



HEREFORD & WORCESTER Fire Authority

AGENDA

10.30am Monday 9 June 2014

PLEASE NOTE CHANGE OF VENUE

Council Chamber
County Hall
Spetchley Road
Worcester
WR5 2NP

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public transport where possible.***

ACCESS TO INFORMATION – YOUR RIGHTS

The Local Government (Access to Information) Act 1985 widened the rights of press and public to attend Local Authority meetings and to see certain documents. Your main rights are set out below:

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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 Services on 0845 12 244554 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

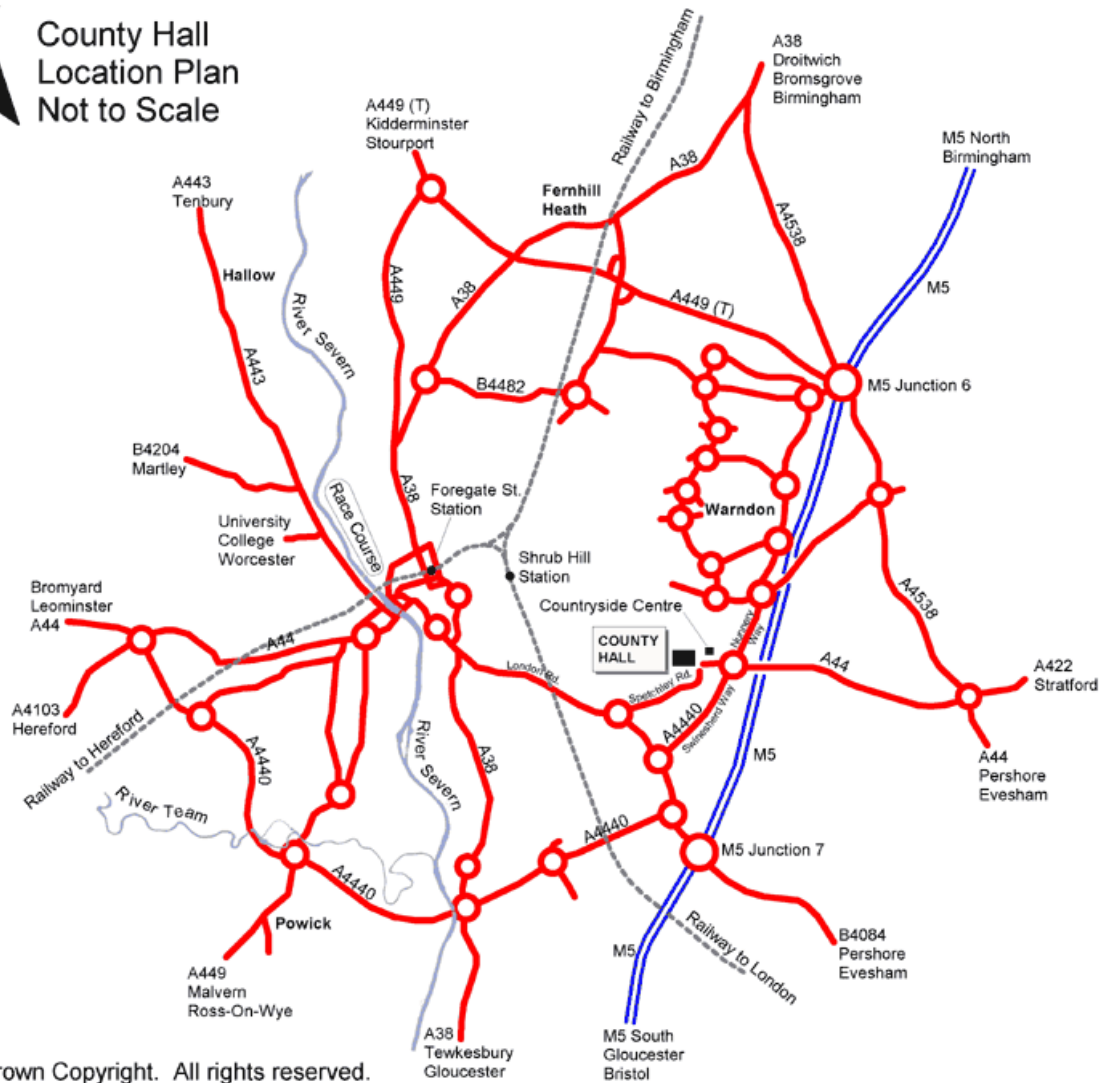
The Chairman will conduct the business of the meeting. The items listed on the agenda will be discussed.

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.



County Hall Location Plan Not to Scale



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- You will need to follow Officers to Assembly Point E (Northside) which is located outside the building.

Toilets

- There are male and female toilets with baby change facilities in reception and a disabled toilet within the Register Office at the entrance adjacent to reception.

Parking

- If you have parked in the visitor car park please collect a token from Reception upon leaving.
- Once the token has been inserted please wait for the traffic light to change to green before driving off. The barrier will lower only when the light is green.

Smoking Policy

- Smoking is not permitted anywhere within the building. There is a smoking shelter located by the cascades which are situated between the upper and lower lakes.

OPTIONAL INFORMATION

Cafe

- There is a cafe located on the ground floor, a short distance from Reception which you are welcome to use. It sells a range of hot and cold foodstuffs as well as having a coffee bar.
- The Lakeview Cafe is open for business 08:00 to 15:00 Monday to Friday. The area is available for informal meetings unless specifically booked for an event although we ask that you only do so outside the busy lunchtime period when diners are given priority use.

Shop

- There is a shop adjacent to the cafe and stocks a range of sandwiches, snacks, sweets and newspapers.
- The shop's opening hours are 08:00 to 14:00 Monday to Friday
- There is a snack/cold drink vending machine immediately outside the shop for use during and outside of the shop's hours of business. There is also a KLIX hot drinks machine.

Grounds/Site traffic

- Please note that County Hall and its grounds are public therefore there may be any number of people walking around the site including those walking their dogs or travelling to the nearby schools.
- Due to this we have a site wide 10 mph speed limit

Public Transport

- There are two bus stops within the grounds of County Hall, one adjacent to each of the site entrances. Both have timetables and as a guide there are generally four buses per hour into the city centre.

Agenda

Councillors

Herefordshire:

Brigadier P Jones CBE (Vice-Chairman), Ms K Guthrie, Mr J Kenyon, Mr B Matthews, Mr P Sinclair-Knipe and Mr D C Taylor.

Worcestershire:

Mr R Adams, Ms P Agar, Mr A Amos, Mr S Cross, Ms L Duffy, Mr P Gretton, Mr A Hardman, Mrs A Hingley, Ms R E Jenkins, Mr T Miller, Mrs F M Oborski, Mr S R Peters, Mr D W Prodger MBE (Chairman), Prof. J W Raine, Mr C Taylor, Mr P Tuthill, Mr R Udall, Mr G Vickery and Mr G Yarranton.

Pages

- | | |
|---|------|
| <ol style="list-style-type: none"> 1. Election of Chairman
To elect a Chairman of the Fire Authority. 2. Election of Vice-Chairman
To elect a Vice-Chairman of the Fire Authority. 3. Apologies for Absence
To receive any apologies for absence. 4. Declarations of Interest (if any) 5. Confirmation of Minutes
To confirm the minutes of the meeting of the Fire Authority held on 19 February 2014. 6. Chairman's Announcements 7. 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.

<i>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 no later than 2 clear working days before the meeting (in this case by Wednesday 4 June 2014). Enquiries can also be made through the telephone numbers/email listed in the footnote below.</i> | 1-17 |
|---|------|

<p>8. Appointment of Committees</p> <p>To consider the allocation of seats on Committees to political groups and to authorise the Head of Legal Services, following consultation with Group Leaders, to make appointments to Committees.</p>	<p>18-23</p>
<p>9. Appointments to Outside Bodies</p> <p>To consider appointments to the Local Government Association.</p>	<p>24-26</p>
<p>10. Community Risk Management Plan 2014-2020</p> <ol style="list-style-type: none"> 1. To report the response to and findings from the public consultation regarding the Authority's draft Community Risk Management Plan (CRMP), and to consider recommendations for the implementation of the Fire and Emergency Cover Review. 2. To consider the use of the Authority's General Reserves to protect front line fire engines. 3. To approve the draft CRMP for publication. 	<p>27-33</p> <p>Members are also referred to the report and appendices presented to the Authority on 19 February 2014</p>
<p>11. Provision of Payroll Services</p> <ol style="list-style-type: none"> 1. To inform Members of a potential collaborative partnership arrangement to provide payroll services with Shropshire Fire and Rescue Service and to seek authority for the creation of a shared service if this is shown to be beneficial. 2. This report will be considered by the Policy and Resources Committee at its meeting on 2 June. An update regarding any possible amendments to the recommendation by the Committee will be reported at the meeting. 	<p>34-36</p>
<p>12. The Fire Authority's Annual Report 2014-15</p> <p>To adopt the Authority's Report 2014-15 (Appendix 1) and approve for publication.</p>	<p>37-38</p> <p>Appendix 1 (is a separate enclosure)</p>
<p>13. Members' Allowances</p> <p>To consider whether to increase the level of Members' Allowances in line with the increase in the Consumer Price Index.</p>	<p>39-43</p>

14. Review of the Constitution	44-48
To propose the following amendments to the Authority's Constitution:	
<ul style="list-style-type: none"> ▪ to include the terms of reference for the Political Group Leaders' Meeting; ▪ to enable Committee Chairmen and Vice Chairmen to be appointed by Committees as well as by the Authority; and ▪ to enable the Monitoring Officer to make any minor amendments consequential upon legislative changes or decisions of the Authority in order to keep the Constitution up to date. 	
15. Chief Fire Officer's Service Report	49-52
To inform the Authority of recent key developments and activities.	
16. Minutes of Audit and Standards Committee	53-55
To receive the minutes of the meeting held on 16 April 2014.	
17. Minutes of Policy and Resources Committee	56-60
To receive the minutes of the meeting held on 26 March 2014.	



Minutes

Members present:

Herefordshire:

Brigadier P Jones CBE, (Vice-Chair) and Mr D C Taylor.

Worcestershire:

Mr D W Prodger MBE (Chair), Mr R Adams, Mr A Amos, Ms P Agar, Mr M Broomfield, Mr S Cross, Ms L Duffy, Mr A Fry, Mr P Gretton, Mr P Grove, Mr A Hardman, Mrs A Hingley, Ms R E Jenkins, Mrs F M Oborski, Mr S R Peters, Prof. J W Raine, Mr C Taylor, Mr P Tuthill and Mr R Udall.

