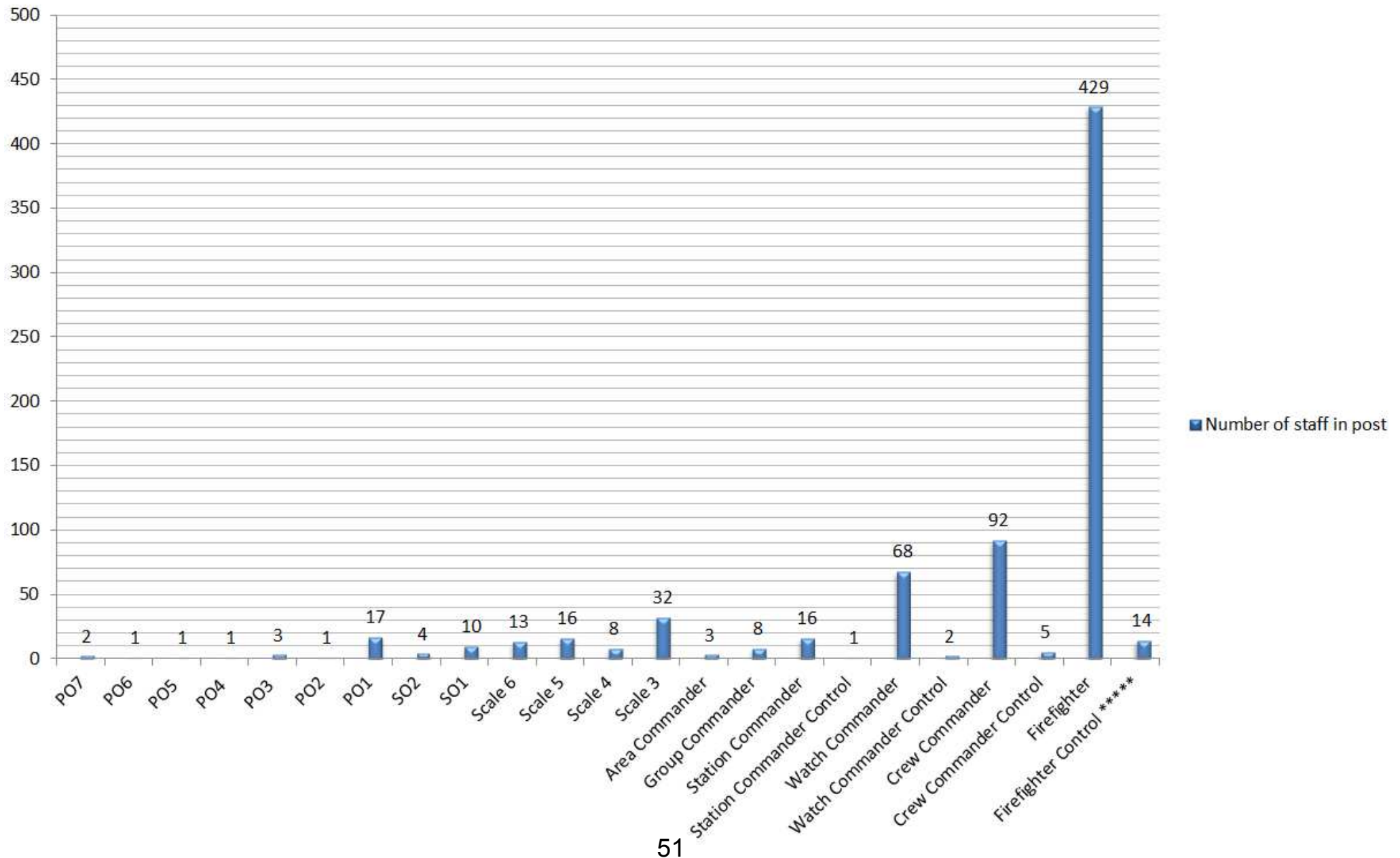
*** This number includes 6 Crew Commanders who are on a trial fixed term contract for 6 months

**** This number includes 5 Firefighters who are on fixed term contracts

***** This number includes 1 contingent firefighter

NOTES: Number of staff in post is as at 15th January 2018 and is based on people in their substantive roles.

Grades and staff in post



Report of the Head of Legal Services

Members' Allowances Scheme 2018/19

Purpose of report

1. To consider whether to make any alterations to the Members' Allowances Scheme for 2018/19 in light of the change in the Consumer Price Index to December 2017.