No. Item

1. Apologies for Absence

Apologies for absence were received from Mrs M Lloyd-Hayes, Mr B Matthews, Mr P Sinclair-Knipe and Mr P Watts.

2. Declarations of Interest

Brigadier Jones declared an interest in agenda item number 7 as his wife's son is a firefighter.

Councillor P Grove declared an interest in agenda item number 7 as one of the options for consideration fell within the area in which he lives.

3. Confirmation of Minutes

RESOLVED that the minutes of the meeting of the Fire Authority held on 11 December 2013 be agreed and signed by the Chairman.

4. Chairman's Announcements

The Chairman made the following announcements:

1. Thanks for Support Given During the Floods

The Chairman extended thanks to the firefighters of the Service and other responders from the Local Resilience Forum for the sterling work

they had undertaken during the prolonged period of flooding.

Members were advised that a full update on flooding and water related incidents would be given under agenda item 9 – The Chief Fire Officer's Service Report.

2. Retirement of Staff

The Chairman advised Members that the Personal Assistant to the Treasurer, Pat Lee, and Diana Glendenning, Corporate Support Officer, would both be retiring shortly. He wished them both a long and happy retirement and thanked them for the assistance they had both given him during his time as Chairman.

5 Public Participation

No applications to participate in the meeting had been received from members of the public.

6 Budget and Precept 2014/15 and Medium Term Financial Plan

The Treasurer presented a report that asked Members to determine the Revenue and Capital Budgets and the Council Tax Requirement for 2014/15, to approve the Prudential Indicators and to set a Minimum Revenue Provision (MRP) policy for 2014/15 and to identify potential future resources, their consequential impact on future year budgets and the future Council Tax requirement. The Treasurer advised Members that appendices 4, 5, 6, and 7 had been prepared for two scenarios version (a) if the Authority were to take a decision to freeze Council Tax and version (b) for a precept increase.

Members were advised that since the Policy and Resources Committee meeting in January 2014 further figures had been received and there had been a significant improvement in the budget figures in that the Tax Base had gone up by 2% which increased resources by £0.4m. The Retained Business Rate had also improved by £0.2m and as a result the budget gap would be reduced.

Councillor R Udall proposed a motion as follows: "that £485,000 made available from the Authority's non-earmarked general reserves to support front-line services in 2014/15."

The motion was seconded by Councillor A Amos.

Upon a vote the motion was carried.

RESOLVED

That the Authority approve:

- 1. the Capital and Budget Programme for 2014/15 of £7.0m, as**

attached at (Appendix 1);

- (i) the Revenue Budget for 2014/15 of £32.637M and Revenue Budget Allocation as attached at Appendix 2;
- (ii) an increase in Council Tax Precept of 1.93% for 2014/15 as attached at Appendix 3;
- (iii) the Medium Term Financial Plan for 2014/15 as attached at Appendix 4;
- (iv) the Statement of Prudential Indicators as attached at Appendix 5;
- (v) the Minimum Revenue Provision (MRP) Policy for 2014/15 as attached at Appendix 6; and

2. £485,000 be made available from non-earmarked general reserves to support frontline services for 2014/15.

7 Community Risk Management Plan 2014-2020 – Consultation Responses

The Chief Fire Officer presented a report that sought approval of the draft Community Risk Management Plan (CRMP) and to consider recommendations for the implementation of the Fire and Emergency Cover Review, taking account of the responses to public consultation.

In view of the previous decision to make £485,000 available from reserves, Members were minded to defer consideration of the Community Risk Management Plan report in order to consider what implications that had.

RESOLVED that consideration of the Community Risk Management Plan 2014-2020 – Consultation Responses Report be deferred.

8 Pay Policy Statement

The Assistant Chief Fire Officer (Service Support) presented a report that brought to the attention of the Authority the requirement for the Service to publish the Annual Pay Policy Statement for the year 2014/15.

RESOLVED that the Pay Policy Statement and Supporting Information be approved for publication.

9 Chief Fire Officer's Service Report

The Chief Fire Officer presented his Service Report which informed the Authority of recent key developments and activities.

RESOLVED that the report be noted.

10 Report from Audit and Standards Committee

The Chairman of the Audit and Standards Committee presented a report that advised Members of the proceedings of the Audit and Standards Committee meeting held on 22 January 2014. Members' attention was drawn to the fact that the External Audit fee for 2014/15 had remained static.

RESOLVED that the proceedings of the Audit and Standards Committee meeting held on 22 January 2014 be noted.

11 Report from Policy and Resources Committee

The Chairman of the Policy and Resources Committee presented a report that advised Members of the proceedings of the Policy and Resources Committee meeting held on 28 January 2014.

RESOLVED that the contents of the report be noted.

The meeting finished at 12.05 pm.

Signed: _____

Date: _____

Chairman

Hereford & Worcester Fire Authority

Budget 2014/15 : Capital Programme

			(1)	(2)	(3)	(4)	(5)	(6)	(7)
			PRIOR YRS ACTUAL £m	REV.BUD, 2013/14 £m	BUDGET 2014/15 £m	PROGRAMME			TOTAL £m
						2015/16 £m	2016/17 £m	2017/18 £m	
	Vehicle Programme								
1	Routine Replacements (Pumps)			1.012	0.253	1.011	1.011	1.011	4.298
2	Routine Replacements (4WD)			0.048					0.048
3	Routine Replacements (Off-Road)			0.027					0.027
4	Rope Rescue Vehicle			0.006					0.006
5	Command Unit			0.350					0.350
6	Routine Replacements - Water Carrier					0.120	0.120		0.240
7	Routine Replacements - RAVs					0.190			0.190
8	Response Cars				0.108	0.310		0.120	0.538
9	Response Cars	note 1			0.230	0.125			0.355
10				1.443	0.591	1.756	1.131	1.131	6.052
	Major Building Schemes								
11	Strategic Training Facilities		1.053	1.223					2.276
12	Malvern Fire Station		0.145	2.364	(0.509)				2.000
13	Worcester Fire Station		0.050	2.997	1.353				4.400
14	Pebworth (retentions)			0.037					0.037
15	Other Schemes	note 2	0.005	0.552	4.965	3.109	1.046		9.677
16			1.253	7.173	5.809	3.109	1.046	0.000	18.390
	Other Schemes								
17	Control Resilience Project		1.663	0.624					2.287
18	Minor Property, Info. Tech. Comms, Equip etc.			1.499	0.600	0.600	0.600	0.600	3.899
				2.123	0.600	0.600	0.600	0.600	6.186
19	Annual Total			10.739	7.000	5.465	2.777	1.731	30.628

Note 1 : previously assumed to be financed from leasing

Note 2 : Individual scheme sums approved by FRA, but not currently disclosed as contracts subject to tender etc.

Note 3 : Excludes impact of any slippage from 2013/14

Hereford & Worcester Fire Authority

Budget 2014/15 : Revenue Budget

Precept Increase at 1.93%

Col. Line	1	2 £m
1	2013/14 Core Budget	32.549
	<u>Cost Pressures</u>	
2	Pay Awards	0.386
3	General Inflation Contingency	0.300
4	LGPS Revaluation	0.108
5	Capital Programme	0.396
6	RDS Training (reduced operational activity)	0.100
7	RDS P/T working National Settlement	0.090
8		1.380
	<u>non-Front Line Savings</u>	
9	12/13 Redundancy Pay Protection	(0.007)
10	12/13 Watch size reduction	(0.077)
11	14/15 Day Crew Plus	(0.367)
12	Catering Review	(0.144)
13	Media & Design Review	(0.034)
14	Secretariat Restructure	(0.027)
15	Finance Restructure	(0.016)
16	P&I posts removed	(0.055)
17	Fire Control	(0.100)
18	Inflation provision saving	(0.232)
19	Budget-holder saving in 13/14 alloc	(0.047)
20	Target budget reductions	(0.150)
21		(1.256)
22	2014/15 Projected Expenditure Need	32.673
23	Savings to be identified	(0.036)
24	2014/15 Core Budget	32.637

32.637

Hereford & Worcester Fire Authority**Budget 2014/15 : Personnel Budget**

	Wholetime Firefighters FTE	On-Call Retained Firefighters H/C	Control Room Staff FTE	Non- Uniformed Support FTE	TOTAL
Core Budget 2013/14	291.0	369.0	25.0	126.3	811.3
USAR - Section 31 Grant Funded	17.0	14.0			31.0
Capitalised against major building schemes				4.0	4.0
	308.0	383.0	25.0	130.3	846.3
Training Centre Review	(1.0)			0.5	(0.5)
Training Centre Review - one year post				1.0	1.0
Property Review				(4.5)	(4.5)
Media & Design Review				(1.1)	(1.1)
Catering Review				(7.9)	(7.9)
Finance Review				(1.0)	(1.0)
Secretariat Review				(1.0)	(1.0)
P&I Review				(2.0)	(2.0)
Bromsgrove - Day Crew Plus	(14.0)				(14.0)
USAR/Droitwich Combination	(10.0)				(10.0)
	(25.0)	0.0	0.0	(16.0)	(41.0)
Included in Budget 2014/15	283.0	383.0	25.0	114.3	805.3

% change

-8.1%

-12.3%

-4.8%

Hereford & Worcester Fire Authority

Budget 2014/15 : Medium Term Financial Forecasts

Precept Increase at 1.93%

Col Row	1	2 2015/16 Prov £m	3 2016/17 Forecast £m	4 2017/18 Forecast £m	5 2018/19 Forecast £m	6 2019/20 Forecast £m
1	2014/15 CORE BUDGET	32.637	32.637	32.637	32.637	32.637
	Cost Pressures					
2	Pay Awards	0.436	0.880	1.334	1.788	2.242
3	General Inflation Contingency	0.260	0.560	0.860	1.160	1.460
4	LGPS Revaluation	0.009	0.019	0.039	0.059	0.079
5	Capital Programme	0.159	0.394	0.430	0.363	0.374
6	Ending of Pensions NI Contracting Out			0.360	0.360	0.360
7		0.864	1.853	3.023	3.730	4.515
	Savings					
8	12/13 Redundancy Pay Protection	(0.007)	(0.007)	(0.007)	(0.007)	(0.007)
9	14/15 Day Crew Plus	(0.034)	(0.034)	(0.034)	(0.034)	(0.034)
10	CFS/TFS rationalisation	(0.200)	(0.200)	(0.200)	(0.200)	(0.200)
11	Target budget reductions	(0.150)	(0.150)	(0.150)	(0.150)	(0.150)
12	Droitwich/USAR	(0.194)	(0.315)	(0.315)	(0.315)	(0.315)
13	FDS Review	(0.050)	(0.169)	(0.200)	(0.200)	(0.200)
14		(0.635)	(0.875)	(0.906)	(0.906)	(0.906)
15	NET PRESSURE/(SAVING)	0.229	0.978	2.117	2.824	3.609
16	BEFORE FIRE COVER REVIEW	32.866	33.615	34.754	35.461	36.246
		2015/16 Prov £m	2016/17 Forecast £m	2017/18 Forecast £m	2018/19 Forecast £m	2019/20 Forecast £m
17	Business Rate increase	2.00%	2.00%	2.00%	2.00%	2.00%
18	Base-line Funding Reductions	-8.14%	-8.00%	-8.00%	-8.00%	-8.00%
19	Tax-base Increase	0.50%	0.50%	0.50%	0.50%	0.50%
20	Band D Tax Increase	0.00%	2.00%	2.00%	2.00%	2.00%
21	Consolidated Revenue Support Grant	(8.424)	(7.514)	(6.672)	(5.893)	(5.171)
22	Future Council Tax Freeze Grants	(0.210)	(0.193)	(0.178)	(0.164)	(0.151)
23	Fire Revenue Grant	(1.280)	(1.280)	(1.280)	(1.280)	(1.280)
24	Retained Business Rates	(2.531)	(2.582)	(2.633)	(2.687)	(2.741)
25	Council Tax Precept	(19.422)	(19.909)	(20.408)	(20.920)	(21.444)
26	Council Tax Collection Fund	0.000	0.000	0.000	0.000	0.000
27	PROJECTED RESOURCES	(31.867)	(31.478)	(31.171)	(30.944)	(30.787)
28	GAP BEFORE FIRE COVER REVIEW	0.999	2.137	3.583	4.517	5.459
29	Savings required from 2015/16 and on-going	0.999	0.999	0.999	0.999	0.999
30	Savings required from 2016/17 and on-going		1.138	1.138	1.138	1.138
31		0.999	2.137	2.137	2.137	2.137
32	Savings required from 2017/18 and on-going			1.448	1.448	1.448
33	Savings required from 2018/19 and on-going				0.932	0.932
34	Savings required from 2019/20 and on-going					0.942
35				1.448	2.380	3.322
36		0.999	2.137	3.585	4.517	5.459

Statement of Prudential Indicators

Introduction

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 FRA should operate to ensure the objectives of the Prudential Code are met.

Prudential Indicators

The Prudential Indicators for which the Fire Authority is required to set 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 2014-15 Budget and MTFP.

2 Capital Expenditure

The actual amount of capital expenditure that was incurred since 2012/13, and the estimates of capital expenditure to be incurred for the current and future years that are proposed in the 2014/15 Budget and MTFP are as follows:

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000	£000
Capital Expenditure	3,415	10,739	7,000	5,465	2,777	1,731
Leased Assets	-	325	-	27	70	30
	3,415	11,064	7,000	5,492	2,847	1,761

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 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.

The estimates of the ratio of financing costs to net revenue stream are dependent on decisions taken by the Authority in respect of Council Tax increases for 2014/15. However, the tables below show that the difference is marginal.

If precept is frozen:

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000	£000
Financing Costs	1,984	2,506	2,715	2,874	3,109	3,145
Net Revenue Stream	32,652	31,285	31,210	30,429	30,014	29,683
Ratio	6.08%	8.01%	8.70%	9.44%	10.36%	10.60%

If precept is increased by 1.93%:

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000	£000
Financing Costs	1,984	2,506	2,715	2,874	3,109	3,145
Net Revenue Stream	32,652	31,285	31,366	30,587	30,198	29,891
Ratio	6.08%	8.01%	8.66%	9.40%	10.30%	10.52%

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

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000	£000
CFR at 31st March	15,958	17,064	20,685	23,276	26,411	26,788

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:

	2014/15	2015/16	2016/17	2017/18
Authorized Limit	£000	£000	£000	£000
External Borrowing	28,000	31,000	32,000	30,000

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:

	2014/15	2015/16	2016/17	2017/18
Operational Boundary	£000	£000	£000	£000
External Borrowing	26,000	29,000	29,000	28,000

6. Actual External Debt

The Fire Authority's actual external debt as at 31 March 2013 was £14.971 million; comprising £14.971 million External Borrowing and £0 (zero) Other Long Term Liabilities.

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 2014/15 – 2017/18 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 FRA in Feb 2013.

The incremental impact identifies transactions that will occur **over and above** what has already been provided for in the 2013/14 revenue budget and projected in the MTFP and assumes the funding available in 2013/14 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 2013/14 Budget on the Council Tax is as follows:

	2014/15	2015/16	2016/17	2017/18
Incremental Impact on Band D	-£ 0.13	-£ 0.16	-£ 0.20	+ £ 0.09

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

	2014/15	2015/16	2016/17	2017/18
Fixed Interest Rate Exposure	£000	£000	£000	£000
Upper Limit	28,000	31,000	32,000	30,000

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

	2014/15	2015/16	2016/17	2017/18
Variable Interest Rate Exposure	£000	£000	£000	£000
Upper Limit	7,000	8,000	8,000	8,000

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.

	Upper	Lower
Period of Maturity	Limit	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.

Hereford & Worcester Fire Authority

Minimum Revenue Provision (MRP) Policy

Background

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

Guidance

In considering a prudent MRP policy the FRA 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.

Recommendation

To continue the policy already i.e.:

1. All expenditure from 2008/09 onwards - MRP using an Asset life basis:-
 - Buildings over 50 years – per depreciation policy;
 - 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
2. 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.
3. 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

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 some of the assets under (2) and (3) above this point was reached in 2013/14.

Report of Head of Legal Services

8. Appointment of Committees

Purpose of report

1. To consider the allocation of seats on Committees to political groups and to authorise the Head of Legal Services, following consultation with Group Leaders, to make appointments to those committees.

Recommendations

It is recommended that the Authority:

- i) notes the number of seats on each Committee and determines that the allocation of those seats to political groups be as follows:*

Group	Appointments Committee	Audit & Standards Committee	Policy & Resources Committee
Conservative	4	7	7
Labour	1	2	2
Independent	1	2	2
2013	1	1	2
Non Aligned	0	1	0
(Total)	7	13	13

- ii) appoints the Chairman and Vice-Chairman of the following Committees:*
 - a. Appointments Committee*
 - b. Audit and Standards Committee*
 - c. Policy and Resources Committee;*
- iii) authorises the Head of Legal Services to make other appointments to Committees in accordance with the wishes notified by the Group Leaders;*
- iv) determines any appointments of non-aligned Members to seats on committees;*
- v) appoints two Members to the Equality and Diversity Advisory Group;*
- vi) appoints one Member to the Health and Safety Committee;*
- vii) appoints the Chairman to the Young Firefighters' Association Executive Committee;*
- viii) appoints one Member from each political group to the Member Development Working Group.*

Introduction and Background

2. In accordance with the Hereford & Worcester Fire Services (Combination Scheme) Order 1997 the Authority's membership comprises up to 25 Councillors, 19 from Worcestershire County Council and 6 from Herefordshire Council.
3. Where the Members of the Authority are divided into political groups:
 - (i) the Authority must review the allocation of seats to political groups either at its annual meeting or as soon as practical thereafter;
 - (ii) seats on committees must be allocated so that:
 - (a) if there is a majority political group on the Authority overall, that group must have a majority of the seats on each committee; and
 - (b) subject to (a) above, the total number of committee seats allocated to each group overall is proportionate to the size of that group as a proportion of the total membership of the authority; and
 - (c) subject to (a) and (b) above, the number of seats allocated to each group on each individual committee is proportionate to the size of that group overall
 - (i) appointment of any non-aligned members to seats on committees is determined by the Authority

Political Groups

4. The composition of political groups currently notified to the Authority is as set out at Appendix 1 and equates as follows:

	Members	%
Conservative	13	52%
Labour	4	16%
Independent	4	16%
2013	3	12%
<i>[Non Aligned]</i>	1	
Total	25	

Committee Appointments

5. The constitution provides that the Authority will appoint the Chairmen and Vice-Chairmen of Committees at its Annual General Meeting.
6. Members should note the following rules governing Committee appointments:
 - (i) Group Leaders, the Chairman, Vice-Chairman, out-going Chairman of the Authority and Chairman of the Policy and Resources Committee are not eligible to serve on the Audit and Standards Committee.
 - (ii) Subject to the rules on political balance, the Authority Chairman, the Policy and Resources Committee Chairman and the Audit and Standards Committee Chairman will serve on the Appointments Committee.

7. Applying the requirements of political balance, the number of seats on each committee allocated to each Group is as set out in recommendation (i) of this report. It is recommended that the Head of Legal Services make appointments to Committees in accordance with the wishes notified by the Group Leaders and that the Authority determines any appointments of non-aligned Members to seats on committees.

[For information, Appendix 2 details the Committee Memberships as of 30 May 2014].

Conclusion/Summary

8. The above arrangements have proven to be effective for the appointment of Committees to carry out the functions of the Authority, as specified in the Terms of Reference.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	Each Committee Chairman is entitled to a Special Responsibility Allowance of £1,355 per year
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?)	An Equalities Impact Assessment has not been carried out as the report does not contain a recommendation to approve a policy.