Recommendation

It is recommended that Members determine the level of Members' Allowances for 2018/19.

Introduction and Background

2. The Authority is required to make a scheme each year for its Members to be paid a basic annual allowance, under the Local Authorities (Members' Allowances) (England) Regulations 2003. Authorities may also make provision for other allowances, for example for those Members with special responsibilities or for travel and subsistence. The proposed 2018/19 budget for Members' Allowances is £51,300. The Regulations allow for authorities to refer to an index for the purpose of any annual adjustments to the levels of allowances.

Consumer Price Index

3. The Authority uses the Consumer Price Index (CPI) for the purpose of annually adjusting Members' Allowances, however the Authority has not taken any uplift since 2008 with the exception of the decision taken in February 2016, which provided a slight increase of 0.2% for the financial year 2016/17.
4. The Office of National Statistics has reported that the CPI rose by 3% in the year to December 2017. By way of example, an increase of 3% would equate to an additional £34.97 on the current basic allowance of £1,165.80 and would increase the total annual cost of Members' Allowances by approximately £1,539. It is anticipated that this increase could be met within the existing budget.

Conclusion/Summary

5. The Authority has previously used the CPI to make any necessary annual adjustments to its Members' Allowances Scheme. Should the Authority approve an uplift in Members' Allowances for 2018/19 in line with the CPI this would

result in an additional £34.97 on the current basic allowance of £1,165.80 and would increase the total annual cost of members' allowances by approximately £1,539.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	The proposed budget for Members' Allowances is £51,300. An increase due to the CPI increase could be met within the existing budget.
Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	None directly.
Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	None directly.
Consultation (identify any public or other consultation that has been carried out on this matter)	None.
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	The basic allowance payable is determined by the Regulations, however the current Members' Allowances Scheme also includes a Dependents' Carers' Allowance to assist those Members with caring responsibilities in carrying out their approved duties.

Supporting Information

Appendix 1 – Members' Allowances Scheme 2017/18

Background papers –

Local Authorities (Members Allowances) (England) Regulations 2003

Fire Authority Report and Minutes – 17 February 2016

Inflation and Price Indices – Office for National Statistics www.ons.gov.uk

Contact Officer

Nigel Snape, Head of Legal Services

(01905 368242)

Email: nsnape@hwfire.org.uk

Members' Allowances Scheme 2017/18

Fire Authority Members receive certain allowances in recognition of their various duties and to recognise the time they give to undertake Authority work. Allowances are also intended to cover incidental costs that may be incurred by Members.

Allowances are adjusted annually in line with the Consumer Price Index, as approved by the Authority.

Basic Allowance

The annual basic allowance of £1165.80 is paid to all Members.

Special Responsibility Allowance

The following additional allowances are paid to Members with special responsibilities:

Chair of the Authority £9049.68
Vice Chair of the Authority £5429.76
Political Group Leaders £1357.44
Chairman of Audit & Standards Committee £1357.44
Chairman of Policy & Resources Committee £1357.44

Members with more than one special responsibility will only receive one special responsibility allowance at the higher appropriate level.

The Members' Allowances Scheme also includes the following travel and subsistence allowances:

Travel Allowance

Allowances for travel expenses incurred by Members undertaking their approved duties can be claimed.

Mileage can be claimed for travel by car motorbike or cycle in line with the rate used by HM Revenue & Customs. Car park costs incurred by a Member whilst undertaking an approved duty may also be claimed back although evidence of the payment will need to be submitted.

For those Members who car share, a passenger allowance can be claimed by the driver in respect of one or more passengers who are fellow Authority Members carried on Authority business.

Members may claim for use of public transport up to the amount of the ordinary standard class fare (or any available cheap fare as incurred). Evidence of the payment will need to be submitted. Taxi fares may be claimed where bus/train travel is not practical. Receipts will be required.

Approved Duties

Members may submit a claim for travel allowances

- a) meetings of the Authority, its committees, sub-committees, panels or working parties;
- b) meetings of outside bodies to which a Member is appointed by the Authority, if that organisation does not pay Members' expenses;
- c) Authority Member training seminars, events and workshops;
- d) Chairman's briefing meetings;
- e) meetings with Officers in connection with the functions of the Authority which have been convened by the Chief Fire Officer or a member of the Senior Management Board; or
- f) any meeting or event as approved by the Authority or its Committees.