Background Papers

Appendix 1 - Composition of Political Groups

Appendix 2 – Committee Memberships

Committee Terms of Reference

Hereford & Worcester Fire Services (Combination Scheme) Order 1997

Local Government and Housing Act 1989

Contact Officer

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(01905 368242)

Email: nsnape@hwfire.org.uk

Hereford & Worcester Fire Authority – Members 2014

Conservative Group (13)

Mr D W Prodger MBE

Mr R C Adams
Mrs L R Duffy
Mr W P Gretton
Mrs K Guthrie
Mr A I Hardman
Mrs A T Hingley
Mr A Miller
Brig. P. Jones CBE
Mr P Sinclair-Knipe
Mr C B Taylor
Mr P A Tuthill
Mr G Yarranton

Labour Group (4)

Mr R M Udall

Ms P Agar
Mr A T Amos
Mr G Vickery

Independent Group (4)

Mr D Taylor

Ms R E Jenkins
Mr R Matthews
Mr S R Peters

2013 Group (3)

Mrs F M Oborski

Mr J Kenyon
Prof J W Raine

Non-aligned (1)

Mr S Cross

Committee Seats (as of 30 May 2014)

<u>Policy and Resources Committee (13)</u>	<u>Conservatives (7)</u>	<u>Labour (2)</u>	<u>Independents (2)</u>	<u>2013 (2)</u>	
	Mr K Taylor (Chair)	Mr R Udall	Ms R Jenkins	Mrs F Oborski	
	Mr R Adams (Vice Chair)	Mr A Amos	Mr D Taylor	Vacancy	
	Mr A Hardman				
	Mr P Gretton				
	Brig. P Jones CBE				
	Mr D Prodger MBE				
	Mr P Tuthill				
<u>Audit & Standards Committee (13)</u>	<u>Conservatives (7)</u>	<u>Labour (2)</u>	<u>Independents (2)</u>	<u>2013 (1)</u>	<u>Non-Aligned (1)</u>
<i>Cannot include:</i>	Ms L Duffy (Chair)	Ms P Agar	Mr B Matthews	Prof. J Raine	Mr S Cross
<i>Chair/Vice-chair of</i>	Mr P Gretton	Vacancy	Mr S Peters		
<i>Authority;</i>	Ms K Guthrie				
<i>Outgoing Chair of</i>	Mrs A Hingley				
<i>Authority;</i>	Mr A Miller				
<i>Chair of Policy &</i>	Mr P Sinclair-Knipe				
<i>Resources; or Group</i>	Vacancy				
<i>Leaders</i>					
<u>Appointments Committee (7)</u>	<u>Conservative (4)</u>	<u>Labour (1)</u>	<u>Independent(1)</u>	<u>2013 (1)</u>	
<i>Should normally include:</i>	Mr D Prodger MBE (Chair)	Mr R Udall	Mr D Taylor	Mrs F Oborski	
<i>Chair of Authority</i>	Ms L Duffy				
<i>Chair of Policy &</i>	Brig. P Jones CBE				
<i>Resources</i>	Mr K Taylor				
<i>Chair of Audit &</i>					
<i>Standards</i>					

Member / Officer Working Group Representatives

Equality & Diversity Advisory Group:

Mrs F Oborski

Vacancy

Health & Safety Committee:

Vacancy

Chairman of the Young Firefighters' Association Executive Committee

Mrs A Hingley

Member Development Working Group:

Mr A Amos

Ms R Jenkins

2 x vacancies

Report of Head of Legal Services

9. Appointments to Outside Bodies

Purpose of report

1. To consider appointments to the Local Government Association.
-

Recommendations

It is recommended that the Authority:

- i) continues with the previous practice for representation and voting on the Local Government Association, as follows:*
 - a. that the Authority's four representatives on the Local Government Association should be the Leaders of each of the current four political groups or their nominees;*
 - b. that the 13 Service votes on the Local Government Association Assembly be allocated between its representatives on a politically proportionate basis as follows*

Conservative Group	7
Labour Group	2
Independent Group	2
2013 Group	2
Total	13; and
 - c. the corporate vote on the Local Government Association Assembly be exercised by the Chairman or his nominee; and*
- ii) the place and vote available to the Authority on the Local Government Association Fire Commission be exercised by the Chairman of the Authority.*

Introduction and Background

2. The Local Government Association (LGA) works with local authorities to ensure local government has a voice with national government. It aims to influence and set the political agenda on the issues that matter to local authorities and the people they serve. In total, 415 authorities, including this Authority are members of the LGA for 2014/15. These members include 351 English councils, the 22 Welsh councils via the Welsh LGA, 31 fire authorities, 10 national parks and one town council.

Local Government Association Appointments

3. All Fire and Rescue Authorities are entitled to a place and a vote on the Local Government Association (LGA) Fire Commission. The Authority needs to determine whether it wishes to appoint the Chairman or his nominee to the Commission and exercise the vote on behalf of this Authority.
4. This Authority is also in corporate membership of the LGA and is entitled to appoint up to 4 representatives to serve on the General Assembly. The rules relating to political balance do not apply to LGA appointments but the Association encourages those authorities entitled to 3 or 4 representatives to allocate one of these positions to minority group leaders on their authorities.
5. Arrangements determined by the Authority on 18 June 2013 allocated places on the General Assembly to the Leaders of the Political Groups on the Authority or their nominees. The Authority needs to determine if it wishes to confirm its decision on how many places it wishes to take up and how those places should be allocated.
6. The LGA constitution provides that the Authority is entitled to :
 - a) 1 vote on the election of a Chairman, Vice-Chairman and Deputy Chairmen and on questions of estimated expenditure and subscriptions; and
 - b) 13 votes (the same as a unitary authority within the same population band) on issues of direct relevance to the statutory duties and responsibilities of the Authority.
7. On 18 June 2013 the Authority allocated the corporate vote to the Chairman (or his nominee) and divided the 13 Service votes on the basis of proportionality:

Conservative Group	7
Labour Group	2
Independent Group	2
2013 Group	2
Total	13

The Authority needs to determine whether it wishes to adhere to this decision.

Conclusion/Summary

8. The above arrangements have proven to be effective and it is recommended that the Authority continue this practice, as set out above.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	There may be some costs associated with travel by appointees to LGA meetings. Generally there are 4 Fire Commission meetings each year (attended by the Chairman) and an Annual Fire Conference that the Group Leaders or their nominees may attend. This will be met from existing budgets.
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?)	An Equalities Impact Assessment has not been carried out as the report does not contain a recommendation to approve a policy.

Background Papers

Local Government Association Constitution <http://www.local.gov.uk/general-assembly>

Contact Officer

Nigel Snape, Head of Legal Services
(01905 368242)
Email: nsnape@hwfire.org.uk

Report of the Chief Fire Officer

8. Community Risk Management Plan 2014-2020

Purpose of report

1. To report the response to and findings from the public consultation regarding the Authority's draft Community Risk Management Plan (CRMP), and to consider recommendations for the implementation of the Fire and Emergency Cover Review.
2. To consider the use of the Authority's General Reserves to protect front line fire engines.
3. To approve the draft CRMP for publication.

This report should be read in conjunction with the previously circulated CRMP and CRMP Consultation Report

Recommendation

It is RECOMMENDED that:

- (1) ***following detailed consideration of the responses to the consultation on the draft Community Risk Management Plan, there is no reason in principle why the proposals in options 1, 2 and 3 of the Fire and Emergency Cover Review could not be implemented in full if considered necessary. However, in light of the Authority's updated financial position and having regard to the responses to the Community Risk Management Plan consultation it is proposed that:-***
 - (a) ***there be no change to the existing fire stations and fire engines at Bewdley, Broadway, Whitchurch and Kingsland; and***
 - (b) ***there be no change to the second fire engines at Kidderminster, Evesham, Leominster, Bromyard and Ross-on-Wye;***
- (2) ***subject to (3) below, the following fire engines be removed from the Service's fleet of operational vehicles:***
 - (i) ***the second whole-time crewed fire engine at Hereford***
 - (ii) ***the second whole-time crewed fire engine at Worcester***
 - (iii) ***the second on-call crewed fire engine at Redditch***
 - (iv) ***the second on-call crewed fire engines at Tenbury Wells***
 - (v) ***the second on call fire engine at Ledbury***

however;

(3) Members determine:

(a) whether to utilise the Authority's general reserves to defer the removal of front line fire engines in 2015/16 and future years whilst the defined amount of reserve remains available; and, if so

(b) the amount of such reserves to be so used; and

(c) how that money is to be utilised having regard to the following suggested (or alternative) options:

Option A – Change the second whole-time crewed fire engines at Worcester and Hereford to on-call crewing; defer removal of both these appliances and the third fire engine from Redditch for approximately 3 years; remove the second on-call fire engines at Tenbury Wells and Ledbury or;

Option B – Defer removal of the second on-call fire engines from Ledbury and Tenbury for approximately 5 years; implement the reduction in number of appliances at Worcester, Hereford and Redditch or;

Option C - Change the second whole-time crewed fire engines at Worcester and Hereford to on-call crewing; defer removal of all fire engines (Hereford, Worcester, Redditch, Ledbury and Tenbury) for approximately 2 years.

(4) the Community Risk Management Plan be amended to reflect the changes at (2) and/or (3) above and the Chief Fire Officer be authorised to publish the document with any further minor amendments as may be necessary;

(5) subject to decisions as a result of (3) above, the arrangements detailed at (2) above be implemented in a timescale and manner at the discretion of the Chief Fire Officer in consultation with the Chairman of the Authority;

(6) the arrangements for any reduction of the number of staff to be employed as a result of the changes to fire and emergency cover, (2) and/or (3) above, be considered by the Chief Fire Officer and a report be brought back to the Authority if necessary.

Introduction and Background

4. All Fire and Rescue Authorities are required to publish an Integrated Risk Management Plan setting out how they identify, assess and mitigate fire and rescue related risks. This follows guidance set out in the Fire and Rescue National Framework for England 2012.
5. The Authority's previous plan covered 2009-2012. On 3 October 2013 the Authority gave approval for a new draft plan (the Community Risk Management Plan 2014-2020) to be published for consultation; this document incorporated a review of fire and emergency cover arrangements and also included an overview of the financial issues facing the Authority.

6. The fire and emergency cover review was designed to assist the Authority to make decisions about how future savings can be achieved, whilst minimising the impact on frontline services and on local communities as far as reasonably possible.
7. Members may also wish to consider that the potential savings contained in this paper only represent 26% of the overall savings requirements of the Authority over the current six years of projected austerity. It has previously been reported to Members that £4.1m of savings have already been made away from front line services and there are also proposals in place to make additional non-front line fire engine savings of £0.5m in future years. The proposed changes to front line fire engines in this paper are necessary due to all other avenues having been explored and addressed. These avenues have seen significant reductions in areas such as back-office services, senior and middle management, procurement and general spending budgets – the front line has so far been protected but with the level of cuts faced by the Authority this can no longer be the case.

Consultation Process and Responses

8. The report to the Authority's meeting on 19 February 2014 set out in detail the consultation process that had been undertaken, the responses received and the analysis of those responses. **Members are referred to that report along with its associated appendices and are asked to bring these with them to this meeting.**
9. Consideration of that report was deferred at the meeting in February and Members are now asked to consider the proposed CRMP, taking account of the responses to the consultation process.
10. The financial background to the Fire and Emergency Cover Review consultation was the Medium Term Financial Plan which was updated in July/August 2013. Based on the best information then available this identified a cumulative year-on-year budget gap of £4.7m by 2016/17. As set out in the report of 19 February, the Authority's financial position has since improved slightly and the anticipated budget gap has now reduced to £4.0m. This has enabled your officers to recommend fewer changes to fire and emergency cover than were proposed in the draft CRMP that went to consultation.
11. Subject to the possibility of taking additional monies from reserves (see below), there are no changes to the recommendations that were put forward in February.