Subsistence Allowances

Members can claim subsistence allowance payments as a reimbursement of actual expenditure, on the basis that reasonable expenses evidenced by receipts will be paid. Similarly, overnight accommodation expenses will be paid where this is necessary and is evidenced by receipts.

Dependent Carers' Allowance

Members can claim an additional allowance to cover expenditure incurred for the care of dependents as follows:

- i) £6.09 per hour;
- ii) Payable in respect of attendance at meetings of the Authority, its committees and Member training events; and
- iii) Claims to be made only in respect of care provided by persons other than family members resident in the house and all claims to be evidenced by receipts.

Report of Head of Legal Services

Fire Authority and Committee Dates 2018/19

Purpose of report

1. To inform Authority Members of the meeting dates for 2018/19.
-

Recommendation

It is recommended that the meeting dates for 2018/19 be noted.

Meeting Dates 2018/19

2. Attached at Appendix 1 are the Authority meeting dates for 2018/19. These meeting dates have been checked with Worcestershire County Council and Herefordshire Council in a bid to avoid any clashes in Members' diaries.
3. However, as 2019 meeting dates have not been scheduled for either Council, we have requested that our dates be taken into account when setting the dates of their meetings.
4. Members will be aware that the Service Headquarters is due to be re-located to Hindlip by 31st August 2018. Once the relocation has been completed, it is anticipated that most Authority and Committee meetings could be accommodated at Hindlip therefore meeting venues from August 2018 will be confirmed at a later date.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	None
Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	None

Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	None
Consultation (identify any public or other consultation that has been carried out on this matter)	Consultation with Senior Management Board Members and constituent authorities.
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	Not applicable

Supporting Information

Appendix 1 –Hereford & Worcester Fire Authority 2018/19 Meeting Dates.

Background papers - None

Contact Officer

Committee Services
(01905 368219)
Email: committeeservices@hwfire.org.uk

Hereford & Worcester Fire Authority 2018/19 Meeting Dates

Fire Authority	Wednesday 13 June 2018	10.30	Headquarters
Audit & Standards	Wednesday 25 July 2018	10.30	Headquarters
Policy and Resources	Wednesday 12 September 2018	14.00	TBC
Audit & Standards	Monday 8 October 2018	10.30	TBC
Policy & Resources	Thursday 29 November 2018	10.30	TBC
Fire Authority	Wednesday 19 December 2018	10.30	Shire Hall, Hereford
Audit & Standards	Monday 21 January 2019	10.30	TBC
Policy & Resources	Wednesday 30 January 2019	10.30	TBC
Fire Authority	Wednesday 20 February 2019	10.30	TBC
Audit & Standards	Wednesday 24 April 2019	10.30	TBC
Policy & Resources	Wednesday 1 May 2019	10.30	TBC



Hereford & Worcester Fire Authority

Audit and Standards Committee

Wednesday, 24 January 2018, 10:30

Minutes

Members Present: Mr A Amos, Ms K S Guthrie, Mr I D Hardiman, Mr Al Hardman, Mr M Hart, Mr R I Matthews, Mr P Middlebrough, Dr K Pollock, Professor J W Raine, Mr S D Williams

89 **Apologies for Absence**

There were no apologies for absence.

90 **Named Substitutes**

There were no named substitutes.

91 **Declarations of Interest (if any)**

There were no interests declared.

92 **Confirmation of Minutes**

RESOLVED that the minutes of the meeting of the Audit and Standards Committee held on 6 September 2017 be confirmed as a correct record and signed by the Chairman.

93 **Annual Audit Letter 2016/17**

The External Auditors, Grant Thornton UK LLP, presented the report and confirmed that an unqualified opinion on the Authority's 2016/17 financial statements and value for money conclusion had been issued mid September 2017. Financial statements were considered to give a true and fair view of the Authority's financial position and the statements presented were sound.

The Committee were asked to note that good progress had been made to

prepare for the earlier issue deadline of 31 July in 2018 and that the new engagement lead for Grant Thornton UK LLP would be present at the next Audit and Standard's Committee.

RESOLVED that the Annual Audit Letter 2016/17 from External Auditors, Grant Thornton UK LLP be noted.