Proposed Use of Reserves

12. At the meeting on 19 February 2014, Members resolved to make £485,000 available from general reserves to support frontline services for 2014-15 and asked the Chief Fire Officer to bring forward a report setting out options for how this one-off finance could be used.

Financial Context

13. The Authority set a balanced budget for 2014-15 at its February meeting which does not rely upon any additional savings from frontline services being made in this financial year. It therefore follows that there is no need to utilise the available £485,000 in 2014-15 and this will remain unused in this specified year.
14. However, taking the principle that general reserves could be used for supporting frontline services, the Authority may wish to consider making a set amount of general reserves available on an 'as and when needed' basis rather than being constrained to any particular financial year. If this were the case, it would allow reserves to be used to protect some frontline services as previously resolved but also create a flexible, limited, financial provision to be made available. Should Members wish to do this, a formal decision will need to be taken including the amount of general reserves to be made available.
15. General reserves as at 31 March 2014 stood at £1,485,000. Members will be aware that, as advised by the Authority's Treasurer, this is considered to be on the lower side of adequacy to cover potential unforeseen risks. Removing £485,000 would take the level of reserves down to approximately 3% of expenditure. This is the very minimum level of reserves the Treasurer would consider adequate (based on currently known factors). The Treasurer therefore advises that:
 - (i) whilst use of reserves to support frontline service provision is entirely legitimate, it might be considered an imprudent use of reserves if the impact were only to be short-lived; and
 - (ii) it may in the future be prudent to consider a medium term financial plan which includes increasing the level of balances back to a more sustainable and adequate level.
 - (iii) any decision to utilise monies from reserves should be regarded as conditional upon there being no other unexpected events which might curtail the availability of those funds and necessitate an earlier implementation of the CRMP proposals.

Options for the use of reserves

16. If reserves were made available to protect frontline services in 2015-16 and additional future years, there are a number of options that could be used to defer implementation of some of the CRMP fire cover proposals. This report presents three options (A, B, and C below) for consideration although Members may wish to consider any other options they consider appropriate. The options presented below are necessarily stand-alone and therefore should be considered independently to ensure that the available finances are not double counted.
17. The options involve using the suggested £485,000 to keep two, three or all five affected fire engines in service for longer than would otherwise be the case. This would help to maintain a slightly enhanced overall fleet resilience for up to five years (dependent on option selected) longer with a small number of calls attended quicker

than if the fire engines were removed. A full detailed analysis of each proposal is set out in the previously published draft Community Risk Management Plan. It should also be noted, however, that once the £485,000 has been used, if there has been no change in the variables in the future budget projections, it would still be considered necessary to make savings from the five fire engines identified to achieve future balanced budgets.

18. To make best use of the available reserves, the options below assume that the five affected fire engines would all be crewed as on-call fire engines. For Hereford and Worcester fire stations, this would entail keeping the second (currently wholetime crewed) fire engine but changing the crewing from wholetime to on-call. The figures used for each option are based on the approximate calculation that for each £50,000 used a second/third on-call fire engine can be kept for twelve months longer than would otherwise be the case. There are many options or permutations that can be considered but set out below are the most obvious options. It must be understood that there are many other options including keeping the wholetime status of the fire engines at Hereford and Worcester. However, the available reserves would only keep the wholetime fire engines at Hereford and Worcester for four/five months and then the previously suggested changes would be required and the reserves would have also been used. As indicated by the Treasurer in 15 (i) above it would be considered imprudent to use reserves for a short-lived period.

Option A

Hereford }	Defer removal of the second whole-time fire engines and
Worcester }	change to on-call crewing in the meantime
Redditch	Defer removal of the second on-call fire engine
Ledbury	Remove the second on-call fire engine (as proposed)
Tenbury	Remove the second on-call fire engine (as proposed)

- 18.1. This would cost approximately £150,000 per year from reserves and the removal of appliances from Hereford, Worcester and Redditch could therefore be deferred for approximately three years longer than would otherwise be the case. By way of comparison, if both fire engines at Hereford and Worcester fire stations were kept as wholetime fire engines, the additional funding would only keep them in service for approximately four/five months.

Option B

Hereford }	Remove the second whole-time fire engines (as
Worcester }	proposed)
Redditch	Remove the second on-call fire engine (as proposed)
Ledbury	Defer removal of the second on-call fire engine
Tenbury	Defer removal of the second on-call fire engine

- 18.2. This would cost £100,000 per year from reserves and therefore defer the removal of the second on-call crewed fire engines at Ledbury and Tenbury

fire stations for approximately five years longer than would otherwise be the case.

Option C

Hereford } Worcester }	Defer removal of the second whole-time fire engines and change to on-call crewing in the meantime
Redditch	Defer removal of the second on-call fire engine
Ledbury	Defer removal of the second on-call fire engine
Tenbury	Defer removal of the second on-call fire engine

18.3. This would cost £250,000 per year from reserves. Therefore, removal of all five fire engines could be deferred for approximately two years longer than would otherwise be the case.

Implementation timetable

19. Any decisions made, whether the original recommendations or those altered as a result of using reserves, will have lead-in times prior to implementation. All options for change involve the need to reduce staffing numbers and enough time must be built into the timetable to enable the Service to make the appropriate preparations. This means that decisions for financial years 2015-16 onwards need to be taken now rather than at the relevant budget setting time (i.e. February 2015). There is no doubt that these saving are being made by reducing the headcount within the Service and should this need to be achieved by any method other than natural turnover, including transfers and secondments, a further report will be brought to a committee of the FRA.

Conclusion/Summary

20. The desire of Authority Members to protect frontline services is reflected by all staff within the Service and also within the savings programme implemented in all austerity years up to and including the current financial year. However, savings need to be made from all areas of the Service if its financial and operational future is to be secured. The excellent service delivered by the Service needs strong and decisive leadership at all levels, high quality management and appropriate infrastructure support for all aspects of the Service. It is for this reason that it has been necessary to visit frontline services for savings as well as the extensive back office and managerial savings that have already been taken.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	See paragraphs 11-13
Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	The CRMP will be the Authority's overall strategic plan for delivering its core purpose, priorities and policies up to 2020, and will guide all Service functions.

Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	The CRMP sets out the Authority's overall approach to risk management.
Consultation (identify any public or other consultation that has been carried out on this matter)	The extensive consultation on the draft CRMP was reported to the Authority on 19 February 2014.
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	The Equalities Impact Assessment was included in the CRMP report to the Authority on 19 February 2014.

Background Information

Community Risk Management Plan 2014-2020 – Consultation Responses report to the Fire Authority on 19 February 2014

Contact Officer

Mark Yates, Chief Fire Officer
(01905 368202)
Email: myates@hwfire.org.uk

Report of Assistant Chief Fire Officer

11. Provision of Payroll Services

Purpose of report

1. To inform Members of a potential collaborative partnership arrangement to provide payroll services with Shropshire Fire and Rescue Service and to seek authority for the creation of a shared service if this is shown to be beneficial.
 2. This report will be considered by the Policy and Resources Committee at its meeting on 2 June. An update regarding any possible amendments to the recommendation by the Committee will be reported at the meeting.
-

Recommendation

It is recommended that the Fire Authority give delegated authority to the Chief Fire Officer, in consultation with the Chairman of the Authority and the Treasurer, to enter into an in-house shared service with Shropshire Fire and Rescue Service and/or others for the provision of payroll services, if this is considered to be the most cost-effective approach following a detailed business case and/or competitive tender process.

Introduction and Background

3. The payroll of Hereford & Worcester Fire and Rescue Service (HWFRS) is the mechanism which pays salary and expenses to employees and other beneficiaries of the Service. This also includes pension payments to former employees. The payroll service is currently provided by Worcestershire County Council (WCC) and administered at H&WFRS by two staff that are part of the Human Resources department. However:
 - (a) the existing Service Level Agreement (SLA) between HWFRS and WCC to provide payroll services needs to be retendered in order to comply with EU procurement rules and the Authority's own standing orders; and
 - (b) WCC have now advised us that they intend to externalise their payroll function and will no longer be able to provide a payroll service on our behalf.
4. Officers are currently evaluating a range of options for the future provision of the Authority's payroll services. Options include:
 - tender for an external service provider in accordance with current procurement legislation. This could potentially be a commercial provider or another local authority/fire and rescue authority; or

- procure appropriate software and manage the payroll service in-house utilising existing staff.
5. Informal conversations with Shropshire Fire and Rescue Service (SFRS) highlight a potential opportunity to collaborate in the procurement of a new payroll service. This may result in a single payroll service supplying both HWFRS and SFRS, which would be more cost effective than two separate provisions as is currently the case.
 6. A joint payroll service could either involve joint procurement from an external provider or if it were to be provided in-house then it would need to be structured as a shared service to be hosted, most probably, by HWFRS and could possibly involve the transfer of staff from SFRS. This would be at no additional cost to HWFRS and would ensure additional resilience. Any such shared service would constitute a 'joint arrangement' and in accordance with the Authority's constitution requires the approval of the FRA unless delegated to officers.
 7. At the moment Officers are preparing a business case to evaluate these different options but it may be that a final decision cannot be made until after a formal tender exercise has been undertaken.
 8. There is also a possibility that HWFRS could join with WCC in whatever procurement exercise they subsequently undertake but this would involve additional delay which leaves the Authority potentially vulnerable because we would not be compliant with current procurement legislation in the meantime. It should also be borne in mind that retained firefighters' pay creates additional complications for the fire service payroll which may not be easily accommodated as part of a wider procurement exercise.

Proposal

9. Because of the timescales imposed by procurement legislation, HWFRS must embark on a tender to replace payroll services independently, as there is not enough time to fully explore a collaborative option before tendering for the payroll service, without increasing the risk of non-compliance with procurement legislation. However, there is an option to tender for the payroll service allowing for provision for another Authority to utilise the payroll service once awarded. It is also possible to tender for separate elements of the service, which would allow for either an externally provided, fully-managed service, or the option to bring the service in-house using employed staff. Either provision will require an electronic payroll system, so this will be tendered for as a minimum.
10. It is proposed that discussions with SFRS continue to explore the potential of a collaborative payroll service. This may take many different forms and it is proposed that HWFRS act as the lead Authority in the procurement process, which will ensure that should SFRS wish to not take part in a collaborative approach, the interests of HWFRS are not compromised.

Conclusion/Summary

11. Members are asked to give their approval to the creation of a joint in-house shared service for the provision of payroll services, subject to further negotiations with SFRS and if this is shown to be the most cost-effective approach following a detailed business case and/or competitive tender process.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	Financial and Human Resources: this project is critical to ensure prompt and accurate payment to H&WFRS staff.
Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	This paper supports the core of service provision.
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)	None
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	None

Supporting Information

N/A

Background papers – None

Contact Officer

Ian Edwards, Head of Asset Management
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Report of the Head of Corporate Services

12. The Fire Authority's Annual Report 2014-15

Purpose of report

1. To adopt the Fire Authority's Report 2014-15 and approve for publication.
-

Recommendation

It is recommended that the Authority adopts the draft Fire Authority Report 2014-15 (Appendix 1 – separate enclosure) and approves for publication subject to any final minor changes as agreed by the Chief Fire Officer in consultation with the Chairman.

Introduction and Background

2. As part of our corporate planning process, the Service has produced an annual Fire Authority Report (Appendix 1 – separate enclosure).
3. The Fire Authority Report is designed to be a consolidated document providing an overview on past performance and outlines our strategic direction. This approach is intended to benefit both the Service and our communities by demonstrating a clear commitment to the simplification of our literature to all stakeholders. The three key areas of the Fire and Rescue Authority Report are:
 - I. **Core Purpose:** Our Strategy, Our Future, this section offers a clear statement of our legal role and responsibilities and outlines our strategic direction.
 - II. **Our Performance:** An overview of our performance and notable successes during the 2013-14 business year.
 - III. **Our Foundations:** What our 2014-15 priorities are using the four main headings described in the draft CRMP: Prevention, Protection, Response and Resilience.

Conclusion/Summary

4. Subject to Member approval, the next steps will be to publish a finalised version on the Service website.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	The whole document as financial, property and human resource implications which are necessary to support the implementation of the Fire Authority (FRA) Report objectives/ programme of work within the Directorates of Service Delivery, Finance & Assets and Service Support.
Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	The whole document as the FRA Report/objectives link into SMB's strategic direction, Directorate strategic objectives and corporate plans such as the Community Risk Management Plan (CRMP), Medium Term Financial Plan (MTFP) and Community Safety Strategy.
Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	The whole document as a key principle throughout the Report is "Ensuring Firefighter safety".
Consultation (identify any public or other consultation that has been carried out on this matter)	SMB consultation.
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	Not completed as Equality & Diversity (E&D) is already embedded throughout the Report in areas such as "Our Values" and Human Resource objectives.

Supporting Information

Appendix 1 – Hereford & Worcester Fire Authority Report 2014-15 (separate enclosure)

Contact Officer

Phil Griffiths, Station Commander Performance and Information
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Report of Head of Legal Services

13. Members' Allowances

Purpose of report

1. To consider whether to increase the level of Members' Allowances in line with the increase in the Consumer Price Index.

Recommendation

It is recommended that Members determine the level of Members' Allowances for 2014/15.

Introduction and Background

2. The Authority is required to have a scheme for its Members to be paid an annual allowance, under the Local Authorities (Members' Allowances) (England) Regulations 2003. The current scheme is attached at Appendix 1 and provides a basic annual allowance to Members. A Special Responsibility Allowance is also payable for certain roles. Members with more than one special responsibility only receive one special responsibility allowance at the higher appropriate level.
3. The Authority is required to consider the recommendations of an Independent Remuneration Panel made up of at least three non-councillors with regards to the level of allowances, although it is able to determine its own allowance levels taking into account factors such as affordability. The Authority takes advice from the Independent Remuneration Panels of both Worcestershire County Council and Herefordshire Council.
4. The Local Authorities (Members' Allowances) (England) Regulations 2003 require the Authority to publish the total sum paid to each Member on an annual basis. The current 2014/15 budget for Members' Allowances is £57,100.

Consumer Price Index

5. On 16 June 2008 the FRA agreed to use the Consumer Price Index (CPI) for the purpose of annually adjusting Members' Allowances. However the Authority has previously agreed not to take an increase in 2011, 2012 or 2013. Should the Authority wish to increase Members' Allowances, this would be met through the existing budgets.
6. When an Authority has used a particular index to adjust allowances for a period of four years, it must seek a further recommendation from the Independent Remuneration Panel that the index can still be used. Both the Worcestershire County Council and Herefordshire Council Independent Remuneration Panels

have recommended further use of the CPI until the end of the financial year 2016/17.

7. The following table indicates the current allowances and the amount to which they would increase if the Consumer Price Index was applied with effect from 1 April 2014.

Allowance	Current level	CPI (1.6%) with effect from 1.4.14
Chair of the Authority	£9,032	£9,183
Vice Chair of the Authority	£5,419	£5,509
Political Group Leaders	£1,355	£1,377
Chairs of Standing Committees	£1,355	£1,377
Basic Allowance	£1,163	£1,182

Conclusion/Summary

8. The Independent Remuneration Panels have recommended the use of the Consumer Price Index to make annual adjustments to Members' Allowances until the end of 2016/17. The Authority is asked to consider whether to make any alterations to the Members' Allowances payable for 2014/15.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	By increasing the level of Allowances applicable for 2013/14 a budget increase of £826 would be necessary.
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 types of allowances payable are determined by Regulation, however the current Members' Allowances Scheme includes a Dependents' Carers' Allowance.

Supporting Information

Appendix 1 – Members' Allowances Scheme

Background papers –

Local Authorities (Members Allowances) (England) Regulations 2003

Fire Authority Report and Minutes – 18 June 2013

Contact Officer

Nigel Snape, Head of Legal Services

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Members' Allowances Scheme

1. Fire Authority Members receive certain allowances in recognition of their various duties. A scheme of allowances for Members was agreed by the Authority on 25 September 2003, which includes the following amounts for 2008/09:

- i) a basic allowance – an annual basic allowance of £1163.32 is paid to all Members
- ii) special responsibility allowances – the following additional allowances are paid to Members with special responsibilities:

Chair of the Authority £9031.56
Vice Chair of the Authority £5418.96
Political Group Leaders £1354.68
Chairs of Standing Committees £1354.68

2. Please note:

- Members with more than one special responsibility will only receive one special responsibility allowance at the higher appropriate level.
- Allowances are adjusted annually in line with the Consumer Price Index, as approved by the Authority.
- Independent Members of the Standards Committee are not eligible for a basic or special responsibility allowance but can claim for travel and subsistence allowance.

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

Travel Allowance

4. Allowances for travel by car are made at the approved rate. Members can also claim for travel by motorbike or cycle in line with the rate used by the Inland Revenue.

Passenger Allowance

5. Members can claim an allowance as driver in respect of one or more passengers who are fellow Authority Members carried on Authority business.

Travelling by taxi/public transport

6. Members can claim for use of public transport on a cost basis. Where travel by bus is practicable bus rates will be paid. Taxi fares may be claimed where bus/train travel is not practical. Receipts will be required.

Subsistence Allowances

7. 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.

Carers and Dependents Allowance

8. 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

14. Review of the Constitution

Purpose of report

1. To propose the following amendments to the Authority's Constitution:
 - to include the terms of reference for the Political Group Leaders' Meeting;
 - to enable Committee Chairmen and Vice Chairmen to be appointed by Committees as well as by the Authority; and
 - to enable the Monitoring Officer to make any minor amendments consequential upon legislative changes or decisions of the Authority in order to keep the Constitution up to date.
-

Recommendation

It is recommended that the following amendments be made to the Authority's Constitution:

- i) the terms of reference for the Group Leaders' Meeting as attached at Appendix 1 be incorporated into Part 3;***
- ii) Article 6.2 be amended to read as follows:***
 - (a) the Chairmen and Vice-Chairmen of:***
 - (i) Policy and Resources Committee; and***
 - (ii) Audit and Standards Committee******may be appointed either by the Authority or where there is a vacancy, by the relevant committee.***
- iii) Article 11.3 be amended to read as follows:***
 - (a) the Monitoring Officer may make any necessary minor amendments to the Constitution consequential upon any legislative changes or decisions of the Authority from time to time;***
 - (b) except as mentioned in (a) above, changes to the Constitution will only be approved by the full Authority after consideration of a written report by the Monitoring Officer or a committee of the Authority.***

Introduction and Background

2. The Authority adopted a new Constitution on 18 June 2013 that brought together the policies and procedures relating to Members and governance into a single place. The Constitution follows the model form for local authorities and is available to all Members and the public on the Authority's website.
3. Article 11 of the Constitution requires the Monitoring Officer to keep the Constitution under on-going review and to make recommendations to ensure that it remains fit for purpose and reflects current legislation and governance practices. The following issues have been identified, which could be rectified by making the proposed amendments to the Constitution.

Group Leaders' Meeting

4. At the Policy and Resources Committee on 26 March some Members requested clarification regarding the role of the Group Leaders' Meeting. The Group Leaders' meeting is an informal meeting arranged at the behest of the Chairman to provide an informal forum for discussion on matters affecting the Authority between:
 - (a) the Chairman and other Group Leaders; and
 - (b) the Chief Fire Officer and Group Leaders.
5. The Group Leaders' Meeting is not a committee of the Authority and does not have decision making powers although:
 - (i) decisions can be taken under the Urgent Business Procedure following discussion with Group Leaders, either individually or collectively, as set out in Article 9.6 of the Constitution; and
 - (ii) where appropriate, officers may give effect to the wishes from Group Leaders through the exercise of powers in the Scheme of Delegation to Officers, as set out in Part 3 of the Constitution
6. Although the Group Leaders' Meeting is not a formal committee, it is suggested that the terms of reference as attached at Appendix 1 are included within the Authority's Constitution. This will provide greater clarity with regards to the purpose and role of the Group and promote further transparency with regards to the operation of the Authority as a whole.

Appointment of Committee Chairmen and Vice-Chairmen

7. It is the Authority's practice that Chairmen and Vice-Chairmen of committees are appointed by the full Authority, usually at the annual meeting. This is advantageous because it means that the Chairmen can be in post ahead of the first meetings of the Committees and avoids a hiatus that would otherwise exist.

8. However, Article 6.2(c) as currently written has had an unintended consequence and means that only the full Authority can appoint the Chairmen and Vice-Chairmen of Committees. This can potentially cause difficulties should a casual vacancy arise when there is not an Authority meeting scheduled for some months.
9. It is proposed that Article 6.2(c) is amended to enable a Committee to appoint a new Chairman or Vice-Chairman should a vacancy arise.