94 Internal Audit Monitoring Report 2017/18

The Internal Auditor provided the Committee with a progress update on the 2017/18 audit plan delivery. Members' attention was drawn to three areas of focus; Corporate Governance, Training and Development and Transformational Planning. Members were reassured that no high priority recommendations had been identified and that clear and robust management action plans were in place to address areas that needed to be strengthened.

RESOLVED that the Internal Audit Monitoring Report 2017/18 be noted.

95 Gender Pay Gap Report

The Committee was presented with a report detailing the gender pay gap in Hereford & Worcester Fire and Rescue Service (the Service), prior to the publication of the Gender Pay Gap Report on the corporate website and the Government's reporting website. Members were advised to note that Gender Pay Gap reporting illustrated the distribution of pay grades by gender through our workforce. This is different to an Equal Pay Audit which measures whether men and women in the same employment performing equal work receive equal pay. It was emphasised that the Service was already recognised as an equal pay and opportunities employer and noted that data must be seen as a 'snapshot' informing headline facts required for publication.

Members recognised that comparative data was unavailable at this time and requested that a report be brought back to the Committee in 12-18 months.

RESOLVED that:

- i) The gender pay gap figures are noted;***
- ii) Progress to bridge the gender pay gap is monitored via SMB; and***
- iii) The Gender Pay Gap Report is published on the corporate***

website and Government's reporting website together with a signed statement confirming the information is accurate.

96 Update from the Health and Safety Committee

The Committee were provided with an update on activities from the Service's Health and Safety Committee. In particular Members were asked to note the significant work that had taken place around the Risk Assessment Database. In addition it was highlighted that as part of an agreed regional business plan the Service had been selected to participate in a targeted Health and Safety Audit around four specific areas and that this was due to take place from 20-22 March 2018. An update on this would be given at the next Committee.

Members were reassured that no notable trends in health and safety instances had been identified.

RESOLVED that the activities and items of significance from the Health and Safety Committee be noted, in particular:

- i) Health and Safety performance information recorded during July 2017 to September 2017 (Quarter 2)***
- ii) The involvement of the Service in a number of Health and Safety initiatives.***

The Meeting ended at: 11:21

Signed:.....

Date:.....

Chairman



Hereford & Worcester Fire Authority

Policy and Resources Committee

Wednesday, 31 January 2018, 10:30

Minutes

Members Present: Mr R C Adams, Mr T D Baker-Price, Mr B Clayton, Mrs E Eyre BEM, Mr A Fry, Mr D Greenow, Dr C A Hotham, Mrs F M Oborski MBE, Mr R J Phillips, Mrs J Potter, Mr C B Taylor, Mr P A Tuthill, Mr R M Udall

101 Apologies for Absence

There were no apologies for absence.

102 Declarations of Interest (if any)

Mr R Udall declared an interest in the late agenda item 9 as a supplier to one of the Cartel companies.

103 Confirmation of Minutes

RESOLVED that the minutes of the meeting of the Policy and Resources Committee held on 22 November 2017 be confirmed as a correct record and signed by the Chairman.

104 Budget 2018/19 and Medium Term Financial Plan (MTFP)

Members were asked to review the current position in relation to budgets for 2018/19 and beyond, and to make recommendations to the Fire Authority.

Members were advised that the increase in the council tax base had been formally confirmed as 1.3%, which is slightly lower than the expected 1.4%. Confirmation of business rate yield was still awaited from the Billing Authorities at the time of the meeting.

Members discussed the on-going pay award provision and noted the 2% provision across the whole Medium Term Financial Plan period.

With regard to the Fleet Strategy, Members requested clarification of the vehicles and were content with the provision.

Members discussed the idea of a new Community Safety project and welcomed the idea of a further report to the Committee on options and how best to promote safety to the public.

RESOLVED that:

1. the Fire Authority be recommended to:

i) agree the amendments to expenditure and resource projections as set out in Appendices 2 to 4 of the report;

ii) increase the Band D Precept by £2.37 (2.98%) in 2018/19;

iii) plan to increase the precept by 3% in 2019/20 and 1.96% per year thereafter;

iv) approve a planning assumption of annual pay awards of 2%;

v) continue to approve the Reserves Strategy to smooth the implementation of efficiencies over the period;

2. the Treasurer be authorised to make appropriate adjustments to the phasing of the use of reserves to accommodate the confirmed council tax-base, council tax collection fund, Business Rate yield and Section 31 Grant figures; and

3. the Chief Fire Officer bring a report to the Committee with recommendations for undertaking a Community Safety project and how best to promote this to the public.