Minor Amendments

10. As the Authority's Monitoring Officer, the responsibilities of the Head of Legal Services include:
 - maintaining an up to date copy of the Constitution in accordance with Article 8.3; and
 - reviewing its contents and making recommendations for changes in accordance with Article 11.
11. From time to time minor amendments are required that are consequential upon legislative changes or other decisions made by the Authority. Currently, such changes would require a report to be considered by the Authority to agree to such changes being made to the Constitution. In order to avoid unnecessary delays and/or agenda items, it is proposed that Article 11.3 of the Constitution be amended to authorise the Head of Legal Services to make any minor amendments that are necessary due to such changes in legislation or decisions made by the Authority.

Conclusion/Summary

12. This report proposes some minor amendments to the Authority's Constitution as part of the on-going review which aims to improve both transparency and efficiency of Authority business. The Head of Legal Services will continue to monitor the operation of the Constitution and bring forward further reports as necessary to the Authority.

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)	Yes. Ensuring effective governance arrangements for the Authority is part of 'Our Strategy.'
Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores)	Recommendation (ii) aims to reduce the risk of neither a Committee Chairman nor a Vice-Chairman being available to chair a meeting.
Consultation (identify any public or other consultation that has been carried out on this matter)	Consultation with the Chairman and Political Group Leaders has taken place regarding recommendation (i)
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	No. Not applicable.

Supporting Information

Appendix 1 – Terms of Reference: Political Group Leaders' Meeting

Background papers – Minutes and reports of the Fire Authority 18 June 2013

Contact Officer

Nigel Snape, Head of Legal Services
(01905 368242)
Email: nsnape@hwfire.org.uk

Group Leaders' Meeting - Terms of Reference

Role

1. The Group Leaders' Meeting provides an informal forum for (a) inter-group and (b) Member to Officer discussion of any matters affecting the Authority.
The aim will be to:
 - give Members advance information about emerging issues that may impact upon the Authority and may need to be the subject of future decisions;
 - provide Members with a progress update in respect of matters previously agreed by the Authority;
 - enable Officers to seek initial views from Members on matters that will require a political steer; and
 - enable Group Leaders to feed back to Officers on any matters of concern to Members.
2. The Group Leaders Meeting is not a Committee of the Authority and does not have any delegated or decision making powers. This does not prevent subsequent decisions in relation to matters that have been discussed at Group Leaders meeting being taken, as appropriate, either by:
 - (a) Officers in accordance with the Authority's scheme of delegation; or
 - (b) in accordance with the 'Urgent Business Procedure' (see Constitution – article 9.6).

Composition and Meetings

3. The Group shall comprise:
 - Chairman of the Authority;
 - Vice-Chairman of the Authority;
 - Leader of each political group; and
 - such other Members (if any) as the Chairman may consider appropriate.
4. Substitutes shall not attend the meeting except at the Chairman's discretion.
5. Meetings will be held at least quarterly or as the Chairman may determine.
6. Meetings will not be open to the public or other Members of the Authority.

Reporting

7. Group Leaders are accountable to their Group for disseminating information about the matters discussed at the Group Leaders' Meeting. Where any matters discussed are of a confidential or sensitive nature, Group Leaders are responsible for making it clear that the information is to remain confidential to members of the Authority only; any breach of such confidentiality will be a breach of the Authority's Code of Conduct.

Report of the Chief Fire Officer

15. Chief Fire Officer's Service Report

Purpose of Report

1. To inform the Authority of recent key developments and activities.
-

Recommendation

The Chief Fire Officer recommends that the report be noted.

Annual Young Firefighters Association Passing Out Parade 2014

2. A group of nineteen teenage boys and girls celebrated the completion of a 13-week Young Firefighters Association (YFA) training course with practical firefighting demonstrations and a parade ceremony at Droitwich Fire Station on Saturday 10 May 2014.
3. The group, which included eight Young Firefighters (YFFs) from the Droitwich branch of the YFA and eleven from the Redditch branch, performed in front of a crowd of 150 local dignitaries, including Councillors Anne Hingley, Lynne Duffy, and Pam Davey, the Chief and Deputy Chief Fire Officer and of course proud family members. The audience was treated to a demonstration of the newly acquired skills of the Young Firefighters being put into practice during the various fire service drills, which were undertaken with great enthusiasm and discipline by all. These included hose running drills, ladder pitching and climbing, tackling a simulated car fire and culminated in the grand finale - a house fire rescue demonstration. The pass out parade enabled the newly qualified YFFs to proudly wear gold fire kit for the first time, having successfully completed their basic training.
4. The ceremony concluded with Councillor Anne Hingley (Chair of the YFA Executive Committee) and the Chief Fire Officer inspecting the parading Young Firefighters. Each Young Firefighter was presented with a Certificate of Achievement and awards were also presented to the Most Improved and Highest Achiever from each branch of the YFA.
5. Congratulations to all the Young Firefighters who worked hard to pass their training course and who will now progress to learn enhanced skills. Thanks and congratulations also to the YFA Instructors, who give their own time to train and support the young people throughout the year.

Responding to Industrial Action

6. In July and November 2013, the Fire Brigades Union (FBU) balloted for industrial action in a dispute with the Government over pensions. There were two ballots held. The first ballot involved operational staff not including Fire Control and was for strike action. The second ballot was for Action Short of Strike (ASOS) and included all operational staff including Fire Control staff. Both ballots were successful.
7. To date there have been twelve periods of strike action, for varying periods of time up to twelve hours, and two periods of ASOS to date. Although the majority of wholetime firefighters took strike action, the majority of officers and retained firefighters were working as normal. A maximum of 51 wholetime firefighters and 48 retained firefighters were on strike during any one strike period.
8. The Service's contingency arrangements for industrial action are overseen by the DCFO through the Industrial Action Management Group (IAMG). Contingency arrangements have been successfully implemented and continue to provide a robust plan during all periods of strike action. Fire appliances are crewed through a mixture of firefighters who are non-union members and those who have decided to work normally. In addition, the majority of standalone retained stations have continued to work normally.
9. Detailed mapping has taken place and a dynamic crewing plan devised providing cover across the Two Counties. This involved using up to six alternative locations, including Territorial Army Centres and West Mercia Police Headquarters. Alternative locations were used to avoid staff working normally and volunteers crossing picket lines. A primary crewed appliance was based at each alternative location providing a minimum of three primary crewed appliances, crewed by a mixture of volunteers, day staff and those working normally (in addition to retained appliances available). The highest number of appliances available during a period of strike action was 35 out of a total of 43, with the average number of appliances available being 26.
10. The financial cost of providing fire cover during strike action is approximately £41,000 to date. This includes the cost of one-off preparatory costs and the cost of paying volunteers less pay deductions for striking employees plus the cost of the alternative locations providing catering and radio campaigns. In addition, there are also the costs of those staff attending IAMG and engaged in pre-planning for each period of strike action, which has accumulated approximately £80,000 of opportunity costs.

Regional Competition Win

11. On 26 April 2014 the current H&WFRS Road Traffic Collision Extrication Team, comprising personnel from Ross on Wye and Hereford, attended the United Kingdom Rescue Organisation (UKRO) regional competition in Hampshire, to further their preparations for this year's Service competition and, if successful, the National UKRO competition in Essex in August.

12. The regional event at Hampshire HQ this year included 17 teams from across the country including the current national and world champions, as well as international teams from Luxembourg and Germany. The team competed in a 20 minute scenario which involved one casualty. The team felt that they had performed well but none of them expected to achieve the results that they did - 1st in all three relevant categories of Incident Command, Medical and Technical skills. This placed the team as overall winners, a proud moment for them.
13. However, this wasn't the team's only performance on the day – whilst travelling to the event through Gloucestershire the team came across an overturned vehicle in the road with a female casualty inside. On discovering the incident, and whilst awaiting the arrival of local responders, the team utilised the service vehicles to protect the scene fending off to make the area safe and utilised the basic 'competition' kit that they had with them to undertake stabilisation, glass management and access the casualty to stabilise and assess her. On the arrival of all three local emergency services the team dutifully handed over, made up their equipment and continued on their way to the competition!
14. Ross and Hereford will now go on to compete in this year's Service competition to be held in June.

Sporting and Fitness Achievements

15. As Members will be aware the Service has a multitude of sports men and women who compete within fire service circles and also on the wider national scene. Recently a number of Service staff have achieved success in their particular field but the ones highlighted below can be considered to be of elite standard and to have excelled.
16. Crew Commander Stephen King (Hereford) has won the recent Quadrathlon World Championships held in the UK for the first time and is therefore a "World Champion". The quadrathlon is an endurance event encompassing swimming, kayaking, cycling and running. Stephen has been competing in this event for a number of years and has now developed a very high reputation across the world of quadrathlon.
17. Crew Commander Paul Bailey (Kidderminster) has been selected to represent the Great Britain Triathlon team in his relevant veteran age group. Paul is another elite endurance athlete and is now to wear the colours of Great Britain for the first time.
18. Firefighter Phil Blacker (Kidderminster) has retained his Fire Service Sports and Athletics Association Mountain Bike National Series Event title whilst competing in Cannock Chase recently. This Service also took second place with Watch Commander Keith Peters (Worcester) coming a close second to Phil in this veteran category.
19. Lastly I can report that Firefighter Dave Fenton (Kidderminster) recently complete the Lanzarote Ironman Triathlon in a time of 12 hours 21 minutes and 37 seconds.

20. The above staff are amongst the elite athletes of the Service but many other staff compete successfully in sporting events on a weekly basis demonstrating the fitness and well-being attitudes and initiatives across the Service.

Property Update

New Bromsgrove Fire Station

21. In April 2014, Firefighters from Bromsgrove Fire Station together with the Police moved into their new purpose built station on Slideslow Drive, Bromsgrove.
22. The station is the first project delivered under the Worcestershire Capital Asset Pathfinder initiative, which looks at how a partnership approach to public services (for example combining police and fire and rescue services in one location) can lead to better local services, increased value for money and efficiencies through shared services. The project has been funded by the Police, with the Fire Service committed to a 25 year tenancy agreement

Refurbished Malvern Fire Station

23. Work is nearing completion on the major refurbishment of the station, which will have eliminated all the issues arising from the previous design and construction.
24. Fire crews are scheduled to return to responding from the station in early July.

New Worcester Fire Station

25. On Wednesday 7 May 2014 the Chairman and Councillor Udall, along with the Chief Fire Officer and Jonathan Green, development surveyor of St Modwen, attended the Sod Cutting ceremony to enable work to begin on Worcester's new fire station at its Great Western Business Park in Worcester.
26. The 20,000 sq. ft. bespoke facility will provide modern, low carbon accommodation utilising micro combined heat and power (CHP) and photovoltaic power generation. It will boast high quality training facilities as well as space for the Young Firefighters, to encourage the next generation of firefighters.
27. Construction is due to complete in January 2015, enabling the Fire Service to relocate from its existing base at Copenhagen Street in the city.

Contact Officer

Mark Yates, Chief Fire Officer
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Email: myates@hwfire.org.uk



Minutes

Members Present

Mrs. L Duffy (Chairman),
Mr S Cross, Mr A Fry, Mr P Gretton, Mrs K Guthrie, Mrs A Hingley, Mr B Matthews, Mr T Miller, Mr S Peters, Prof J Raine and Mr P Sinclair-Knipe.

1. Apologies for Absence

Apologies for absence were received from Mrs P Agar and Mr M Broomfield.

2. Named Substitutes

No substitutes were appointed.

3. Declaration of Interests (if any)

No declarations of interest were made.

4. Confirmation of Minutes

RESOLVED that the minutes of the Audit and Standards Committee meeting held on 22 January 2014 be confirmed as a correct record and signed by the Chairman.

5. Strategic Risk Register

The Head of Operations Support presented a report that provided the Committee with an update on changes to the Strategic Risk Register. It was explained that the system of risk management was reviewed annually and control mechanisms were in place to manage the risks identified in the Strategic Risk Register.

Resolved that the Strategic Risk Register 2013/14 be noted, in particular the increased likelihood and reduced impact of Industrial Disputes.

6. Internal Audit Monitoring Report 2013/14

The Internal Auditor presented a report that provided the Committee with an interim progress update on the 2013/14 Internal Audit Plan delivery. The Internal Auditor thanked all Fire Authority staff for their assistance during the audits that had been undertaken during 2013/14.

Resolved that the report be noted.

7. 2013-14 Audit Plan

The External Auditor presented the External Audit Plan for the year ended 31 March 2014 which set out how the external audit and the Value for Money conclusion would be completed.

Resolved that the 2013-14 Audit Plan be noted.

8. Annual Complaints Update 2013/14

The Head of Legal Services presented a report that updated the Committee with regards to the process in place for dealing with compliments, complaints and concerns made by the public about the Service.

Resolved that:

- (i) the process for dealing with compliments, complaints and concerns made by the public about the Service be noted;***
- (ii) it be noted that during the period 1 April 2013 to 31 March 2014 a total of 30 complaints, 30 concerns and 93 compliments were received from the public; and***
- (iii) it be noted that during the period 1 April 2013 to 31 March 2014 none of the complainants appealed regarding the response provided and no complaints were sent to the Local Government Ombudsman for investigation.***

9. Annual Governance Action Plan 2013/14

The Head of Legal Services presented a report that updated the Committee on the progress of actions in relation to the Authority's Annual Governance Statement and corporate governance arrangements.

Resolved that the following progress in relation to the Action Plan be noted:

- (i) an agreed approach for consultation was developed as part of***

the CRMP 2014-2020;

- (ii) procedures for the annual appraisal of the Chief Fire Officer/Chief Executive, Deputy Chief Fire Officer, Treasurer and Monitoring Officer have been approved by the Policy and Resources Committee; and***
- (iii) Governance Awareness Sessions have been undertaken with Middle Managers, Group Commanders and Station Commanders.***

10. Health and Safety Audit 2013

The Head of Operations Support presented a report that informed the Committee of the outcomes of the Health and Safety Audit undertaken in November 2013. The Audit showed that the Service demonstrated commitment to the management of health and safety and made 25 specific recommendations where further improvements could be made.

Resolved that:

- (i) the content of the Health and Safety Audit Report be noted;***
- (ii) the high level action plan to discharge the 25 recommendations from the report be noted; and***
- (iii) an update report to be brought back to the Committee in April 2015.***

The meeting concluded at 11.45 am.

Signed: _____ Date: _____

Chairman

17. Policy and Resources Committee - 26 March 2014

Minutes

Members Present:



Mr K Taylor (Chairman) Mr R Adams (Vice-Chairman)

Mr A Amos, Mr P Gretton, Mr A. Hardman, Brigadier P Jones CBE, Mrs M Lloyd-Hayes, Mrs F Oborski, Mr S Peters, Mr D Prodger MBE, Mr D Taylor, Mr P Tuthill and Mr R Udall.

No.	Item
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1.	Apologies for Absence
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Apologies for absence were received from Ms R. Jenkins.

2.	Named Substitutes
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Mr S Peters substituted for Ms R Jenkins.

3.	Declaration of Interests
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None.

4.	Confirmation of Minutes
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RESOLVED that the Minutes of the meeting of the Policy and Resources Committee held on 28 January 2014 be confirmed as a correct record and signed by the Chairman.

The Chairman announced that the Appendix to item 14 (Asset Management Strategy – Hereford Fire Station) contained information that was likely to disclose information relating to the financial or business affairs of the Authority. The Chairman reminded Members that should any discussions with regards to the financial information be required that the Committee would firstly be asked to resolve to exclude the press and public.

5.	Disposal of Bromsgrove and Worcester Fire Station
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The Head of Asset Management presented a report that sought approval for the disposal of Worcester and Bromsgrove fire station sites. It was explained to the Committee that the Authority had positive working relationships with the partner organisations involved and that the best capital receipts would be sought by the Chief Fire Officer, Treasurer and Head of Legal Services, in consultation with the Authority Chairman.

Resolved that:

- (i) the Policy and Resources Committee authorise the disposal of Worcester Fire Station and Bromsgrove Fire station for the best consideration reasonably obtainable; and***
- (ii) on terms to be agreed by the Chief Fire Officer, Treasurer and Head of Legal Services, in consultation with the Chair of the Fire Authority.***

6. Outline Business Case for a Joint Property Vehicle

The Chief Fire Officer presented a report that advised the Policy and Resources Committee about the Outline Business Case (OBC) for a potential Joint Property Vehicle (JPV) between public sector partners. The Chief Fire Officer explained that although officer resources had been committed to explore the potential for a JPV, there would be no financial resources committed unless the Authority made the decision to be a core partner.

Resolved that:

- (i) the summary of the Outline Business Case (OBC) for a Joint Property Vehicle (JPV) be noted;***
- (ii) the project continues to be supported towards the Final Business Case (FBC) where the Authority will decide whether to be a core partner in a proposed JPV; and***
- (iii) no financial resources are committed to the creation of a JPV unless and until the decision to be a core partner in the JPV has been agreed by the Authority.***

7. Regulation of Investigatory Powers – Review

The Head of Legal Services presented a report that reviewed the Authority's policy on the authorisation of covert surveillance techniques under the Regulation of Investigatory Powers Act 2000.

Resolved that:

- (i) the committee notes there has been no use of covert investigatory techniques during the past year; and***
- (ii) no change be made to the existing policy.***

8. 2013/14 Budget Monitoring – 3rd Quarter

The Treasurer presented a report that informed the Policy and Resources

Committee of the current position on budgets and expenditure for the period April 2013/14.

Resolved that approval of the transfer of the underspend to reserves be authorised as follows:

- (i) £0.400m to the Pension Tribunal Reserve; and***
- (ii) £0.573m to the Budget Reduction Reserve.***

9. Emergency Services Mobile Communications Programme (ESMCP)

The Head of Operational Support presented a report that informed the Policy and Resources Committee of the background and progress of the ESMCP.

Resolved that:

- (i) the current national contracts for critical mobile communications for the 3 emergency services are due to expire from 2016.***
- (ii) future contracts will be delivered by the Government's Emergency Services Mobile Communications Programme for 2015; and***
- (iii) a report will be brought to a future meeting of the Committee detailing any resources implications for the Authority.***

10. Health and Safety Audit – 2013

The Head of Operational Support presented a report that informed Committee members of the Health and Safety Audit undertaken in November 2013.

Resolved that:

- (i) the Policy and Resources Committee note the content of the Health and Safety Audit Report; and***
- (ii) note the high level action plan to discharge the 25 recommendations from the report.***

11. Health and Safety Committee Update

The Assistant Chief Fire Officer presented a report that provided the Policy and Resources Committee with an update on the activities and items of significance from the Service's Health and Safety Committee.

Resolved that the Policy and Resources Committee note that the Health and Safety Committee considered:

- (i) the quarterly Health and Safety Performance Report;***

- (ii) the Health and Safety Working Group Update;*
- (iii) the Health and Safety Audit presentation;*
- (iv) the Human Resources Update;*
- (v) the Training Update; and*
- (vi) the National Health and Safety Activities and Health and Safety Legislative changes.*

12. Update from Equality and Diversity Advisory Committee

The Chief Fire Officer presented a report that provided the Policy and Resources Committee with an update from the Equality and Diversity Advisory Group since the last report to the Policy and Resources Committee on 4 September 2013.

Resolved that the Policy and Resources Committee notes that:

- (i) the Equality Impact Assessment Process has been reviewed to ensure it continues to meet the requirements of the Equality Act 2010;*
- (ii) a Disability Toolkit has been developed and implemented in conjunction with the Fire Brigades Union; and*
- (iii) the Ethical Framework has been reviewed, implemented and refresher training has been rolled out Service-wide.*

13. Joint Consultative Committee Update

The Assistant Chief Fire Officer presented a report that informed the Policy and Resources Committee of the activities of the Joint Consultative Committee (JCC) since September 2013.

Resolved that the content of the report be noted, including the following items still under discussion by the Joint Consultative Committee:

- (i) the review of the Fire Control structure;*
- (ii) Service Policy on Financial Assistance for Medical Treatment;*
- (iii) Out of Service Mobilisation; and*
- (iv) the potential impact of the Community Risk Management Plan and Fire Cover Review.*

14. Asset Management Strategy : Hereford Fire Station

The Chief Fire Officer presented a report that advised the Policy and Resources Committee of a proposed arrangement to provide a new fire station in Hereford and seek approval to proceed with the project through to completion.

Resolved that:

- (i) the Policy and Resources Committee approve the proposed arrangement between Herefordshire Council and the Fire Authority to provide a new fire station in Hereford; and**
- (ii) that the Policy and Resources Committee authorise the Chief Fire Officer to proceed with the project to completion, on terms to be agreed with the Treasurer and Head of Legal Services and in consultation with the Chairman of the Fire Authority.**

The meeting concluded at 12.40 pm.

Signed: _____
Chairman

Date: _____