105 Fire and Rescue National Framework for England - Government Consultation

Members were asked to consider the draft response on the recently published consultation on a new Fire and Rescue National Framework for England.

Members were informed that a new National Framework document had been drafted to replace the current 2012 version which included changes required to embed the Fire Reform programme and provisions in the Policing and Crime Act 2017.

The Chief Fire Officer explained to Members that this was a statutory requirement and the Service will be inspected by the HMI in the Summer

of this year.

Members shared their concerns that governance was not a significant part of the review but were happy with the prepared response.

RESOLVED that the draft response to the consultation, as set out in Appendix 2 of the report, be approved.

106 Proposed Fire and Rescue Services Inspection Programme and Framework

Members were provided with details of Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) consultation on their proposed inspection programme and framework, together with a proposed response to the consultation.

Members were asked to note the consultation and consider if any further comments needed to be added.

Members requested that a stronger response be prepared in relation to Question 3 and the Chief Fire Officer was happy to include this, together with maintaining a watching brief over the on-going resource implications to ensure that the inspection process remains proportionate.

Members also required further clarification on the inspection and were pleased to note that it was being funded by Central Government.

RESOLVED that:

i) the proposed response to the consultation, with an adjustment to Question 3, as set out in Appendix 3 of the report, be approved.

ii) the Committee maintain a watching brief over the on-going resource implications for the Authority to ensure that the inspection process remains proportionate.

107 Relocation of Hereford & Worcester Fire and Rescue Service Headquarters to the Hindlip Park Estate

Members were reminded that Appendix 1 to the report was confidential and therefore the press and public would need to be excluded from the meeting if any discussion of these details was required.

Members were updated on the current position of the Headquarters relocation project and requested delegated authority for grant expenditure

and to enter into appropriate lease arrangements.

Members were pleased to note that a room will be made available for future Authority meetings and that the relocation of staff is due to be completed by 31 August 2018.

RESOLVED that:

- i) Officers proceed with the proposed building and refurbishment works to enable the relocation of Service Headquarters to the Hindlip Park estate, to be funded from the Government's transformation grant award;**
- ii) the Authority enters into appropriate legal arrangements to support the relocation of Service Headquarters to the Hindlip Park estate on terms to be agreed by the Head of Legal Services and Chief Fire Officer in consultation with the Chairman of the Authority; and**
- iii) a further report on the future sale or lease of Kings Court be brought back in due course.**

Exclusion of the Press and Public

The Authority were asked to exclude members of the public and press from Appendix 1 to Agenda Item 7, Item 8 and the Late Item.

It was RESOLVED to exclude the public and press on the grounds that the discussion would be likely to involve the disclosure of exempt information within the meaning of section 100A(4) of the Local Government Act 1972, namely - information relating to the financial or business affairs of any particular person (including the authority holding that information) and information subject to legal professional privilege.

108 Wyre Forest Emergency Services Hub

Members were updated on the progress of the project and asked to approve the revised budget allocation.

Members were informed that the layout of the proposed development had been designed to use the whole of the available site, which was larger than originally intended. The additional costs would be funded from a mixture of additional capital receipts, use of the national resilience reserve and some additional capital borrowing, the revenue consequences of which would be funded from within the existing capital programme

budget.

Members expressed their concerns over the parking of HGVs in the service road and suggested the use of double yellow lanes to avoid access issues.

Members were pleased that the planning application had been submitted earlier in the month and approved the revised budget.

Summary of Decision

The Authority agreed the revised budget for the development of the Wyre Forest Emergency Services Hub.

[Councillor Udall and Councillor Fry left the meeting at 12.05pm]

109 Late Item - Truck Manufacturers' Cartel - Compensation Claim

The Chairman agreed to the consideration of this Late Item pursuant to section 100B(4)(b) of the Local Government Act 1972 as a matter of urgency on the grounds that

- **this matter had only recently come to the attention of the Authority; and**
- **a decision is required before the date of the next scheduled meeting of the Committee.**

Summary of Decision

The Authority agreed to participate in action being coordinated by the LGA against certain truck manufacturers who had previously been adjudged to have operated a cartel.

[Councillor Phillips left the room at 12.10pm and returned at 12.12pm].

The Meeting ended at: 12:15

Signed:.....

Date:.....

Chairman